

TERMS AND CONDITIONS

1. Acceptance: This Purchase Order constitutes Buyer's offer to purchase from Seller. BUYER EXPRESSLY OBJECTS TO AND EXPRESSLY REJECTS ANY PROVISIONS ADDITIONAL TO OR DIFFERENT THAN THE TERMS HEREOF THAT MAY APPEAR IN SELLER'S QUOTATION, ACKNOWLEDGMENT, CONFIRMATION, INVOICE OR IN ANY OTHER PRIOR OR LATER COMMUNICATION FROM SELLER TO BUYER UNLESS SUCH PROVISION IS EXPRESSLY AGREED TO BY BUYER IN A WRITING SIGNED BY BUYER.

Seller's commencement of performance hereunder with the consent of Buyer shall in all cases constitute Seller's unqualified and unconditional acceptance of the terms and conditions of Buyer's offer. This Purchase Order shall supersede all prior negotiations, discussions, and dealings and shall constitute the entire agreement between Buyer and Seller. No change, modification, rescission, discharge, abandonment, or waiver of these terms and conditions shall be binding upon the Buyer unless made in writing and signed on its behalf by a duly authorized representative of Buyer. No conditions, custom, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound. Mistakes in prices, discounts, specifications, delivery schedules or other terms and any noticeable discrepancies in quantities or sizes are to be reported immediately by Seller to Buyer and Seller shall immediately remedy such mistakes by refunding incorrect charges to Buyer or correcting such other discrepancies, unless otherwise directed by Buyer.

2. Changes: The quantities, prices, terms, conditions, or other pertinent specifications of this Purchase Order shall not be changed except by Buyer's written authorization. Where the items to be furnished are to be specially manufactured in accordance with drawings or specifications, Buyer may, at any time, by written order, make changes in the (i) drawings, design or specifications, (ii) method of shipment or packing, and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or time required for, performance of the work under this Purchase Order, an equitable adjustment will be made in the contract price or delivery schedule or both. Seller shall submit its claim within thirty days after the date of receipt of the notification of change. Where the cost of property made obsolete or excess as a result of a change is included in Seller's claim for adjustment, the Buyer shall have the right to prescribe the disposition of such property.

3. Delivery; Inspection; Rejected Products: TIME IS OF THE ESSENCE. If delivery of the Products called for by a delivery order is not expected to be made on-time, Seller will notify the applicable Buyer and will take all reasonable steps at its own cost to expedite delivery; provided however, Buyer reserves the right, without liability, in addition to its other rights and remedies, to cancel the applicable delivery order by notice to Seller and arrange for completion and/or purchase of substitute items elsewhere and to charge Seller with any loss or additional costs or expenses incurred. Notwithstanding the terms of shipment the risk of loss of the Products shall remain with Seller until actual delivery of such Products to Buyer. All materials shall be suitably packed, marked, loaded and shipped in accordance with the requirements of common carriers, applicable laws and regulations and Buyer's marking instructions and packaging specifications. Damage to any material not so packed will be charged to Seller. No charge shall be made by Seller for packing, boxing, drayage, loading or storage unless otherwise stated herein. Any Product furnished and the time and manner of delivery thereof must comply precisely with the terms of this Purchase Order. Any failure to so conform constitutes a substantial impairment of the value of the whole order and shall entitle Buyer, at its sole option, to cancel all or any part of this Purchase Order and to return to Seller any Products previously delivered to Buyer, without right in Seller to cure such failure and Seller shall pay all transportation charges for the delivery to Buyer and any return to Seller and Buyer, at its sole discretion, may obtain replacement Products from another supplier. Should the cost of such replacement Products exceed the agreed upon price for such Products between Buyer and Seller, Seller shall reimburse Buyer for the additional cost or Buyer will off-set such costs against amounts owed to Seller. The Products shall be subject to inspection and testing by Buyer before and after receipt. If after delivery, Buyer finds any of the Products to be defective in material or workmanship, or otherwise not in exact conformity with any warranty, specifications or the requirements hereof, Buyer, in addition to any other rights which it may have under warranties or otherwise, may, at its sole election, reject and return such Products at Seller's expense or retain such rejected Products and remedy such defects at Seller's expense. Products rejected and returned shall not be replaced by Seller without prior written authorization by Buyer, and Buyer, at its sole discretion, may

Obtain replacement Products from another supplier. Should the cost of such replacement Products exceed the agreed upon price for such Products between Buyer and Seller, Seller shall reimburse Buyer for the additional cost or Buyer will off-set such costs against amounts owed to Seller. Products or equipment rejected or not purchased by Buyer which utilize or carry any logo, insignia, name, trade name, trademark, trade dress, symbol, decorative sign, evidence of inspection or other related markings of Buyer or any of its related entities shall have the same removed, not obliterated, prior to any sale, use or disposition, if such sale or disposition is permitted by Buyer. Payment for any Products shall not constitute their approval or acceptance by Buyer. Title to the Products will vest in Buyer upon the earlier of payment, in whole or in part, or delivery.

