

**TERMS & CONDITIONS**

1. CONFLICTING TERMS. These Terms & Condition and the accompanying quote ("Quote") constitute the entire agreement between Motion Control Corporation ("MCC") and Purchaser ("Agreement"). Any terms and conditions contained in Purchaser's purchase order or request for quotation which are different from, in addition to, or vary in any way from this Agreement shall not be binding upon MCC unless agreed to in a separate, issue specific, written agreement signed by a corporate officer of MCC.

2. RESPONSIBILITY. MCC is not responsible for insuring system compatibility or compliance of any components/parts/products/systems/equipment related to this sale unless expressly stated otherwise in the Quote or agreed to in a separate, issue specific, written agreement signed by a corporate officer of MCC. It is Purchaser's sole responsibility to insure that all such components/parts/products/systems/equipment are compatible and compliant with purchaser's systems.

3. CHANGE OF TITLE/FOB POINT. Purchaser will not receive title to any products/systems which are the subject of this Agreement until MCC receives payment in full. MCC reserves the right to remove its products/services for Purchaser's failure to timely comply with all the payment terms set forth in the accompanying Quote regardless of whether MCC's products/services have been integrated into other products/application and without liability or responsibility as to the effect of such removal upon such products/applications of Purchaser. **PURCHASER BEARS THE RISK OF LOSS OF ALL PRODUCTS/SERVICES UNTIL SUCH ITEMS ARE PAID FOR IN FULL. FOB IS MCC DOCKS OR SHIPPING POINT.**

4. OTHER CHANGES. Purchaser shall have the right to make changes in its product order provided that (A) Purchaser provides MCC with written notice of the desired change prior to delivery of any product affected by the change, (B) Purchaser pays MCC for all restocking, reshipping or return costs, and (C) Purchaser agrees in writing to the adjusted pricing/additional charges relative to such change as determined by MCC in its sole discretion. Changes which interfere with or alter MCC's production schedules will not be acceptable unless the time for performance is extended for such period as deemed necessary by MCC. The refusal of MCC to accept Purchaser's request to change its purchase order shall not entitle Purchaser to cancel its order or terminate this Agreement except upon payment of a cancellation charge in an amount to be solely determined by MCC.

5. CANCELLATION. MCC shall have the absolute right in its sole discretion to cancel this Agreement without penalty upon a breach thereof by Purchaser, Purchaser's failure to timely make any payment required by this Agreement, or the pending or actual insolvency or bankruptcy of the Purchaser. Purchaser may not cancel this Agreement without providing 30 days written notice to MCC. Upon receipt of a notice of cancellation, MCC shall be entitled to take whatever action it deems necessary and advisable to minimize cancellation costs. In the event of cancellation, Purchaser shall still be obligated to pay for all products/services provided by MCC as of the date of such cancellation and Purchaser must still comply with all of the terms and conditions of this Agreement.

6. DELAYS. MCC shall not be responsible for delays caused by acts or omissions of Purchaser, its employees, agents, suppliers or vendors, acts of God, inclement weather, strikes, lockouts, boycotts, or other labor union activities, extra work ordered by Purchaser, acts of public enemy, war, terrorism, riots or civil commotion, inability to secure materials through regular recognized channels, imposition of government priority or allocation of materials, failure of Purchaser to make payment when due, delays caused by inspections, changes ordered by inspectors, or other causes beyond its reasonable control.

7. PAYMENT. Purchaser must timely comply with the payment terms set forth in the accompanying Quote. A service charge will be assessed on any past due balances over 30 days at a 10% annual interest rate. Purchaser shall be liable for MCC's actual costs and attorneys' fees incurred in collecting any due and unpaid balances.

