1 Acceptance and Governing Provisions. No purchase order from Buyer shall be binding upon Film Tech, LLC ("Seller") until accepted in writing by an authorized representative of Seller. Seller's performance of its obligations under this Quotation and any purchase order from Buyer is subject to the terms and conditions set forth herein (the "Terms"), and Buyer hereby agrees to be bound by and comply with the Terms. These Terms, the terms on Seller's Quotation and all referenced attachments constitute the entire agreement between Buyer and Seller, and no amendment or modification shall be binding on Seller unless signed by an officer of Seller. The failure of Seller to object to provisions contained in any purchase order or other document of Buyer shall not be construed as a waiver by Seller of the Terms or an acceptance of any such provisions. Any conflicting or additional terms or conditions set forth by Buyer in a purchase order or other document are not binding upon Seller and Seller hereby expressly objects thereto.

2. <u>Disclaimer</u>. EXCEPT AS EXPRESSLY SET FORTH HEREIN, SELLER MAKES NO WARRANTY OF ANY KIND WHATSOEVER, AND SELLER EXPRESSLY DISCLAIMS ANY WARRANTIES IMPLIED BY LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

3 Delivery and Delay. Unless otherwise agreed to in writing signed by Seller: (a) any goods ordered by Buyer shipped in a quantity greater than 2,000 pounds shall be delivered F.O.B. point of shipment, with delivery to the initial carrier constituting delivery to Buyer; (b) transportation/shipping costs for any shipments less than 2,000 pounds will be the responsibility of the Buyer; (c) title to the goods and risk of damage or loss shall pass to Buyer upon delivery to the initial carrier; (d) Buyer shall have sole responsibility for filing any claims with any carrier for delay, loss or damage. Dates of delivery or other performance are estimates only and are based on timely receipt from Buyer of all information required by Seller to provide the goods or services. Seller shall not be liable for any delay beyond its reasonable control or caused by accident, bad weather, embargo, act of Buyer or third parties, labor disputes, transportation shortages, national emergency, riots, non-delivery of suppliers, delays of carriers or delivery agents, inability to obtain labor, materials or manufacturing facilities, acts of God or government restrictions, prohibitions or requirements. In the event of any such delay, Seller's time period for delivery or performance shall be extended accordingly. REGARDLESS OF THE CAUSE. SELLER SHALL HAVE NO LIABILITY FOR PENALTIES OF ANY NATURE AS A RESULT OF A DELAY. During any period of shortage due to the stated or similar causes, Seller may prorate its supply of goods among its internal demand and its customers in whatever manner it chooses.

Warranty/Limitation of Liability. Seller shall not be liable under 4 any theory of relief, including, without limitation, breach of warranty, breach of contract, tort (including negligence), strict liability, or otherwise, arising out of or related to this Quotation or Buyer's purchase order or Seller's acts or omissions, for: (a) incidental, special or consequential damages of any nature, including, without limitation, loss of profits, damage to property or loss of use; or (b) any damage or loss in excess of the purchase price actually paid by Buyer. Buyer assumes all risk and liability for results obtained by the use of the goods, whether used singly or in combination with other products. Seller is not responsible for the performance of any goods which are: (a) over one hundred eighty (180) days old or (b) used, stored, handled and processed by Buyer or on behalf of Buyer under conditions other than environmental conditions conducive to the design of the goods and the purpose for which such goods were manufactured. Under no circumstances shall Seller be liable for special, indirect, incidental or consequential damages or damages to other property, without limiting the generality of the foregoing, Seller shall have no liability for loss of business, business interruptions or lost profits. In no event shall

Seller's liability on any warranty or claims whatsoever exceed the purchase price for the goods actually paid by Buyer. Buyer hereby acknowledges that product performance is deemed fit for use by Buyer. Seller warrants that the goods are of commercially acceptable quality, however, this warranty shall only be for a period of one hundred eighty (180) days after the date of notice from Seller to Buyer that the manufacturing of the goods is complete and this warranty shall only apply if such goods are used, stored, handled and processed by Buyer in environmental conditions conducive to their design and only if such goods are utilized by Buyer in accordance with the design and the purpose of such goods. Buyer shall give written notice to the Seller of any claims for breach of warranty within thirty (30) days after the breach or defect in the goods was or should have been discovered upon inspection of the goods. Any remedy of the Buyer against the Seller shall be barred unless notice is given in accordance with the foregoing provision. Notwithstanding anything contained herein to the contrary, all actions by the Buyer for breach of warranty against the Seller shall be brought within one hundred eighty (180) days after the date of notice from Seller to Buyer that the manufacturing of the goods is complete. The liability of the Seller for breach of warranty shall be limited solely to either the repair or replacement of the goods or the return of the goods and repayment of the purchase price to Buyer, at the Seller's sole discretion; such remedies shall be the exclusive and sole remedies of the Buyer against the Seller.

