

ASPEN MOTION TECHNOLOGIES
TERMS AND CONDITIONS OF PURCHASE

ACCEPTANCE: The order to which these terms and conditions relate and constitute a part (the "Order") is Buyer's offer to purchase the materials and services ("items") described in the Order. The Order must be accepted in writing by Seller. Even if Seller fails to accept in writing, any conduct by Seller that recognizes the existence of a contract with respect to the subject matter of the Order, such as commencing work on or shipping items, shall be deemed to be Seller's acceptance of the Order and all of the terms and conditions herein. Buyer hereby objects to any terms proposed in Seller's acceptance that add to, vary from or conflict with the terms herein. Any such proposed terms shall be void. If the Order has been issued by Buyer in response to an offer by Seller, then the issuance of the Order shall constitute an acceptance of such offer, subject to the express condition that Seller assent to any additional and different terms contained herein and acknowledge that the Order constitutes the entire agreement between Buyer and Seller with respect to the subject matter hereof and of such offer. Seller shall be deemed to have so assented and acknowledged unless Seller notifies Buyer to the contrary in writing within 10 days of receipt of the Order.

SHIPPING: Time is of the essence in performance of the Order. If not otherwise specified, all goods are sold CIP Buyer's door (as defined by Incoterms 2000). Items must not be delivered prior to the delivery date(s) specified in the Order. If the specified delivery date(s) cannot be met, Seller must immediately inform Buyer in writing of the revised delivery date(s), subject to Buyer's acceptance. If deliveries are not made as required, Buyer may (i) request Seller ship the items by expedited delivery (the cost of which shall be borne by Seller), or (ii) cancel the Order in whole or in part and purchase comparable items elsewhere. Seller shall reimburse Buyer for any resulting loss or additional cost. Each case or parcel and packing list must show Buyer's order number. If no packing list is included, Buyer's count will be conclusive.

WARRANTY: Seller warrants to Buyer that: (a) items will conform to any specifications, drawings, samples or other description furnished or adopted by Buyer, or, if not ordered to specifications, will be fit and sufficient for the purpose intended, and that all items will be merchantable, of good material and workmanship, and free from defect; (b) Seller has good and marketable title to the items and such items will be transferred free and clear of all liens, claims and encumbrances; (c) the prices charged for the items are the lowest prices charged by Seller to purchasers purchasing similar items in like quantities and under similar circumstances; (d) Seller and all items sold by Seller to Buyer comply with all, and otherwise conform to all rules regulating the selling of the items and (e) all items will be manufactured, processed, packaged, labeled, marked, tagged, tested, certified, weighed, inspected, loaded, shipped and sold by Seller hereunder comply with all applicable federal, state, provincial and local laws, rules, regulations and standards, including without limitation those relating to health, safety, environment, serial numbers, labeling and country of origin designations; all FDA, toxic substances, OSHA and EPA regulations and other environmental standards (including, but not limited to restrictions on the use of hazardous substances in electrical and electronic equipment ("RoHS"), collection, treatment, recycling and disposal of waste electrical and electronic equipment ("WEEE"), CE, and the like; Executive Order 11246 and the rules and regulations promulgated thereunder; and the requirements of California Proposition 65

and its implementing regulations. Seller agrees to execute and furnish to Buyer, upon request, all reasonable certifications, guarantees, reports, records and other documents regarding compliance with laws and regulations requested by Buyer, including RoHs and WEEE certifications. Seller shall give Buyer access to Seller's records to verify Seller's compliance. All of Seller's warranties and other obligations shall survive inspection, testing, acceptance of, and payment for the items and shall run to Buyer, its affiliates, successors, assigns and customers.

INSPECTION: Buyer shall have a right to inspect all items. Acknowledgment of receipt on packing slips or bills of lading by any person shall not constitute acceptance. Items delivered in quantity may be inspected by sampling. Buyer's review of any work, designs, drawings, specifications or other documents prepared shall not relieve Seller of any of its obligations under the Order nor excuse or constitute a waiver of any defects or non-conformities in any items or change, modify or otherwise affect any of the provisions of the Order.

REJECTION: If any items fail to conform to the Order, Buyer may, at its option, either return such items for credit or refund or require prompt correction or replacement of such items or parts thereof. Buyer shall notify Seller of any such rejection in writing within one year after delivery. Seller shall pay for the cost of any such returns and the delivery of any corrected or replacement items. Corrected or replacement items shall be subject to the terms of the Order in the same manner and to the same extent as the original items.