4. Inventory Control: The Seller will limit and phase expenditures, incurrence of costs and purchases and subcontract commitments for raw materials and components so as to insure continuity of production and permit performance and completion of each production increment in sequence without creating any unreasonable accumulations of raw materials or components for any production increments. Reasonable accumulations of inventory for an annual blanket Purchase Order shall be defined as ¼ of the estimated annual usage. Shipments in excess of scheduled quantities or in advance of schedule delivery dates as shown herein are not to be made without Buyer's written approval. Buyer reserves the right to return at Seller's expense any shipments received contrary to this instruction. Further, time of delivery is of the essence in this agreement. If Seller's deliveries are behind schedule and Buyer finds it necessary to call upon Seller for premium transportation, Seller shall be liable for the difference between specified and premium transportation. In addition, Seller shall perform overtime work and establish extra shifts without additional cost to Buyer, if necessary to maintain delivery dates. Acceptance by Buyer of any late delivery, either in whole or part, shall not constitute a waiver of its claim for any damages resulting from any such late delivery.

5. Special Tooling: If this Purchase Order is for special dies, jigs, tools or patterns or similar items used in the manufacture of goods for the Buyer, or if the price to be paid for the goods being purchased hereunder includes the cost of special dies, jigs, tools or patterns or similar items used in the manufacture of goods for the Buyer, then such special tooling, patterns or similar items shall be and become the property of Buyer and shall be subject to removal from the Seller's premises by the Buyer at any time without further charges of any nature. Such special tooling, patterns or items of a similar nature shall be kept in good condition and from time to time replaced by the Seller without expense to Buyer, except that the actual cost of changes due to Buyer's change of design or specifications shall be paid for by Buyer. Such special dies, jigs, tools or patterns or similar items shall not be used in the filling of purchase orders for any party other than Buyer. Upon cancellation or termination of this Purchase Order for any reason whatsoever, Seller shall prepare such special dies, jigs, tools or patterns or similar items for shipment and dispose of them as Buyer shall direct.

6. Price Competitiveness: Seller warrants that prices for the goods are not higher than those charged other customers for the same or similar goods in similar quantities. If Seller shall sell goods or services of similar kind and quality during the term of this Purchase Order to any other customers, at a price which is lower for the same or a lesser quantity than the purchase price then in effect hereunder, the purchase price hereunder shall be reduced to such lower price for all shipments made while such lower price remains in effect. Buyer may inform Seller if it can purchase goods of like quality at a lower delivered cost than under this contract. Seller shall have 15 days to inform Buyer if it will meet such lower cost for an equal quantity of goods. If it does not, Buyer may purchase such goods from the other source and such quantity shall be deducted from Buyer's obligation hereunder, but the contract otherwise shall remain unaffected.

7. Taxes: Unless otherwise provided herein, Seller shall pay, defend and hold Buyer harmless from the assessment or imposition of any excise, use or other tax (however designated) upon the production, sale, delivery or use of the Products to the extent such assessments or impositions are required or not forbidden by law to be borne by Seller.

8. Terms of Payment; Set-Off: Terms of payment shall be net the 5th day of the third month following the date of the receipt of the Products or invoice by Buyer, whichever occurs last. If more than one payment is required to be made hereunder, Buyer may in its sole discretion, retain up to 10% of any or all installments until completion of the performance due hereunder, at which time the retained sums, less any sums deducted as a set off or recoupment will be paid to Seller. If the terms granted herein contain any discount, the time for earning any such discount shall be computed from the later of the scheduled

delivery date or the date an acceptable invoice is received. Payment is deemed made for purposes of earning the discount on the date of mailing of Buyer's check. Buyer reserves the right at all times to set off any amount owing at any time to Seller or any affiliate of Seller.