5. <u>Changes and Substitutions</u>. Any changes requested by Buyer are not effective unless accepted in writing by an authorized representative of Seller. Any changes accepted by Seller which affect the specifications or scope of work of this Purchase Order shall entitle Seller, as appropriate, to an adjustment to the price, delivery schedule or other terms affected by such change. Seller may furnish suitable substitutes for goods unobtainable due to regulations of governmental authorities or unavailability of materials from suppliers. Details of design and construction in any proposal are approximate and subject to revision by Seller. If changes in performance of services or in materials, design, layout or arrangement of goods are desired or required by conditions of which Seller was unaware or which were unforeseen by Seller, the price is subject to revision.

Prices and Payment. Unless other terms have been expressly 6. stated by Seller in writing, Seller's prices: (a) are F.O.B. point of shipment: (b) do not include customs duties or any domestic or foreign sales, use, excise or similar taxes under existing or future laws (with Buyer to be charged for same, unless Buyer has provided Seller with an appropriate tax exemption certificate); and (c) are valid for thirty (30) days from the Quotation date. Shipment terms for delivery outside the U.S.A. will be agreed to with Buyer before purchase orders are accepted by Seller. All quoted prices are subject to correction for clerical errors. Unless otherwise noted on this Quotation, the payment terms shall be one and one-half percent (1 1/2%) ten (10), net thirty (30) days from the date of invoice. Pro-rata payments shall become due with partial shipments of goods or partial delivery of services. Seller shall charge one and one-half percent (1 1/2%) per month (or such lower percentage as required by applicable law) of the unpaid invoice balance, commencing thirty (30) days following the invoice date. Any delay in delivery or performance of an installment shall not relieve Buyer of its obligation to accept and make payment for remaining installments. If Buyer is notified by Seller that the goods are ready for shipment and there is an unreasonable delay in shipment for reasons beyond Seller's control (including Buyer's failure to provide shipping instructions), the date of completion shall be treated as the date of shipment for payment purposes, and completed goods shall be held at Buyer's risk of loss or damage, with Buyer paying all storage and insurance expenses. Seller may, at its option, decline to deliver goods or provide services, except for cash, or stop goods in transit whenever, for any reason, if Seller doubts Buyer's financial responsibility or

stability.

7. <u>Overruns/Under runs</u>. While Seller makes every effort to conform precisely to specified dimensions and quantities of Buyer, no guarantee is given or implied as to the tolerances of the goods, except within normal trade tolerances. In addition, while every effort is made by Seller to manufacture and ship Buyer's exact request, on custom orders for standard goods, Buyer will accept up to ten percent (10%) over or under quantity ordered. For non standard goods, Buyer agrees that this tolerance shall be increased to twenty percent (20%).

Safety. Buyer shall take all necessary precautions, at all times, 8. for the health and safety of Seller's personnel at Buyer's facility. These include, but are not limited to: providing to Seller for review, and instructing Seller's personnel regarding, Buyer's safety practices and proper and safe handling of, and protection of Seller's personnel from exposure to Hazardous Materials. Seller may, prior to visiting Buyer's facility, conduct safety audits to ensure the existence of a safe facility and working conditions and make recommendations to Buyer concerning them. Whether or not Seller conducts safety audits or makes recommendations, Buyer will remain responsible for providing a work environment that is safe and that complies with all applicable legal requirements. Buyer will make its local medical facilities and resources available to Seller personnel who need medical attention, for the duration of their needs. If, in Seller's opinion, the safety of Buyer's facility is, or could be, imperiled by security concerns, local conditions, war (declared or undeclared), armed conflict or threatened conflict, civil unrest, terrorist acts or threats, threat to safety or well-being of Seller's personnel, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, Seller may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from the Buyer's facility or suspend performance of all or any part of Seller's obligations. Before issuing its purchase order, Buyer shall advise Seller in writing of all applicable facility-specific rules, regulations, safety codes and laws that apply to the goods and services to be provided by Seller.