8. WARRANTY. MCC WARRANTS THAT THE PRODUCTS ASSEMBLED BY IT AND THE WORK PROVIDED BY IT WILL BE OF STANDARD QUALITY FREE FROM DEFECTS AND/OR PERFORMED IN A WORKMANLIKE MANNER. SUCH PRODUCTS ARE GUARANTEED FOR A PERIOD OF ONE (1) YEAR FROM SHIPMENT TO THE ORIGINAL PURCHASER WHEN SUBJECT TO NORMAL USE AND CARE, PROVIDED PURCHASER HAS TIMELY COMPLIED WITH ITS PAYMENT OBLIGATIONS AND ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT. MCC'S WARRANTY EXTENDS ONLY TO PRODUCTS ASSEMBLED BY IT. MCC DOES NOT INDEPENDENTLY WARRANT ANY MANUFACTURER'S PRODUCTS IN ANY FASHION. PRODUCTS OR COMPONENTS SUPPLIED BY PURCHASER, ANY DISTRIBUTOR, SUPPLIER, MANUFACTURER OR ANY OTHER PARTY TO MCC, WHICH ARE NOT ASSEMBLED BY MCC, ARE COVERED ONLY BY THE INDIVIDUAL WARRANTY OF SUCH OTHER PARTY. MCC ALSO DOES NOT WARRANT ANY SOFTWARE PRODUCTS OR APPLICATIONS, WHETHER CREATED BY MCC OR A THIRD PARTY. ALL OTHER WARRANTIES, BOTH IMPLIED AND EXPRESS, ARE EXPRESSLY WAIVED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NO OTHER EXPRESS OR IMPLIED WRITTEN OR ORAL REPRESENTATIONS MADE BY MCC'S EMPLOYEES, AGENTS OR REPRESENTATIVES CAN EXPAND THE SCOPE OF THIS WARRANTY OR BE RELIED UPON BY PURCHASER TO EXPAND THE SCOPE OF THIS WARRANTY UNLESS SIGNED BY AN OFFICER OF MCC. THIS WARRANTY IS NOT TRANSFERABLE AND MCC'S OBLIGATIONS HEREUNDER TERMINATE WHEN ANY PRODUCT IS TRANSFERRED OR SOLD TO ANY THIRD PARTY.

MCC reserves the right to inspect defective products subject to this warranty either at Purchaser's location or at New Hudson, Michigan. All returns must be pre-authorized in writing. Products so returned shall be returned to MCC's plant, freight prepaid. Any product proving defective due to faulty assembly within one year from date of shipment will be replaced or repaired free of charge. F.O.B. is MCC's plant in New Hudson, Michigan. MCC assumes no liability for labor charges or other costs of any kind, whether direct or incidental to the adjustment, service, repairing, removal or replacement of any defective product, or for the expense of repairs made outside of MCC's warranty conditions.

9. LIMITATION OF LIABILITY. MCC'S RESPONSIBILITY OR LIABILITY FOR DEFECTIVE PRODUCTS/SERVICES IS STRICTLY LIMITED TO THE REPAIR OR

REPLACEMENT OF THE DEFECTIVE PRODUCTS/SERVICES OR THE PURCHASE PRICE OF SUCH PRODUCTS/SERVICES, AND NO OTHER CLAIMS OR DEMANDS WHATSOEVER SHALL BE IMPOSED ON MCC, IRRESPECTIVE OF FAULT. ALL CLAIMS FOR OTHER DAMAGES, INCLUDING, BUT NOT LIMITED TO, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY AND SPECIAL DAMAGES ARE EXPRESSLY WAIVED.

10. INTELLECTUAL PROPERTY. All creations of MCC related to the work and services referenced in the Quote which are or may become legally protectable or recognized as forms of intellectual property rights, including all works, whether registerable or not, in which copyright, design right or any form of intellectual property rights may exist, including, but not limited to all artistic expressions, innovations, inventions, improvements, literary works, marks, grants, designs, processes, methods, formulas, techniques, videotapes, audiotapes and computer programs, (all collectively referred to as "Intellectual Property"), which MCC either solely or jointly with Purchaser conceives, makes or reduces to practice, are the absolute and sole property of MCC. No right, title or interest in such Intellectual Property are conveyed to Purchaser unless done unless agreed to in a separate, issue specific, written agreement signed by a corporate officer of MCC.