9. Warranty. Seller warrants that, for a period of two (2) years from the date a Product is delivered to the Buyer ordering such Product, such Product, when used in a proper and normal manner, will be free from any defects in material and workmanship, in conformity with any applicable specifications, and title to such Products shall be unencumbered. Payment for Products will not constitute approval or acceptance of goods or services by Buyer; Buyer's right of inspection will survive payment. Buyer reserves the right to return, at Seller's expense, any defective or nonconforming Products or shipments received contrary to this Purchase Order. If requested by Buyer, Seller will correct or replace at Seller's expense the defective or nonconforming Products within ten (10) days after delivery to Seller, and all costs incurred in transporting the Products from the Buyer to Seller and return shipment to the Buyer will be borne by Seller. This warranty will then continue as to the corrected or replaced Products for two (2) years after the date of delivery of the corrected or replaced Products to Buyer. Alternatively, Buyer may repair or correct the defective or nonconforming goods at Seller's expense. Rejected or nonconforming Products will not be deemed delivered on time unless corrected or replaced Products are delivered within the on-time period applicable to the order.

10. Inspections: Upon forty-eight (48) hours notice, Seller shall allow authorized representatives of Buyer (i) to inspect Seller's facilities at any time during normal business hours, and (ii) to make finished Products or raw material audits and prepare analytical data for quality control purposes with the assistance of Seller's personnel. Seller shall not require Buyer's representatives to sign any documents prior to entering such facilities, and Seller agrees that any such documents shall be void.

11. Documentation: It is agreed that all technical documentation and other literature necessary for the proper use of the goods and services will be provided to Buyer with the goods and services, unless otherwise directed by the Buyer, and its cost is included in the price.

12. Specifications: If blueprints and specifications are furnished by the Buyer, this order shall be based upon such blueprints and specifications, and approval of samples by the Buyer shall not relieve the Seller from strict and full compliance with such blueprints and specifications. Articles or goods not conforming to such blueprints and specifications may be rejected.

13. Compliance with Applicable Laws: Seller represents, warrants and covenants that all of the Products, merchandise, and materials delivered and/or services rendered hereunder will be and will have been produced and/or provided in compliance with all applicable laws, rules and regulations of federal, state and local governments and agencies thereof, and that Seller will comply with all applicable laws, rules and regulations of federal, state and local governments and agencies thereof; including, without limitation, (i) all provisions of the Americans with Disabilities Act of 1990, as amended, (ii) all provisions of the U.S. Fair Labor Standards Act of 1938, as amended, (iii) all provisions of the Occupational Safety & Health Act of 1970, as amended, and (iv) Subparagraphs 1 through 7 of Section 202 of Executive Order 11246 and the applicable provisions of 41 C.F.R. Chapter 60, the texts of which are hereby incorporated by reference. If any of the Products are purchased for incorporation into products sold under a government contract or subcontract, the terms required to be inserted by that contract or subcontract shall be deemed to apply to this order. All certification requirements specified in such government contract or subcontract or of which the Seller has knowledge shall be complied with. Seller agrees to furnish Buyer a certificate of compliance with any such laws and certification requirements in such form as may be requested by Buyer. Seller shall, at its sole cost, secure and maintain all necessary licenses, permits, authorizations or other approvals necessary for its performance hereunder. Seller shall immediately notify Buyer in the event that Seller is not in compliance with any provision of this Section. In addition, and where required, hazardous material data sheets will be supplied on all applicable goods and services. Further, Seller warrants that any chemical substance or hazardous material of any nature sold hereunder, incorporated into any product sold hereunder or used in processing any product or services hereunder, shall at the time of sale, transfer, delivery and use, be on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Agency pursuant to 15 U.S.C.A. Section 2607, and that at the time of sale, transfer and delivery, the processing, distribution or use of such substance or material shall not be subject to regulation or otherwise restricted pursuant to a rule or order issued by the Environmental Protection Agency under 15 U.S.C.A., Sections 2601 through 2692. Further, Seller shall comply with all applicable federal and state laws

and/or regulations which require the giving of notice and/or warning to any and all individuals who may come into contact with anyto the non-affected chemical substance or hazardous material, including without limitation the warning requirements relative to any chemical substance required to be listed pursuant to the California Safe Drinking Water and Toxic Enforcement Act of 1986 (Chapter 6.6 added by Proposition 65, November 4, 1986); and, Seller shall further provide Buyer with the appropriate warning/notice language which Buyer may then use to properly notify its customers as to goods or services containing any such listed substances. Further, Seller shall indemnify Buyer from any and all liability, costs, attorneys fees or damages of any nature arising from anyone's exposure to such chemical substance or hazardous material