9. <u>Inspection and Acceptance</u>. The goods and services shall be deemed accepted, and any claim of Buyer against Seller with respect to this Quotation or Seller's obligations shall be waived and not enforceable, unless: (i) Buyer or Buyer's assigned contractor has promptly inspected the goods and services, and written notice from Buyer of any defect has been received by Seller within ten (10) days following any delivery of goods or performance of services; and (ii) Seller has been given by Buyer reasonable advance notice and authorization to attend any tests designed to demonstrate that goods or services are defective, and the test conditions are mutually agreed to by Buyer and Seller. Goods may not be returned without obtaining written authorization and shipping instructions from an authorized representative of Seller.

Termination and Suspension. Seller shall have the right to suspend or cancel its obligations (or any portion thereof) immediately for cause if: (a) Buyer becomes insolvent, makes an assignment for the benefit of its creditors, has a receiver or trustee appointed for the benefit of its creditors or files for protection from creditors under any bankruptcy or insolvency laws; (b) there is an excusable delay lasting longer than ninety (90) days; (c) any representation or warranty made by Buyer herein or in any document or certificate furnished by Buyer in connection herewith proves to be incorrect in any material respect; or (d) Buyer materially fails to comply with any terms herein, including, but not limited to, failure to make any payment when due or to fulfill any payment conditions. If Seller's obligations (or any portion thereof) are cancelled for any reason. Buyer shall pay Seller for all goods provided or ordered on behalf of Buyer, and services performed before the effective date of termination, plus a cancellation charge equal to the higher of (i) twenty-five percent (25%) of the purchase price set forth in the Quotation or (ii) any loss of Seller, including, without limitation, engineering costs, reconditioning costs, labor, materials and Seller's profit margin. The following shall apply when determining the amount

due from Buyer for services performed before the date of termination: (i) for services performed under time and material pricing, Buyer shall pay for all hours performed at Seller's then-current standard time and material rates and (ii) for raw materials specifically ordered for Buyer and not allocated for use within a reasonable timeframe of one (1) year, irrelevant of cause, Buyer shall pay Seller's costs incurred in connection with such raw materials. Buyer shall pay any reasonable expenses incurred by Seller in connection with a cancellation, including expenses for repossession, fee collection, demobilization/remobilization or costs of storage upon submission of Seller's invoice(s).

11. <u>Indemnification</u>. Buyer shall defend, hold harmless, and indemnify Seller and its respective officers, members, directors, employees, agents and representatives from and against all damages, claims or liabilities and expenses (including attorneys' fees) arising out of or resulting in any way from (a) any breach of Buyer's obligations under this Quotation or Buyer's purchase order and (b) any other act or omission of Buyer, related to this Quotation. This provision shall survive the termination of this Quotation or Seller's obligations.

12. <u>Insurance</u>. Buyer shall obtain, maintain and pay for such insurance as may be required by Seller or by law and comprehensive general liability insurance protecting Seller against claims for bodily injury or death or for damage to property occurring in connection with Seller's personnel visiting Buyer's facility or the performance of Seller's obligations under this Quotation, with limits in amounts as required by Seller.

Miscellaneous. The contract resulting from the acceptance of 13. this Quotation shall be interpreted in accordance with the laws of the State of Wisconsin. Both parties irrevocably submit to the exclusive jurisdiction of the Circuit Court of Chippewa County, Wisconsin, for any action or proceeding relating to this Quotation. No waiver of any of the provisions contained in this Quotation shall be valid unless made in writing and executed by Seller. Failure of Seller to insist upon strict performance of the terms of this Ouotation shall not constitute a waiver of any of the provisions of this Ouotation or waiver of any other default. This Quotation contains the entire understanding between the parties related to the transactions contemplated herein and supersedes all prior or contemporaneous agreements or understandings. No modification, amendment, discharge or change of this Quotation shall be valid unless set forth in writing and signed by both parties. This Quotation shall not be construed against one party in favor of the other by reason of draftsmanship. This Quotation is not assignable by Buyer.

Terms and Conditions are enforced as written herein and as published on www.filmtechllc.com.

Rev 3 - 06