11. CONFIDENTIALITY. Purchaser acknowledges that all Intellectual Property as previously defined herein and all MCC's applications, operating systems, data bases, computer software, all modifications, enhancements, and versions and all available options, and all future products developed or derived therefrom, all source and object codes, flowcharts, algorithms, coding sheets, routines, sub-routines, compilers, assemblers, design concepts, and related documentation and manuals, all production processes and plans, all operational processes and plans, contemplated products and services, all discoveries, concepts, and ideas including, without limitation, the nature and results of research and development activities, processes, formulas, technical data, inventions, computer related equipment or technology, techniques, know how, designs, drawings and specifications, and all business and customer information of MCC, shall constitute the Confidential Information of MCC. Purchaser shall not at any time (A) disclose, divulge, review or communicate to any person, firm, corporation or entity whatsoever, directly or indirectly, any Confidential Information, (B) manufacture or sell any portion of any Confidential Information, or (C) disassemble or reverse engineer any Confidential Information.

12. DISPUTES. This Agreement shall be governed by Michigan law and each provision herein must be interpreted in a manner which is valid thereunder. The Oakland County Circuit Court of the State of Michigan shall be the court of exclusive jurisdiction and venue over any disputes arising out of this Agreement, any such disputes must be commenced and maintained in the said Circuit Court, and Purchaser expressly waives any right of removal to federal court pursuant to 28 U.S.C. §1441. MCC may at its sole discretion elect to submit all disputes related to this Agreement to binding arbitration, administered by the Southfield, Michigan office of the American Arbitration Association under its Commercial Arbitration Rules, and heard by a single arbitrator. An award rendered by such arbitrator shall be binding upon the parties and a judgment on such award may be entered by any appropriate Court in the State of Michigan as the exclusive courts of competent jurisdiction. This section shall not prohibit either party from seeking appropriate injunctive relief in the Michigan Circuit Courts.

13. Non-Solicitation. Purchaser shall not recruit, hire, employ, contract or deal directly with any of MCC's employees, subcontractors or suppliers while MCC is performing its work or for a period of 12 months after the termination of the Agreement or conclusion of MCC's work without the prior written approval of MCC. In the event that Purchaser hires any MCC personnel, Purchaser shall pay MCC Liquidated Damages in an amount equal to one hundred percent (100%) of the total first-year compensation which Purchaser pays to any such personnel as a fee for the additional benefit obtained by Purchaser. The parties intend that the Liquidated Damages constitute compensation and not a penalty. The parties acknowledge and agree that the harm caused by Purchaser's breach of this provision to MCC would be impossible or very difficult to accurately estimate at the time of contracting and that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from Purchaser's breach. Purchaser's payment of the Liquidated Damages is Purchaser's sole liability and entire obligation and MCC's exclusive remedy for Purchaser's breach of this provision.

14. TAXES. All applicable federal, state or local sales, use, or excise taxes are the responsibility of the Purchaser and shall be in addition to the price or prices stated on the Quote unless otherwise stated. MCC shall have the right to invoice separately any such tax as may be imposed at a later time.

15. MISCELLANEOUS. (A) Purchaser's rights, obligations and duties under this Agreement are not assignable without the prior written consent of MCC and any prohibited assignment shall be void, (B) MCC's failure to insist upon compliance with any provision of this Agreement on one or multiple occasions does not constitute a waiver of such provision(s), (C) Any notice or other communication required or permitted hereunder shall be sufficiently given if sent in writing by email and registered or certified mail, postage prepaid, to the other parties' last known corporate address, (D) The headings used herein are for convenience of reference only and in no way define, limit or describe any provision of this Agreement, and (E) If any provision of this Agreement is held by a court to be invalid, the remaining provisions shall continue in full force and effect without being invalidated. If any provision is modified by a court, it shall be modified so as to carry out the intent of this Agreement, and any provisions so modified shall be fully enforced as modified.

16. SURVIVAL. The provisions of this Agreement which by their nature survive termination of this Agreement or final completion thereof, including, without limitation, all warranties, indemnities and payment obligations, shall remain in full force and effect after final completion or any termination of this Agreement.

17. ENTIRE AGREEMENT. The Quote and these Terms & Conditions are the entire agreement between the parties. Purchaser has not signed this Agreement in reliance upon any promise, condition, or representation not contained within this Agreement, and this Agreement supersedes all prior and contemporaneous agreements, understandings and negotiations. No waivers, modifications, amendments or changes to this Agreement, including, but not limited to the scope of work, parts, products, specifications, pricing or schedules set forth in the Quote, shall be deemed effective unless in writing and signed by Purchaser and a corporate officer of MCC.