

**ORION INDUSTRIES INCORPORATED
TERMS & CONDITIONS OF PURCHASE**

UNLESS OTHERWISE EXPRESSLY AGREED IN WRITING BY ORION INDUSTRIES INCORPORATED AND SIGNED BY AN AUTHORIZED REPRESENTATIVE, ALL PURCHASES MADE BY ORION INDUSTRIES INCORPORATED ARE ACCEPTED WITH AND SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. ACCEPTANCE

The execution and return of the copy of this Purchase Order by Seller, or Seller's commencement of delivery pursuant to this Purchase Order, constitutes acceptance of this Purchase Order by Seller. Acceptance of this Purchase Order is limited to and conditioned upon acceptance of the terms set forth below, which terms cannot be altered or amended without Buyer's express written and signed agreement. Acceptance shall be binding upon Seller and Seller's successors and assigns. These terms and conditions, together with such modifications and with such data relating to price and delivery as are accepted in writing by Buyer, constitute the entire agreement between the parties. The rights of both parties hereunder shall be in addition to their rights and remedies at law or equity. Failure or delay of Buyer to enforce any of its rights shall not constitute waiver of such rights or of any other rights.

2. DELIVERY; NOTICE OF LABOR DISPUTES

Time is of the essence in the performance of this Purchase Order. If delivery schedule cannot be met, Seller shall promptly notify Buyer of the earliest possible date for delivery. Notwithstanding such notice, and unless a substitute delivery date has been expressly agreed to by Buyer in writing, Seller's failure to effect delivery in the date specified shall entitle Buyer (a) to cancel this order without any liability to Buyer or (b) to purchase substitute items elsewhere, and to hold Seller accountable for any loss or additional costs incurred by Buyer. Seller shall notify Buyer immediately of any actual or potential labor dispute which is delaying or threatens to delay the timely performance of this order.

3. PRICES

All prices shall be stated in this Purchase Order. If no price is stated for any item, Buyer will not be bound to any prices or deliveries to which Buyer has not specifically agreed to in writing.

4. QUANTITIES

Unless Buyer has otherwise agreed in writing, Seller must deliver the exact quantities specified in this Purchase Order. Buyer also reserves the right to refuse or return, at Seller's risk and expense, shipment made in excess of Buyer's orders or in advance of or after required schedules or to defer payments on advanced deliveries until scheduled delivery dates.

5. INSPECTION AND REJECTION

All material and workmanship shall be subject to inspection by Buyer, before and after delivery. Items rejected as not conforming to this Purchase Order shall be returned to Seller at Seller's risk and expense and shall not be replaced by Seller without Buyer's written and signed authorization. Buyer may require Seller to replace rejected material at Seller's expense; Buyer may accept any materials at Seller's expense; or Buyer may accept any materials that conform to Seller's warranties and, upon discovery of any materials not so conforming, may reject or keep and rework at Seller's expense any such materials not so conforming. Buyer may make 100% inspection at Seller's expense and reject an entire shipment if Buyer's sampling indicates rejection at the 1% acceptable quality level (or such greater or lesser percentage as Buyer and Seller may agree upon writing.)

6. TITLE AND RISK OF LOSS

Title to and risk of loss for items purchased which conform to this Purchase Order shall pass to Buyer upon receipt at Buyer's premises. Title to risk of loss for non-conforming items shall remain with Seller until final acceptance by Buyer.

7. QUALITY

Seller represents and warrants that all products and materials delivered or service rendered on or pursuant to this Purchase Order shall be merchantable, fit for the particular uses intended, of the grade and quality specified, and free from all defects, and shall conform to all samples, drawings, descriptions and specifications furnished to Buyer in all respects. This warranty shall survive any delivery, inspection, acceptance or payment. Seller shall be liable for and hold Buyer and its employees, officers, directors and

officers harmless from any loss, damage or expense whatsoever that Buyer may suffer from breach of any of these warranties.

