

1. Definitions:

- (a) "TBJ Inc." refers to TBJ Inc. or any division, subsidiary or affiliate thereof, and "Buyer" means the customer (user of reseller) purchasing or licensing Products from TBJ Inc.
- (b) "Product(s)" means any equipment sold or manufactured to Buyer by TBJ Inc. under the Purchase Order.

2. Agreement of the Parties:

TBJ Inc. purchase order or quotation (Proposal) and the Terms and Conditions of Sale may be modified only in writing by TBJ Inc. and in no event will TBJ Inc.'s performance be deemed an acceptance of any terms in Buyer's request for proposal or in Buyer's purchase order which in any way vary from these Terms and Conditions of Sale. Any acceptance of TBJ Inc.'s Proposal is expressly limited to acceptance of these Terms and Conditions of Sale. TBJ Inc. objects to terms or conditions additional to or different from the Terms and Conditions of Sales and its Proposal, whether or not material. If it is determined that Buyer's order is an offer, then any acceptance by TBJ Inc. is expressly conditioned on Buyer's assent to these Terms and Conditions. TBJ Inc.'s Proposal, the Terms and Conditions and any other provisions which are otherwise agreed to in writing by TBJ Inc. constitute the complete and exclusive statement of the agreement superseding any differing statements, oral or written.

3. Prices:

- (a) Prices are from TBJ Inc.'s dock, and do not include sales, use or excise taxes, custom duties, or similar taxes and fees, which are the responsibility of the Buyer. Where applicable, the Buyer will provide TBJ Inc. with an effective tax-exempt certificate.
- (b) TBJ Inc. reserves the right to change its prices prior to formation of a binding agreement or as per the Proposal. Proposals are subject to revision in case of clerical error.
- (c) Prices quoted are based on the applicability of these Terms and Conditions including, without limitation, the allocation of risk of Product failure and liability limitations.

4. Payment Terms:

Payment terms are subject to credit approval, at TBJ Inc.'s sole discretion. Interest of 1 ½% per month is assessed on all overdue accounts. Shipment in the U.S. or Canada:

- (a) Net cash due thirty (30) days form the date of shipment unless progress payment schedules are set forth in the Proposal. Shipment outside the U.S. or Canada:
 - (a) All payments must be in U.S. Dollars.
 - (b) Payment for Products must be made by wire transfer before shipment or an irrevocable Letter of Credit confirmed by a U.S. bank acceptable to TBJ Inc.
 - (c) The Letter of Credit must:
 - (1) Cover the full amount of the purchase price, less the amount of advance payment
 - (2) Accompany the order and carry an expiration date at least ninety (90) days beyond the scheduled shipping date
 - (3) Be payable upon presentation of bill of lading, commercial invoice and packing list. If, however, TBJ Inc. is unable to ship for any cause beyond TBJ Inc.'s reasonable control, TBJ Inc. has the right to draw upon the Letter of Credit by furnishing a certificate of manufacture. Storage will be at the Buyer's expense.

5. Security Agreement:

The parties acknowledge that title to the Products does not pass to Buyer until TBJ Inc. is paid in full the purchase price per the Proposal. However, if it shall be contended that the title has passed to Buyer before TBJ Inc. is paid in full, it is the parties intention that TBJ Inc. shall be granted a first priority purchase money security interest in the Products, and, in order to secure payment and Buyer's other obligations, TBJ Inc. retains and Buyer grants a security interest in all Products. Buyer will sign and deliver such security agreements, financing statements and other documentation or evidence of the security interest as requested by TBJ Inc. in a form suitable for filing in the jurisdiction where the Products are to be located in order to recognize and protect to the fullest extent permitted by law TBJ Inc.'s interest in the Products (or the real estate of which they become a part) until it is paid in full. Buyer hereby appoints TBJ Inc. as its attorney-in-fact with full power and authority to execute such documents on Buyer's behalf as TBJ Inc. shall determine necessary to reflect and protect its interest.

6. Shipment/Delivery:

The shipping schedule and delivery dates are computed from the date of TBJ Inc.'s acknowledgment, the receipt of the down payment, if required, and the information and approvals necessary to proceed with design and manufacture, including receipt from buyer of signed approval drawings. Shipment and delivery are further subject to delays caused by specification changes. All risk of loss and damage passes to the Buyer when TBJ Inc. delivers the Product into the custody of the carrier, consigned to the Buyer. In the absence of specific instructions from the Buyer, TBJ Inc. may select the carrier and shipping route. The Products will be shipped by TBJ Inc. no earlier than 90 days from the date of receipt by TBJ Inc. of signed approval drawings. Buyer shall be responsible to pay TBJ Inc. a storage charge if Buyer delays delivery more than 30 days from the agreed upon delivery date.

