



CABLECRAFT MOTION CONTROLS LLC TERMS AND CONDITIONS

(1) Agreement and Limitations. The agreement (the "sales contract") between Cablecraft Motion Controls LLC, a Delaware limited liability company ("Seller"), and you ("Buyer") with respect to the sale of goods described on the other side hereof (the "goods") shall consist of the terms appearing hereon and on the other side hereof, together with any additions or revisions of such terms mutually agreed to in writing by Seller and Buyer. Seller shall not be bound by any additional or different terms, whether printed or otherwise, in Buyer's purchase order or in any other communication from Buyer to Seller unless specifically agreed to by Seller in writing. The sales contract shall be for the benefit of Seller and Buyer and not for the benefit of any other person. Prior courses of dealing or performance, trade usage and verbal agreements not reduced to a writing signed by Seller, to the extent they modify, add to or detract from the sales contract, shall not be binding on Seller.

(2) Termination or Modification. The sales contract may be modified or terminated only upon Seller's written consent. If all or part of the sales contract is terminated, Buyer shall pay termination charges based upon expenses and costs incurred in the production of the goods to the date such termination is accepted by Seller plus a reasonable profit. Notwithstanding any such termination, Buyer shall accept delivery of and pay in full for any goods completed on or prior to Seller's acceptance of such termination plus Seller's non-recoverable costs (including incidental and consequential damages) attributable to the terminated order.

(3) Price and Payment. The price of the goods sold pursuant to this contract shall be based upon Seller's prices in effect at the time of shipment. Unless otherwise provided, such price is EXW Seller's point of shipment and terms of payment shall be NET 30 DAYS from date of invoice. If the contract is for more than one unit of goods, the goods may be shipped in a single lot or in several lots at the discretion of Seller, and each such shipment shall be paid for separately. Notwithstanding anything to the contrary contained in this contract, Seller may at any time, and from time to time, increase the price of the goods sold pursuant to this contract to reflect raw material cost increases, supplier surcharges or both. Seller may require full or partial payment or payment guarantee in advance of shipment. Seller reserves the right to charge interest at the rate of 1.5% per month (18% per annum or the maximum interest rate permitted by law) on all amounts not paid when due, and to set off any amounts it owes Buyer against any amounts Buyer owes Seller. If Seller retains legal counsel to assist in obtaining payment of any amounts due from Buyer, Buyer shall pay reasonable fees and expenses of such counsel, including reasonable costs of investigation.

(4) Tooling. Unless otherwise specified on this order, charges for tools, patterns, dies and fixtures cover only a portion of their cost and, therefore, Seller shall retain title and right of possession thereto. Seller shall store and maintain them for Buyer's use, but Seller reserves the right to scrap them if not used on Buyer's repeat orders within two years.

(5) Taxes. Prices do not include taxes. All taxes and other governmental charges upon the production, sale or use of the goods, to the extent required or not forbidden by law to be collected by Seller from Buyer, shall be paid by Buyer to Seller unless Buyer furnishes Seller with exemption certificates acceptable to taxing authorities.

(6) Delivery and Quantities. Promises of delivery from stock are subject to prior sale. Delivery dates are not guaranteed but are estimated on the basis of immediate receipt by Seller of all information to be furnished by Buyer and the absence of delays, direct or indirect, resulting from or contributed to by circumstances beyond Seller's reasonable control. Seller shall in good faith endeavor to meet estimated delivery dates.

(7) Returned Goods. Unused, unaltered standard catalog items only may be returned at Buyer's expense for credit upon Seller's prior written consent (Returned Goods Authorization- RMA) and upon the terms specified by Seller. A restocking and handling charge computed at the minimum rate of 20% of the total invoice price excluding taxes on such returned items will be assessed on any such return. Buyer assumes all risk of loss of such returned goods until actual receipt by Seller.

(8) Risk of Loss. Buyer assumes all risk of loss of goods upon delivery by Seller to the carrier.

(9) Security Interest. Buyer grants Seller a security interest in the product to secure payment of the purchase price. Upon such payment, such security interest shall terminate. Until such payment, Buyer shall not lease or transfer the product or encumber the product with any other liens or security interests. Buyer agrees to execute any financing statement or other document that Seller reasonably believes is necessary to protect Seller's security interest in the product. Upon default, Buyer shall be liable for all costs and expenses, including reasonable attorney's fees, incurred by Seller in enforcing the sales contract.

(10) Confidentiality. Buyer shall keep confidential all technical data, layouts, pricing or other proprietary or sensitive information supplied by Seller in connection herewith.



