

MATPLUS, LTD.
TERMS AND CONDITIONS OF PURCHASE

ORDERS ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS INCLUDING THOSE APPEARING ON THE FACE OF THIS PURCHASE ORDER. Matplus, LTD. is herein called "Buyer". The recipient of this Order is herein called "Seller". The goods that are the subject of this Purchase Order are called "Goods".

1. ACCEPTANCE: This Purchase Order becomes a binding agreement on the terms set forth herein when it is accepted by Seller by written acknowledgement or commencement of performance. Any additional or different term or condition stated by Seller in accepting or acknowledging this Purchase Order or otherwise is objected to and will not be binding upon Buyer unless expressly accepted in writing by Buyer. Buyer's payment for any shipment, or similar act, shall not constitute acceptance of Seller's terms or conditions, or alter the terms of this Purchase Order.

2. INSPECTION: Seller shall provide Buyer with copies of all Seller inspection and test reports for the Goods. Buyer shall have the right to inspect and test Goods received from Seller to determine if the Goods conform to Buyer's instructions, drawings and specifications. Any non-conforming Goods will, at Buyer's election, either be returned to Seller, freight collect, F.O.B. Buyer's facility, or repaired by Seller, at Seller's sole cost and expense, at a location specified by Buyer, within five (5) days of a request for repair by Buyer. Seller must provide to Buyer a Return Goods Authorization (RGA) within 24 hours after notification by Buyer of non-conforming Goods. Seller must provide Buyer with new, replacement Goods, F.O.B. Buyer's facility, within ten (10) days of receipt of the non-conforming Goods. Seller will assume all freight costs and any sales or use taxes associated with replacement Goods. For purposes of this Agreement, non-conforming Goods will not be deemed delivered on time, unless replacement Goods are delivered within the on-time period applicable to the original purchase order.

3. WARRANTIES OF SELLER: Seller expressly warrants that the Goods will conform to the specifications, drawings, samples or other descriptions furnished by Buyer, are provided with clear title, and will be merchantable, of good material and workmanship, free from defects and fit and sufficient for the purposes intended by Buyer. Warranty duration shall be the longest of the following periods: (i) twenty-four (24) months from date of delivery of Goods to Buyer; (ii) 12 months from unit start-up; or (iii) the term length of Seller's standard warranty. Payment for, inspection of, or acceptance of Goods by Buyer will not constitute a waiver of these warranties. Seller further warrants that it will provide replacement parts for at least seven (7) years from delivery of Goods; and that replacement parts pricing must not exceed the most favorable pricing Seller offers to other customers who purchase similar Goods in like quantities. These warranties must be in addition to any warranties of additional scope given to Buyer by Seller and will inure to the benefit of Buyer, its successors, assigns, customers and users of the Goods. Seller is responsible for all claims, demands or damages that result from breach of any of these warranties.

4. SELLER DOCUMENTATION: Prior to or upon delivery of the Goods, Seller must provide Buyer with all drawings, designs, operating manuals, warranty information and other documentation pertaining to the Goods. Buyer may reproduce this documentation as needed. All invoices and supporting documents must be properly submitted and received not later than one hundred twenty (120) days from the completion of vendor performance, time being of the essence. Buyer, in its sole discretion, reserves the right to assess a reasonable administrative charge in the event a proper invoice and necessary supporting documents are not timely received. Upon request by Buyer, Seller must provide accurate and timely Certificates of Origin. Seller must reimburse Buyer for any duties or other administrative penalties Buyer must pay resulting from inability to validate that parts purchased may be of a NAFTA country of origin, and Buyer may debit such amounts against Seller's account.

5. INTELLECTUAL PROPERTY: Seller warrants that the Goods and the sale or use of such Goods will not infringe upon any United States or foreign letters patent, trademark or copyright. Seller agrees to indemnify, defend, protect and save harmless Buyer, its successors, assigns, customers and users of the Goods from and against any and

all expenses, costs and other damages, including reasonable attorneys' fees, arising out of claims, demands, judgments and actions, whether in law or in equity, for actual or alleged infringement of any patent, trademark or copyright by reason of the sale or use of the Goods. Buyer, if it so desires, may be represented by its own counsel in any such suit or proceeding at Seller's expense.

6. BUYER'S DATA: No specifications, drawings, written or oral information or data of whatsoever kind supplied by Buyer to Seller, herein called "data", may be used by Seller, directly or indirectly, for any purpose other than production of good(s) for Buyer, without the prior written consent of Buyer. Seller must use reasonable efforts, consistent with Seller's own policies regarding protection of confidential, proprietary and trade secret information to prevent disclosure of Buyer's data to others. Seller must restrict dissemination of this data to those persons or entities that require the data to produce the Goods and must place the same contractual restrictions on these parties as are placed upon Seller. Upon completion of Seller's work hereunder, Seller must promptly return to Buyer all data together with all copies and reprints in Seller's possession or control. All data will be and remain the sole and exclusive property of Buyer and Seller will have only the limited license to utilize such data in connection with the performance of its obligations hereunder.

7. DELIVERY OF GOODS: Seller must use best efforts to comply with the design, manufacturing and delivery schedule ("Schedule") provided by Buyer to Seller. Seller acknowledges that as to delivery of Goods time is expressly made of the essence. Delivery terms shall be F.O.B. Buyer's facility. Risk of loss and damage and responsibility to insure will pass from Seller to Buyer upon delivery. If Seller anticipates that a shipment will not be delivered on time, Seller will notify Buyer of same and will take all reasonable steps, at Seller's own cost, to expedite shipment. Seller will be responsible to pay the difference between normal shipping methods and premium shipping methods as part of the expedite process. Each shipment must contain a packing list stating the contents and Buyer's purchase order number. Seller will have the responsibility for and expense of preparing and filing claims against carriers for loss or damage to Goods in transit. Seller will not reserve a security interest in shipped Goods.