7. Limited Warranty/Limited Remedies:

For Shipments in the U.S. or Canada:

Except as otherwise provided in this Section 7, Products manufactured by TBJ Inc. will be free from defects in material and workmanship and conform to TBJ Inc.'s description or specifications. If a warranty claim is made within one (1) year from the date of shipment, the defective or nonconforming Product or Part thereof will be repaired or (at TBJ Inc.'s option) replaced free of charge, FCA TBJ Inc.'s dock.

For Shipments outside the U.S. or Canada:

Except as otherwise provided in this Section 7, Products manufactured by TBJ Inc. will be free from defects in material and workmanship and conform to TBJ Inc.'s description or specifications. If a warranty claim is made within one (1) year from the date of shipment, the defective or nonconforming Product or Part thereof will be repaired or (at TBJ Inc.'s option) replaced free of charge, FCA TBJ Inc.'s dock. As to any defective or non conforming Part, the Part will be replaced upon return of the defective Part to TBJ Inc. TBJ Inc. will owe no obligation to perform any repair or to install any replacement part.

- (a) Parts manufactured and furnished by TBJ Inc. that prove defective or nonconforming under this limited warranty will be replaced with a new or (at TBJ Inc.'s option) like-new part free of charge, FCA TBJ Inc.'s dock within ninety (90) days from acceptance or, in the case of Parts supplied under warranty, until the expiration of the Product warranty, whichever is later.
- (b) To the extent that TBJ Inc. is acting as a supplier of Products manufactured by a third party, the Products will be warranted only to the extent that they are warranted by their manufacturers and Buyer agrees to look solely to the Product manufacturer for all warranty claims.
- (c) All warranty claims must be made promptly after discovery of defect or nonconformity. In no event will any warranty claim be made or honored when made after the expiration of the applicable warranty period.
- (d) The warranties set forth in this Section 7: (1) are not transferable; (2) will not apply unless the Product has been properly installed, maintained and operated in accordance with all instructions and within the limits of rated and normal operating conditions; and (3) do not apply to defects nonconformities or other failure due to Product misuse or abuse or other causes outside TBJ Inc.'s control.

- (e) If, after a reasonable number of repeated efforts, TBJ INC. is unable to repair or replace a defective nonconforming Product, TBJ INC. shall have the option to accept return of the Product (or part thereof, if such does not substantially impair its value) and return the purchase price as Buyer's entire and exclusive remedy. Under no circumstances will TBJ INC. have any liability whatsoever for loss or use or downtime, lost production, revenue or profits, or for any other indirect, special, incidental or consequential damages, whether such liability is based on contract (including breach of warranty or representation) or tort (including negligence or strict liability) or other legal theory whatsoever, even if TB had notice of the possibility of such damages and even if any warranty or remedy is held to have failed its essential purpose.
- (f) The warranties set forth in this Section 7 are in lieu of all other warranties expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose.
- (g) In the event that the foregoing disclaimer of additional warranties is not given full force and effect, any resulting additional warranty shall be limited in duration to the express warranties and be otherwise subject to and limited by these terms and conditions.
- (h) This warranty does not in any way extend to any Product that has a life, under rated and normal usage, inherently shorter than the applicable warranty period, consumables, or recommended spare Parts. This warranty does not cover normal adjustments or calibration, or the failures arising from Buyer's failure to perform adjustments or calibrations, or recommended maintenance or repair.
- (i) TBJ INC. may condition warranty replacement upon return of any defective or nonconforming Product or part.
- (j) It shall be TBJ Inc.'s determination as to whether a Product, part or component is defective or nonconforming. If Buyer disagrees with TBJ Inc.'s determination, Buyer's sole remedy is to pursue a determination under Section 21.

8. Proprietary Information:

TBJ INC. retains all rights and title in and to TBJ Inc.'s inventions, discoveries, concepts and ideas embodied in its Products, related documentation and other technical data, delivered or disclosed to Buyer verbally or in drawings, written or printed matter, electronic storage media, or other form whatsoever ("Developments"). Buyer shall keep confidential and not disclose, reproduce, excerpt or distribute any portion thereof.