(11) OSHA Laws. Seller has taken the Occupational Safety and Health Act of 1970 ("OSHA") and similar state and local laws into account in the design of the product, so that appropriate use of the product will comply with such laws; however, because such compliance is significantly affected by factors beyond Seller's control (such as installation, plant layout, building acoustics, processing materials and procedures, and employee training and supervision), Seller does not represent or warrant that the product or its use complies with such laws, and the Buyer shall be solely responsible for such compliance and the costs of any modifications needed for such compliance.

(12) Warranty. Seller warrants to Buyer that the goods at the time of shipment will be free from material defects in material and workmanship and, with respect to Seller's standard catalog items that the goods will conform in all material respects to Seller's specifications. This warranty shall be ineffective if more than one year has elapsed from the date of manufacture, and it shall not extend to goods subjected to misuse, neglect, accident or improper installation or maintenance or that have been altered or repaired by anyone other than the Seller or its authorized representative. Any model or sample provided to Buyer was used merely to illustrate the general type and quality of goods and not to warrant that goods shipped would be of that type or quality. No agent, employee or representative of Seller has authority to bind Seller to any affirmation, representation or warranty concerning the goods sold hereunder, and any such affirmation, representation or warranty has not formed a part of the basis of the bargain and shall be unenforceable. Seller's sole obligation under the foregoing warranty is limited to, at Seller's option, replacing or repairing defective goods or refunding the purchase price. Buyer's exclusive remedy for breach of warranty will be enforcement of such obligation of Seller. The warranty contained herein is made only to and for the exclusive benefit of Buyer, and does not extend to any subsequent purchaser or user of the goods or of any product of which the goods may be a component part. THE ABOVE WARRANTY IS THE SELLER'S SOLE AND ENTIRE WARRANTY OBLIGATION AND LIABILITY. ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

(13) Remedies and Limitation of Liability. If Buyer claims Seller has breached any of its obligations under the sales contract, whether of warranty or otherwise, Seller may request the return of the goods. In such event, Seller shall have no further obligation under the sales contract except to refund such purchase price upon redelivery of the goods. If Seller so requests the return of the goods, the goods will be redelivered to Seller in accordance with Seller's instructions and at Seller's expense. The remedies contained in this and the preceding section shall constitute the sole recourse of Buyer against Seller for breach of any of Seller's obligations under the sales contract, whether of warranty or otherwise. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY AMOUNTS REPRESENTING LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF BUSINESS OPPORTUNITIES OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, NOR SHALL SELLER'S LIABILITY ON OR WITH RESPECT TO ANY CLAIM ARISING OUT OF OR CONNECTED WITH THE SALES CONTRACT OR THE MANUFACTURE, SALE, DELIVERY OR USE OF THE GOODS EXCEED THE PURCHASE PRICE OF THE GOODS. Seller shall not be liable for failure to perform its obligations under the sales contract resulting directly or indirectly from or contributed to by acts of God; acts of Buyer; civil or military authority; fires; strikes or other open disputes; accidents; floods; epidemics; war; riot; delays in transportation; lack of or inability to obtain raw materials, components, labor, fuel or supplies; or other circumstances beyond Seller's reasonable control, whether or not similar to the foregoing.

(14) Patents. Seller shall assume the defense of any suit for infringement of any U.S. patent brought against Buyer to the extent such suit charges infringement of an apparatus or product claim by Seller's product in and of itself, provided (i) said product is built entirely to Seller's design, (ii) Buyer notifies Seller in writing of the filing of such suit within ten (10) working days after the service of the process thereof, and (iii) Seller is given complete control of the defense of such suit, including the right to defend, settle and make changes in the product for the purpose of avoiding infringement. Seller assumes no responsibility for charges of its infringement of any process or method claims, unless infringement of such claims is the result of following specific instructions furnished by Seller.

(15) Selection and Installation. Buyer represents that the goods sold hereunder are fit for their actual or intended use and that Buyer placed no reliance on Seller's skill or judgment in selecting suitable goods. Installation of the goods shall be Buyer's responsibility. Buyer represents and warrants that the use and installation of the goods shall be made in compliance with all applicable government requirements.

(16) Governing Law and Limitation. The formation and performance of the sales contract shall be governed by the Uniform Commercial Code adopted in the state of Seller's point of shipment. Whenever a term defined in such Uniform Commercial Code is used but not defined in these standard provisions, the definition contained in such Uniform Commercial Code shall control. Any action for breach of the sales contract or any covenant or warranty must be commenced within one year after the cause of action has accrued.