8. BUYER'S PROPERTY

All specifications, drawings, sketches, models, samples, tools, designs, dies, molds, patterns, jigs, fixtures, materials, technical information or data, written oral or otherwise, and other equipment and items furnished by Buyer or on Buyer's behalf ("Buyer's Property"), shall be and remain Buyer's property and shall be returned promptly to Buyer (together with all copies) at Buyer's request. Such Buyer's Property shall be treated as confidential and shall not be used or disclosed by Seller except as required in the course of performing this or other Purchase Orders for Buyer unless Buyer consents otherwise in signed writing. Seller shall prominently mark all such items as the property of Buyer and, if directed, the area in which they are located as containing the property of Buyer. No express or implied representation or warranty is made by Buyer with respect to any of the Buyer's Property. No express or implied license is granted to Seller relating to any of the Buyer's Property except for the use of the Buyer's Property as required in the course of performing this or other Purchase Orders for Buyer unless Buyer otherwise consents in signed writing. All such Buyer's Property shall be held at Seller's risk, shall be insured by Seller at its expense at an amount equal to its replacement cost and with loss payable to Buyer and shall be delivered promptly to Buyer's designee on request. Seller shall not dispose of any such Property without Buyer's written and signed consent. The Buyer's Property may contain information or products whose export is restricted by applicable laws, including, without limitation, the Export Control Act. Seller shall not disclose technical data in any form to a foreign person (including foreign persons employed by Seller), or export the technical data from the United States without the written and signed authorization of Buyer. The provisions of this Article 8 herein above set forth shall survive the delivery and payment and remain in full force until all said items are delivered to Buyer or otherwise disposed of with Buyer's written and signed consent. Seller shall, without any limitation as to time, indemnify and hold Buyer harmless from all claims which may be asserted against Buyer or said Property, including, without limitation, mechanic's liens or claims arising under workmen's compensation or occupational disease laws, and from all claims for injury to persons or property arising out of or related to such items unless the same are caused solely and directly by Buyer's gross negligence or willful misconduct. Unless Buyer has otherwise agreed in signed writing, information furnished or disclosed by Seller to Buyer shall not be considered to be confidential or proprietary and shall be acquired by Buyer free of restrictions of any kind.

9. CHANGES

Buyer may, at any time and from time to time by written notice to Seller, suspend work, make changes in specifications, designs, testing, packing and destinations and postponements in delivery schedules. If any suspension or change causes a material increase or decrease in the cost of or the time required for performance of this order, an equitable adjustment shall be negotiated promptly as to the price or delivery schedule or both. Any claims by Seller for adjustment under this clause shall be made within 10 days after receipt of written notice for the suspension or change, and any claim not made within the 10 day period shall be deemed waived. Such claim shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures in reasonable detail. No change orders and no increase in cost or time required for performance shall be binding upon Buyer unless they are made in writing and signed by Buyer's duly authorized representative.

10. PATENT AND OTHER IP RIGHTS

Seller represents and warrants that all products and materials delivered or services rendered pursuant to this Purchase Order do not violate or infringe, or will not violate or infringe, any license or intellectual property rights of any other person or entity. This warranty shall survive any delivery, inspection, acceptance or payment. Seller shall indemnify and hold Buyer and Buyer's employees, officers, directors and agents harmless from any and all claims, liabilities, damage, expenses or loss of any kind at Seller's expense, resulting from infringements or alleged infringement by the sale, use or incorporation into manufactured products of all items furnished by Seller of any United States or foreign patents, trademarks, copyrights or other proprietary rights of another person or entity, except where such infringement or alleged infringement resulted exclusively from Seller's compliance with Buyer's written instructions.

11. ASSIGNMENT

Seller shall not delegate any duties nor assign any rights or claims under this Purchase Order without Buyer's prior written and signed consent, and such attempted delegation or assignment shall be void. In any case, assigned accounts shall be subject to set-off, recoupment or other claim of Buyer against Seller.

12. BANKRUPTCY AND OTHER MATERIAL TRANSACTIONS

Buyer shall be entitled to cancel, without any liability to Buyer, any unfilled part of this Purchase Order in the event that (i) Seller ceases operations; (ii) Seller dissolves or liquidates; (iii) a proceeding, voluntary or involuntary, in bankruptcy or insolvency, is brought, commenced or filed by or against Seller; or (iv) with or without Seller's consent, any trustee or receiver for any substantial portion of Seller's assets or any assignee for the benefit of its creditors is appointed. In any such event, all deposits or prepayments shall be deemed to have been held in trust for Buyer's benefit and shall be returned to Buyer promptly upon request.