9. Infringement:

- (a) If it is claimed that any Product in the condition manufactured by and received from TBJ INC. infringes a claim (other than a claim covering a process or the product thereof) of any patent existing at time of shipment, TBJ INC. shall, at its option,
 - (1) Procure for Buyer the right to use the Product;
 - (2) Modify or replace the Product so as to avoid infringement; or
 - (3) Accept return of the Product and reimburse Buyer for the Buyer's net book value thereof and any transportation expenses incurred. TBJ Inc. will defend Buyer against infringement claim and pay any damages and costs awarded against Buyer, provided TBJ INC. is given prompt written notice and copies of all demands, process and pleadings and Buyer cooperates fully in giving TBJ INC. authority, control, information and assistance at TBJ Inc.'s expense for such defense or any settlement.
- (b) The foregoing states TBJ Inc.'s entire liability with respect to patent or copyright infringement. TBJ Inc.'s indemnity does not extend to any infringement based, directly or indirectly, upon the manufacture, use, or sale of any Product sold to Buyer which is not designed and manufactured by TBJ Inc. To the extent that any Product is supplied according to Buyer's design or instructions, Buyer agrees to defend and indemnify TBJ INC. in the manner and to the extent set forth in subsection above.

10. Order Termination/Changes:

- (a) Upon an agreed-upon work termination, TBJ INC. will be compensated as follows:
 - (1) Any work that can be completed within thirty (30) days from notification will be completed and shipped and be paid for in full.
 - (2) For work in process and any materials and supplies procured or for which commitments have been made, Buyer will pay TBJ Inc. its actual costs and overhead expenses determined in accordance with generally accepted accounting practice, plus 25%.
 - (3) For all special tooling or other Products for which commitments have been made by TBJ Inc. in connection with the order, Buyer will pay TBJ Inc. the full price and such Products will become the property of the Buyer.
- (b) Buyer-ordered or caused changes, including work stoppages, that affect price, schedule or TBJ Inc.'s performance, will result in a reasonable adjustment in price or time of performance. TBJ INC. may suspend its performance or perform under the original agreement until mutual agreement is reached on such adjustment.
- (c) No products are to be returned without prior written permission from TBJ Inc. Depending upon the customization the Buyer requests, some products are not returnable. Upon TBJ Inc.'s approval of the return, Buyer pays shipping charges and a restocking charge of 30%, of the Product's current price and bears risk of loss or damage in transit.

11. Occupational Safety and Health:

It is Buyer's or the user's responsibility to install and use any Product in a safe manner in its facility and to provide all proper dies, devices, tools and means that may be necessary to protect all personnel from bodily injury that may result from Buyer's particular use, operation, set-up or service of the Products. Buyer is advised to consult the operator, machine and programming manuals, ANSI Safety Standards and state and federal OSHA regulations. Buyer Shall Install and use the products at all times in compliance with the foregoing manuals, safety standards, applicable codes, ordinances, regulations and laws and general standards of care.

12. Hold Harmless/Indemnity:

Buyer hereby releases and agrees to defend, indemnify and hold TBJ INC. harmless from and against all claims, demands, suits and causes of action ("Liability") for property damage, personal injury and death, and all loss, cost, damage and expense (including reasonable attorneys' fees) relating to the Products, arising out of:

- (1) Buyer's modification to, or change of the Product or the failure to purchase, install, provide or implement any Part (including, but not limited to, mechanical, electrical or software interlock or other safety device) or Software Materials offered to Buyer or existing in a Product as originally delivered;
- (2) Any claim arising in, on or about Buyer's premises and allegedly resulting from TBJ Inc.'s negligent acts, breach of contract or alleged act, error or omission in connection with installation, testing, operation or delivery of the Products, including, but not limited to, claims made by employees or agents of buyer, except where such claims arise from the sole negligence of TBJ INC..
- (3) Product designed by TBJ INC. under any simultaneous engineering order which is manufactured by Buyer or third parties on Buyer's behalf; or
- (4) Buyer's negligence, breach of contract, violation of law, or other fault.

13. Limitation of Liability:

TBJ Inc. and its suppliers shall not be liable for any loss or use or downtime or lost production, revenue or profit, or for any special, consequential, incidental or indirect damages with respect to the purchase, sale, use or non-use of products, whether such liability is based upon contract (including breach of a representation or warranty), Tort (including negligence or strict liability), or other legal theory whatsoever, even if TBJ Inc. had notice of the possibility of such damages and even if any warranty or remedy is held to have failed its essential purpose. In the event that the foregoing limitation is not given full force and effect, TBJ Inc.'s liability for such damages shall not exceed the price of the product or part upon which the claim is based.