8. PAYMENT: Unless otherwise stated in a written agreement signed by both parties, or in the "Terms" section of the first page of this Purchase Order, Payment terms for proper Seller invoices will be 5th-2rd Prox. Taxes must be stated separately on invoices and Buyer must pay all taxes applicable to the sale of Goods hereunder unless otherwise agreed, or if Buyer furnishes Seller with an appropriate exemption certificate. If Seller fails to comply with the terms of this Purchase Order, Buyer may elect to make adjustments to Seller's invoices before payment. Buyer reserves the right to set off any amount owing to Seller against any amount owing to Buyer from Seller.

9. ASSIGNMENT: Seller may not assign this Purchase Order or any portion thereof without the prior written consent of Buyer.

10. CANCELLATION: This Purchase Order is subject to cancellation by Buyer, in whole or in part, at any time by written notice to Seller. In the event that Buyer's cancellation is as a result of Seller's failure to meet the conditions specified herein, Buyer is under no obligation to pay Seller for any work undertaken, services rendered, Goods completed, or Goods delivered. In the event of Buyer cancellation for other reasons, Seller will, as to the cancelled portion of the Purchase Order, stop work immediately, notify vendors and subcontractors to stop work, cancel commitments, protect property in its possession and limit costs and expenses to Buyer to the greatest extent possible. If the Goods are not Seller's standard product, Seller may claim reimbursement for its actual costs incurred up to the date of cancellation which are properly allocable to the cancelled portion of the Purchase Order, but in all instances excluding any charges for interest, materials which Seller may be able to divert to others, and Goods whose completion was premature under the Schedule. A reasonable profit may also be claimed on work done prior to cancellation, the rate of which may not exceed the rate used in establishing the original purchase order price. The total of any cancellation claim may not, however, exceed the cancelled commitment value of the Purchase Order. Buyer will have no other liability with respect to the cancelled portion of the Purchase Order.

11. DISCLAIMER OF DAMAGES: In all instances, Buyer will NOT BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY

KIND WHATSOEVER, DIRECT OR INDIRECT, INCLUDING WITHOUT LIMITATION, LOST PROFITS, LOSS OF REVENUE, OR BUSINESS INTERRUPTION incurred by Seller by reason of Buyer's performance under or cancellation of this Purchase Order.

12. DELAYS: Neither party will be liable to the other for any cost, expense or damage due to a delay in performance of this Purchase Order where such delay is due to causes beyond its reasonable control and not due to its default or negligence, including but not limited to natural disasters, acts of government after the date of this agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war, or epidemics. In the event of an excusable delay greater than sixty (60) days, the non-delayed party will have the option of either continuing or canceling this Purchase Order upon prompt written notice to the other party.

13. CHANGES BY BUYER: Buyer may at any time, in writing, make changes in or additions to the drawings, specifications, Schedule, shipment and delivery terms or any other terms hereunder. If any such change or addition causes a variation in the cost or time required for performance Seller will notify Buyer immediately in writing to request an equitable written adjustment from Buyer. Pending such adjustment, Seller will proceed in accordance with Buyer's revisions. Any claim for adjustment by Seller will be deemed waived unless asserted by Seller within ten (10) days from receipt of Buyer's instructions.

14. COMPLIANCE WITH LAWS: Seller agrees as a condition of payment to comply with all applicable Federal, State and Local Laws, Regulations, Orders, and Rules, including, without limitation, all Safety, Labor and Environmental requirements in the providing of Material Safety Data Sheets and certification on each invoice that "Seller certifies that Goods were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act as amended and Regulations and Orders of the United States Department of Labor issued under Section 14 thereof."

15. EQUAL EMPLOYMENT. Seller may not discriminate against any employee or applicant for employment in the performance of this Purchase Order on the basis of race, creed, color, age, sex, religion, national origin, ancestry, marital status or handicap. Seller will comply with all federal, state, and local laws, implementing regulations, and ordinances governing equal employment including, but not limited to, Title VII of the Civil Rights Act of 1964 (42 USC Section 2000e), Americans with Disabilities Act (42 USC Section 12101), Age Discrimination in Employment Act (29 USC Section 621), and Executive Order 11246 (41 CFR Section 60), as each may be amended from time to time.

16. INDEMNIFICATION: Seller will be responsible for the death of, or injury to, any person and for damage to any property arising out of or in any way connected with the performance of this Purchase Order or which is alleged to have resulted from the Goods hereby ordered and Seller agrees to indemnify, defend, protect and save harmless Buyer, its directors, officers, shareholders, employees, successors, assigns, customers and users of its products from and against any and all expenses, costs and other damages, including attorneys' fees, arising out of claims, demands, judgments and actions, whether in law or in equity, resulting from such death or injury to any person or damage to property. Seller and its vendors and subcontractors are required to maintain, at all times, insurance in amounts sufficient to cover the obligations set forth above.

17. GOVERNING LAW: This Purchase Order shall be governed by and construed in accordance with the laws of the State of Ohio. Any action arising out of this Purchase Order may be brought in the state courts of Lake County, Ohio, or federal courts of the Northern District of Ohio. Seller consents that such courts will have exclusive personal jurisdiction over Seller with respect to any such action.

18. FINAL AND COMPLETE AGREEMENT: These Purchase Order terms and conditions and the documents referenced herein constitute the entire agreement between Buyer and Seller with respect to the subject matter herein and supersede any and all prior or contemporaneous agreements, understandings, negotiations, discussions, offers and acceptances with respect to such subject matter.