14. Equal Opportunity: Buyer is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

15. Intellectual Property: Seller warrants that the Products and the sale and use of them will not infringe any United States or foreign patents, trademarks, trade dress, copyrights, trade secrets or any other form of intellectual property, and Seller acknowledges that Buyer's patents, trademarks, trade dress, copyrights, trade secrets or any other form of intellectual property that Buyer provides to Seller are Buyer's exclusive property and Seller disclaims all rights in same. Where payment is made for experimental, developmental, or research work, as such, to be performed in accordance with special requirements of the Buyer, Seller agrees to disclose and on request to assign to Buyer each invention, property right, confidential process or know-how, and trade secret resulting therefrom or other form of intellectual property and Seller shall disclaim all rights in same. All drawings, art work, special products, materials, information or data furnished by Buyer are Buyer's exclusive property, shall be used by Seller only for Buyer's work, shall be kept confidential, and shall be returned promptly at Buyer's request. Buyer will market, distribute and/or sell the Products under its own trademark and trade name. Buyer has the right to use any of Seller's marks, names, other trade identities, copyrighted works or other intellectual property, to the extent that Seller has incorporated such property in or used such property in the manufacture of the Products supplied by Seller to Buyer.

16. Indemnity: Seller will indemnify Buyer and its respective successors and assigns against any and all losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and other costs of defending any action) ("Losses") which such parties may sustain or incur in connection with its enforcement of this Purchase Order or as a result of any claim in connection with the design, development, manufacture, sale or use of the Products based upon a theory of negligence, breach of warranty or strict liability in tort or any other legal theory, except to the extent caused by applicable Buyer. Seller agrees that it will, when requested and given reasonable notice of the pendency of any such suit, claim or demand, assume the defense of Emerson and the applicable Buyer and their respective successors and assigns against any such suits, claims or demands

17. Insurance: Seller agrees to carry insurance covering product liability and general liability in amounts of not less than \$5,000,000.00 per occurrence. All such policies shall provide for at least thirty (30) days prior written notice, to Buyer, of cancellation, non-renewal or material change in the terms and conditions of coverage and name Buyer as an additional named insured. At Buyer's request, Seller will provide Buyer with a certificate or certificates of insurance evidencing such coverage. In the event Seller ceases to carry adequate insurance that names Buyer as an additional insured, Buyer may immediately cancel this Purchase Order or any outstanding purchase order by giving Seller written notice of Buyer's election to cancel.

18. Force Majeure: Buyer and Seller shall not be liable for any delay or

party of any such cause for delay or anticipated delay promptly following the commencement thereof and shall have used the affected party's best efforts to make or accept deliveries, as the case may be, as expeditiously as possible. If Buyer believes that the delay or anticipated delay in Seller's deliveries may impair Buyer's ability to meet its production schedules or may otherwise interfere with Buyer's operations and such delay may last for a period of time that exceeds ten (10) days, Buyer may at its option, and without liability to Seller, immediately terminate this Purchase Order or any outstanding purchase order.

19. Labor Disputes: (a) Whenever the Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, the Seller shall immediately give notice thereof, including all relevant information with respect thereto, to the Buyer. (b) The Seller agrees to insert the substance of this clause, including this paragraph (b) in any subcontract hereunder as to which a labor dispute may delay the timely performance of this order, except that each such subcontract shall provide that the notice and information mentioned above shall be given to its next higher tier subcontractor.

20. Cancellation and Termination: Buyer reserves the right to cancel all or any part of the undelivered portion of a Purchase Order if Seller does not make deliveries as specified, time being of the essence of this contract; or if in Buyer's opinion the Products are causing or may potentially cause adverse publicity to Buyer or harm Buyer's reputation, Buyer may cancel a Purchase Order at any time and for any reason ten (10) days before the scheduled shipment of Products. This Purchase Order may be terminated by Buyer or by Seller at any time immediately upon written notice in the event of the other party's material breach of any term or provision of this Purchase Order or upon the occurrence of any of the following events: (a) such other party makes an assignment for the benefit of creditors, or is subject to any voluntary or involuntary provincial or federal receivership, insolvency or bankruptcy proceedings, or becomes unable, or admits in writing its inability, to meet its obligations as they mature; (b) the cancellation, suspension or other revocation of licenses, permits or authorization necessary for such other party to conduct its business in accordance with this Purchase Order; (c) such other party makes any materially false or misleading statement, representation or claim; (d) dissolution or liquidation of such other party; and/or (e) such other party's failure to pay any indebtedness which is due and payable and which failure is not remedied within 30 days following notice. Buyer will not be responsible for any specific cancellation fees or charges Notwithstanding anything to the contrary in this Purchase Order, upon termination, cancellation or expiration of this Purchase Order, Seller shall immediately cease use of any of Buyer's intellectual property, trade secrets and formula(e) and shall have no further right to use the same.