TBJ INC. Inc. owes no obligation to protect its work or the Products during or upon installation where the damage is caused by vandalism, theft, casualty or other cause beyond TBJ Inc.'s control. TBJ INC. Inc. shall have no responsibility to repair or replace its work or the Products where the same is lost or damaged due to the acts, errors or omissions of third parties.

14. Buyer's Default:

The happening of any of the following shall constitute a default by Buyer:

- (a) Any warranty or representation made or furnished by Buyer in connection with inducing the Proposal or any payment terms, which proves to have been false in any material respect when made or furnished;
- (b) Breach or failure by Buyer to keep or perform any of its covenants in or to observe any of the terms of this Agreement;
- (c) Failure by Buyer in the payment when due of amounts due TBJ INC.;
- (d) The levy of any attachment, execution or other process against Buyer or against the Products or any part thereof and the failure of removal of such process within thirty (30) days;
- (e) The loss, theft, damage, destruction, sale or encumbrance to or of the Products, or any substantial part thereof, unless substantially covered by insurance;
- (f) The failure by Buyer to pay any taxes or trade creditors when due; the suspension of the business of Buyer or commencement of proceedings for its dissolution or liquidation or the making of a general assignment for the benefit of creditors or the commencement of proceedings against Buyer under any bankruptcy, insolvency, readjustment of debt or liquidation law or statute of the federal government or any state government; or the adjudication of Buyer as a bankrupt or insolvent under any law of statute, or the application for, or by any action by Buyer the indication of its approval of, consent to, acquiescence in, the appointment of a trustee or receiver or the whole or any substantial portion of its assets, or if a trustee or receiver (other than an ex parte trustee or receiver) is appointed for the whole or any substantial portion of its assets;
- (g) There shall be no change in ownership of the shares of stock affecting control of the Buyer, a reorganization or merger, or other transactions involving the assets of Buyer (other than sales of inventory in the ordinary course of business) without the express written consent of TBJ Inc.;
- (h) If Buyer shall fail to execute or authorize the execution of such additional security agreements and UCC-1 financing statements (or similar agreements and statements as shall be required for filing in any jurisdiction where the Products are being installed) as TBJ Inc. shall request in order to reflect TBJ INC.'s ownership interest in the products until TBJ Inc. is paid in full and/or purchase money security interest in the Products.

15. TBJ Inc.'s Remedies:

Upon, or at any time after an event of default as set forth above, there shall be available to TBJ Inc. at TBJ INC.'s option, any or all of the following remedies:

- (a) Acceleration. Notwithstanding any time or credit allowed by this Agreement or any other instruments, any and all liability of Buyer owing to TBJ Inc.; the entire contracted for amount shall immediately be due and payable without notice or demand.
- (b) Rights under U.C.C.; Assembling Collateral. TBJ Inc. shall have all the rights and remedies of a secured party under the Uniform Commercial Code as enacted and in force in the State of Pennsylvania or under any other applicable statutory or common law of the jurisdiction where the products will be installed. Specifically, TBJ Inc. shall have the immediate right in the event of a default to have access to the Products with full right and authority to immediate possession of the same and Buyer shall assemble the same and make the same available for TBJ Inc. to take possession.
- (c) Fees and Costs. TBJ Inc. shall be entitled to recover all costs and charges including reasonable attorney fees for advice, counsel or other legal services in connection with the exercise of its rights under these T&C's in the event of a breach or threatened breach by Buyer.
- (d) Cumulative Remedies. Any declaration or exercise by TBJ Inc. of its rights pursuant to this Section shall be cumulative to and shall not in any manner effect, abrogate or preclude any other rights or remedies of TBJ Inc. Any forbearance or failure by TBJ Inc. to pursue any remedy in the event of a default shall not constitute a waiver by TBJ Inc. of its right to pursue its full remedies at any time in the future.
- (e) Power of Attorney. Buyer hereby appoints TBJ Inc. its attorney-in-fact to execute such documents with respect to the resale and transfer of the Products by TBJ Inc. after repossession of the same by TBJ Inc. pursuant to the provisions of this Section.

16. Government Restrictions:

TBJ Inc. performance under any contract is subject to the issuance of any required export license or other necessary government authorization. TBJ Inc. has the right to terminate without liability any Proposal, order or contract if TBJ Inc. determines such sale, export or delivery violates applicable law. Termination will not affect the right of TBJ Inc. to recover the contract price for any unpaid goods already delivered. Buyer shall not export or re-export any Product in violation of applicable law.