TERMINATION: Buyer may terminate the Order or any part thereof without cause prior to delivery of the items by written notice. If Seller fails to comply with any instructions, terms, conditions, or warranties applicable to the Order, fails to make progress so as to endanger performance of the Order, or upon any proceedings by or against Seller in bankruptcy or insolvency or appointment of a receiver or trustee or an assignment for the benefit of creditors, Buyer may, without liability and in addition to any other right or remedy provided by the Order or by law, terminate all or any part of the Order by written notice to Seller.

CHANGES: Buyer may, at any time by written notice, make changes in the specifications, designs or drawings, samples or other description to which the items are to conform, in methods of shipment and packaging, or place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under the Order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the Order modified in writing accordingly. Any claim by Seller for an adjustment must be made in writing within 30 days of the receipt of any such notice, provided, however, that Buyer may, in its discretion, receive and act upon any such claim at any time prior to final payment under the Order. Nothing in this clause shall excuse Seller from proceeding without delay to perform the Order as changed.

PROPRIETARY INFORMATION; CONFIDENTIALITY: Any drawings, data, design, inventions, documents, samples or other information ("proprietary information") supplied to Seller by Buyer shall remain Buyer's property and shall be held in confidence by Seller. Seller shall use such proprietary information solely for the purpose of performance of its

obligations to Buyer hereunder and shall not reproduce, use or disclose any proprietary information to others. All proprietary information shall be returned to Buyer upon completion of its obligations under the order or upon Buyer's demand. Any information which Seller may disclose to Buyer with respect to the design, manufacture, sale or use of the items covered by the Order shall be deemed to have been disclosed as part of the consideration for the Order, and Seller shall not assert any claim against Buyer by reason of Buyer's use thereof.

TAXES: Seller assumes exclusive liability under all laws that impose taxes or other charges on the manufacture or sale of the items to be furnished hereunder, or any component part thereof, or on any process or labor involved therein, or on any services to be rendered by Seller, and to pay any and all such taxes except those Buyer is by law required to pay. Any taxes to be paid by Buyer shall be separately stated on the invoice. Prices shall not include any taxes for which Buyer has furnished a valid exemption certificate.

PATENT INDEMNITY: Seller warrants that the sale and use of the items shall not infringe any patent issued by the United States or any foreign country. Seller will defend any suit for any patent infringement brought against Buyer arising in connection with the items. In the event that such action is brought against Buyer, it shall notify Seller promptly of the commencement thereof. In the event of a judgment against Buyer for such patent infringement, Seller will pay the same and will indemnify Buyer against any liability, damage or expenses incurred in connection with any such suit. If Buyer is enjoined from using the items hereby sold, Seller shall repurchase such items from Buyer at the original purchase price.

INDEMNIFICATION: Seller shall indemnify and hold Buyer harmless against all damages and expenses incurred as a result of (i) Buyer being required to recall any items furnished

hereunder or an end product employing any such items as a part or component thereof or (ii) Buyer being required to repair, replace or refund the purchase price of items or end product. Buyer shall not be required to consult with, or seek Seller's concurrence in, reporting to any administrative or regulatory body, any information Buyer obtains indicating that the items either fail to conform to any standard required by law, or constitute or create of themselves or within the end product of which they are a part or component, a situation requiring recall or notice as defined by applicable law. Seller hereby releases and discharges Buyer from any liability for any error or omission in the reporting of such information unless attributable to Buyer's willful misconduct.

MISCELLANEOUS: (a) The Order shall be governed and interpreted in accordance with the law of Delaware. (b) Seller irrevocably submits to venue and exclusive personal jurisdiction in the federal and state courts in North Carolina for any dispute arising out of the Order, and waives all objections to jurisdiction and venue of such courts (c) The rights and remedies provided Buyer herein shall be cumulative, and in addition to any other rights and remedies provided by law or equity. (d) A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach. (e) Neither the Order nor any rights or obligations herein may be assigned or subcontracted by Seller. Any consent by Buyer to assignment shall not be deemed to waive Buyer's right to recoupment or set off, or both, of claims arising out of this or any other transactions with Seller, its divisions, affiliates or subsidiaries, or to settle or adjust matters with Seller without notice to permitted successors and assigns. (f) The terms of the Order and any express or implied warranties made by Seller to Buyer that are not set forth herein constitute the entire agreement between the parties. Such terms and conditions can be modified or rescinded only by a writing signed by Buyer and Seller.