21. Survival: The terms of Sections 6, 8, 9, 10, 15 and 17 of this Exhibit shall survive the termination, cancellation or expiration of this Purchase Order.

22. Proprietary Information: All information that is furnished by one party to another party pursuant to this Purchase Order and is designated as proprietary ("Proprietary Information") will be subject to the following restrictions. Each party agrees that it will use all Proprietary Information disclosed to it by the others only in the manner contemplated in this Purchase Order, and for no other purpose, disclosing Proprietary Information only to those of its employees or other authorized agents as will be directly concerned with performance under this Purchase Order. Except as provided above, each party agrees that it will not disclose Proprietary Information to any other person or entity without the express, prior written consent of the other parties. Each party agrees that it will protect the confidentiality of Proprietary Information with the same degree of care with which it protects its own proprietary information and will return all copies (in any medium recorded) of Proprietary Information to the disclosing party immediately upon written request. The parties shall have no obligation to protect the confidentiality of Proprietary Information that: (a) can be demonstrated to have been known to the receiving party prior to the execution of this Purchase Order and was not acquired, directly or indirectly, from the disclosing party or from a third party under a continuing obligation of confidentiality; (b) can be demonstrated to have been in the public domain as of the date of this Purchase Order or comes into the public domain during the term of this Purchase Order through no fault of the receiving party; or (c) can be demonstrated to have been independently developed by personnel of the receiving party who had no substantive knowledge of the Proprietary Information. The foregoing obligations will survive termination of this Purchase Order forever and will

failure of performance due solely to strikes, lockouts or other labor remain binding on each party, its respective affiliates, successors and assigns forever. This Purchase Order is designated as Proprietary Information subject to this Section and Seller agrees that Buyer's designs, drawings, specifications, formulas, samples, manufacturing information disputes, fires, acts of God or other causes beyond the affected party's reasonable control; provided, the affected party shall have given notice and all other information relating to Buyer's business, including without limitation, improvements to the goods, are Buyer's Proprietary Information.

23. Records: When Buyer or its customers require the maintenance of records of goods, materials, parts, assemblies and/or manufacture, Seller agrees to maintain such records, including drawing number, serial number, any, and testing data of such goods, materials, parts, assemblies and/or manufacture and will maintain such records for seven (7) years from the date of completion of this Purchase Order

24. Financial Information: Should Buyer have concerns about Seller's financial condition and/or ability to supply hereunder, Seller shall supply information requested by Buyer Which Buyer feels is necessary to address said concerns.

25. Choice of Law; Venue, Miscellaneous: This Purchase Order shall be governed by the laws of the State of New Jersey applicable to contracts to be formed and fully performed within the State of New Jersey, without giving effect to the choice or conflicts of law provisions thereof. All suits arising from or concerning this Purchase Order or any purchase order issued hereunder shall be filed in the Superior Court or Special Civil Unit of New Jersey with venue in Morris County, New Jersey, or the United States District Court for the Eastern District of New Jersey, and in no other place; provided that, in Buyer's sole discretion, such action may be heard in some other place designated by Buyer (if necessary to acquire jurisdiction over third persons) so that disputes can be resolved in one action. Seller hereby irrevocably consents to the jurisdiction of such court or courts and agrees to appear in any such action upon written notice thereof. Nothing contained in this Purchase Order will be construed to create a partnership or joint venture among the parties. Seller shall not assign or subcontract any of its rights, interests or obligations hereunder without the prior written consent of Buyer. The paragraph headings herein are for convenience only and form no part of this Purchase Order. If any part of this Purchase Order shall be held to be illegal, void or unenforceable, the remaining portions shall remain in full force and effect. The failure of Buyer to insist in any one or more instances, upon the performance of any of the terms, covenants or conditions of this Purchase Order, or to exercise any right hereunder shall not be construed as a waiver or relinquishment of any of the other terms and conditions of this Purchase Order nor the right to enforce the future performance of any term, covenant or condition or the future exercise of any other rights herein.

26. Notices: All notices required or permitted to be given under this Purchase Order may be given by either Party by mail, facsimile or electronic mail and shall be directed by one Party to the other at its address shown on the Purchase Order. The address of either Party may be changed by written notice to the other. Any notice by either Party shall be deemed to have been given and received no later than thirty-six (36) hours after the same has been given in the manner stated above