17. Force Majeure:

TBJ Inc. is not liable to Buyer for any delay in a scheduled delivery or a failure in performance caused by acts beyond TBJ Inc. reasonable control, including, without limitation, acts of God, war, terrorism, insurrection, vandalism, sabotage, accidents, fires, floods, strikes, labor disputes, mechanical breakdown, shortages or delays in obtaining suitable parts or equipment, material, labor or transportation, acts of subcontractors, interruption of utility services, acts of any unit of government or governmental agency, or any similar or dissimilar cause.

18. Course of Performance and Dealing/Usage of Trade:

TBJ Inc. shall have the benefit of and be entitled to rely on course of performance, course of dealing and trade usage in its performance under any contract.

19. NO Waiver:

TBJ INC., Inv. shall have the benefit of all rights and remedies provided by law or equity. Failure of TBJ Inc. to exercise or reserve any right or remedy, or term or condition of any contract, shall not be construed as a waiver or relinquishment of any of the other right, remedy, term or condition of any contract or the future performance or exercise of any such term, condition, right or remedy.

20. Severability:

If any of these T&C's or any provision of the contract between TBJ Inc. and Buyer is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions (or part thereof) shall remain in full force and effect.

21. Resolution of Disputes:

- (a) Except as provided in subsection (d) below, any and all claims or disputes asserted by Buyer arising out of the purchase, sale, license, use or nonuse of Products or the rendering or provision of services, the Proposal, Buyer's purchase order, or the application, validity, interpretation or claimed breach of these T&C's by TBJ will be determined and settled and exclusively by arbitration in Chambersburg, Pennsylvania under Title 9 United States Code "Arbitration" (the "US Federal Arbitration Act"), in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association, except that arbitration shall not be administered by the American Arbitration Association. Rather, upon a written request for arbitration under this Section, the parties shall mutually agree upon a single arbitrator. If the parties cannot agree, either party may petition a Court of competent jurisdiction within the State of Pennsylvania to

appoint a single arbitrator. The parties shall initially bare equally the arbitrator's fees though the arbitrator may apportion the same in accordance with these T&Cs. Any request by Buyer for arbitration will be filed in writing within one (1) year after the act, omission, or alleged breach that gave rise to the claim or dispute; otherwise, the right to any remedy will be deemed forever waived. Nothing herein will be deemed to extend the warranty provided in Section 7.

- (b) This agreement to arbitrate will be specifically enforceable under the prevailing arbitration law. Any award or decision rendered by the arbitrator will be final and conclusive and the arbitrator's award may be entered as a judgment in any court having jurisdiction.
- (c) The arbitrator will not have the authority or power to amend or modify these T&C's, nor to fashion any relief or remedy that would have the effect of modifying or amending these T&C's or of creating additional rights or obligations. The arbitrator will have no power or authority to award punitive or exemplary damages.
- (d) TBJ Inc. may seek injunctive relief from a court to prevent the unauthorized use or transfer of Products or proprietary information including, without limitation, drawings, TBJ Inc. may seek legal, equitable or injunctive relief from a court to the extent that TBJ INC.'s interest in the Products is at risk or in the event of a failure by Buyer to perform and where TBJ INC.'s remedy at law may be inadequate.

22. Choice of Law/Jurisdiction:

This contract between the parties is being delivered and is intended by the parties to be performed, at least in part, in the State of Pennsylvania and shall be construed in accordance with Pennsylvania law. Buyer consents that any action brought by TBJ Inc. to enforce the terms of the parties contract shall be brought in a court of competent jurisdiction in the State of Pennsylvania and Buyer consents to that jurisdiction. Buyer consents that service of process may be made by certified mail, with a copy sent regular mail, addressed to Buyer at Buyer's last known address furnished to TBJ Inc.

23. Non Union Labor:

TBJ Inc. Proposal assumes the use of non-union labor for all work in connection with fabrication and installation. If Buyer requests and TBJ Inc. consents to use labor in performing the work other than its own employees or sub contractors selected by TBJ Buyer will be responsible for any increased costs to TBJ Inc. No labor agreements or prevailing wage rates shall be applicable to TBJ Inc.

24. General:

TBJ Inc. will have no responsibility for any building, plumbing or electrical permits unless the same is specifically set forth in its Proposal.

25. Acceptance:

TBJ Inc. Proposal must be accepted in writing within 30 days or it is withdrawn. Credit is subject to approval. COD or prepayment may be required.