13. COMPLIANCE WITH LAWS

Seller warrants that the materials to be furnished and the services to be rendered under this order, and the classes of property described in Article 8 shall be manufactured, sold and used in compliance with all applicable federal, state and local laws, ordinances, codes, rules and regulations, including, without limitation, the Occupational Safety and Health Act and the fair Labor Standards Act of 1938.

14. GOVERNING LAW; CHOICE OF JURISDICTION

This Purchase Order and rights and obligations of the parties hereunder shall be governed by and interpreted, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without taking into account any choice of law provisions. The U.N. Convention on Contracts for the International Sale of Goods does not apply. Buyer and Seller each hereby (a) irrevocably and unconditionally submits for itself and its property, in any legal action or proceeding relating to or arising out of this Purchase Order, to the exclusive jurisdiction and venue of the courts of the Commonwealth of Massachusetts, the courts of the United States of America in Massachusetts and the appellate courts from any thereof, and (b) agrees that any such action or proceeding may be brought in such courts.

15. GOVERNING CONTRACT PROVISIONS

Purchase Orders which specify a government contract number or otherwise indicate that the materials purchased are intended for use under government contracts or subcontracts shall be subject to and deemed to incorporate all clauses and provisions of the Armed Services Procurement Regulations which are required to be included in such contracts and subcontracts.

16. ADDITIONAL OR INCONSISTENT TERMS

This Purchase Order is intended by the parties hereto as a final and complete expression of their agreement with respect to the matters set forth herein, and shall supersede all prior understandings, writings, negotiations and agreements with respect thereto. Terms and conditions set forth in any document provided by Seller to Buyer which differ from, conflict with or are not included in this Purchase Order shall not become part of any agreement between Buyer and Seller unless such terms and conditions are specifically accepted by Buyer in writing and signed by an authorized representative.

17. TERMINATION: BREACH OF CONTRACT

Buyer may, by notice in writing and without any liability to Buyer, direct Seller to terminate this order or work under this order in whole or in part at any time and such termination shall not constitute a default. In no event shall Seller be entitled to anticipatory profits or to special, punitive or

consequential damages. In the event of Seller's default or potential failure to perform this order, Buyer may terminate this Agreement, without any liability to Buyer, or Seller agrees, upon demand by Buyer, to deliver to Buyer the raw materials and work in progress acquired in order to perform under this Purchase Order, and Buyer may then complete the work deducting the cost of such completion from the price, or, in the alternative at Buyer's discretion, pay to Seller the cost of such raw materials and work in progress.

18. SPECIFICATIONS

Material made in accordance with Buyer's specification and drawings shall not be furnished, disclosed, sold or quoted to any person, entity or concern without Buyer's written and signed consent. In the event of a conflict between specifications, drawings, samples, designated, type, part number or catalog description or in cases of ambiguity in the specifications, drawings, or other requirements of the Purchase Order, Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

19. TAXES

The price stated on the face hereof includes all taxes. All local, state and federal excise, sales and use taxes, where applicable, shall be stated separately on Seller's invoices.

20. GRATUITIES

Seller warrants that it has not offered or given and will not offer or give to any employee, agent or representative of Buyer any gratuity with a view toward securing any business from Buyer or influencing such person with respect to the terms, conditions or performance of any contract with or order from Buyer. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

21. SEVERABILITY; REMEDIES.

In the event that any one or more provisions contained herein shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The remedies contained herein are cumulative and in addition to any other remedies at law or equity. Buyer's failure to enforce, or waiver of a breach of, any provision contained herein shall not constitute a waiver of any other breach or of such provision.

22. INDEMNITY

Seller shall indemnify and hold Buyer and Buyer's employees, officers, directors and agents harmless from any and all claims, liabilities, damage, expenses or loss of any kind at Seller's expense, resulting from any injury to persons (including death) or damage or loss to property which may result or may have resulted in any way from the products produced by Seller or any act or omission of Seller, or of its agents, employees or subcontractors. Seller shall also maintain such public liability, property damage, employers liability and compensation insurance and motor vehicle liability insurance (personal injury and property damage) which will protect Seller, its subcontractors and Buyer and Buyer's employees, officers, directors and agents from said risk and from any claims under any applicable workmen's compensation or occupational diseases statutes.