National Electrostatics Corp.

TERMS AND CONDITIONS FOR INSTALLATION AND FIELD SERVICE

1. Applicability. These terms and conditions for services (these "**Terms**") are the only terms that govern the provision of Services by National Electrostatics Corp ("**NEC**") to _____ ("**Customer**"). The accompanying order confirmation (the "**Order Confirmation**") and these Terms (collectively, this "**Agreement**") comprise the entire agreement between the parties regarding the Services, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Customer's general terms and conditions regardless of whether or when Customer has submitted its request for proposal, order, or such terms. Provision of services to Customer does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these Terms.

2. Services. NEC shall provide the services to Customer as described in the Order Confirmation (the "**Services**") in accordance with these Terms and at the price for Services identified in the Order Confirmation ("**Price**").

3. Performance Dates. NEC shall use reasonable efforts to meet any performance dates specified in the Order Confirmation, and any such dates shall be estimates only.

4. Amendment and Modification. These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each party.

5. Customer's Obligations. Customer shall:

(a) cooperate with NEC in all matters relating to the Services and provide such access to Customer's premises, and such office accommodation and other facilities as may reasonably be requested by NEC, for the purposes of performing the Services;

(b) respond promptly to any request by NEC to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for NEC to perform Services in accordance with the requirements of this Agreement;

(c) provide such Customer materials, tools, rigging equipment or personnel, or information as NEC may request to carry out the Services in a timely manner and ensure that such Customer materials or information are complete and accurate in all material respects; and

(d) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Services before the date on which the Services are to start.

6. Customer's Acts or Omissions. If NEC's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Customer or its agents, subcontractors, consultants, or employees, NEC shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Customer, in each case, to the extent arising directly or indirectly from such prevention or delay.

7. Price. Customer shall purchase the Services from NEC at the Price set forth in NEC's Order Confirmation. The Price shall be paid in installments with the final installment of the Price due on the date indicated in the Order Confirmation. All Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any Governmental Authority on any amounts payable by Customer. Customer shall be responsible for all such charges, costs, and taxes; provided, that, Customer shall not be responsible for any taxes imposed on, or with respect to, NEC's income, revenues, gross receipts, personnel, or real or personal property or other assets.

8. Order Amendments. Customer recognizes and agrees that after the date of the Order Confirmation, NEC may inform Customer of changes in the Services by submitting a change order to Customer along with an explanation of the change, the increase or decrease, if any, in the Price resulting from such change; and the effect, if any, on the performance date by reason of such proposed change. Promptly after delivery of such change order to the Customer, NEC and the Customer shall meet and, acting reasonably, negotiate in good faith a mutually

acceptable change to the Order Confirmation. If the parties are unable to agree on the terms of the change within a commercially reasonable time after Customer receives the change order, then the change order will be deemed not accepted. Notwithstanding the foregoing, if a change is mandated by any applicable law, the change order shall be deemed to automatically amend the Order Confirmation regardless of acceptance by Customer.

9. Payment Terms. Customer shall pay all invoiced amounts due to NEC in accordance with the Order Confirmation. Customer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Customer shall reimburse NEC for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms or at law (which NEC does not waive by the exercise of any rights hereunder), NEC shall be entitled to suspend the performance of any Services if Customer fails to pay any amounts when due hereunder and such failure continues for 15 days following written notice thereof. Customer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with NEC, whether relating to NEC's breach, bankruptcy, or otherwise.

10. Warranty.

(a) NEC represents and warrants to Customer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.

(b) NEC shall not be liable for a breach of the warranty set forth in Section 10(a) unless Customer gives written notice of the defective Services, reasonably described, to NEC within 5 days of the time when Customer discovers or ought to have discovered that the Services were defective.

(c) Subject to Section 10(b), NEC shall, in its sole discretion, either (i) repair or re-perform such Services; or (ii) credit or refund the price of such Services at the pro rata contract rate.

THE REMEDIES SET FORTH IN SECTION 10(c) SHALL BE THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND NEC'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 10(a).

11. Disclaimer of Warranties. **EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 10(a) ABOVE, NEC MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY (A) WARRANTY OF MERCHANTABILITY; OR (B) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (C) WARRANTY OF TITLE; OR (D) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.**

12. Limitation of Liability.

IN NO EVENT SHALL NEC BE LIABLE TO CUSTOMER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT NEC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL NEC'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO NEC FOR THE SERVICES PERFORMED HEREUNDER. The limitation of liability set forth in this Section 12 shall not apply to (i) liability resulting from NEC's gross negligence or willful misconduct and (ii) death or bodily injury resulting from NEC's negligent acts or omissions.

13. Insurance. During the term of this Agreement and for a period of three years thereafter, Customer shall, at its own expense, maintain and carry

insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than the value of the Services with financially sound and reputable insurers. Upon NEC's request, Customer shall provide NEC with a certificate of insurance from Customer's insurer evidencing the insurance coverage specified in these Terms. Except where prohibited by law, Customer shall require its insurer to waive all rights of subrogation against NEC's insurers and NEC.

14. Customer Termination. (a) Customer may terminate this Agreement within 30 days after the date of the applicable Order Confirmation ("**Early Termination**"). In the event of an Early Termination, all payments for Services made by Customer to NEC in excess of the costs incurred by NEC shall be returned to Customer. (b) Customer may terminate this Agreement at any time after 30 days after the date of the applicable Order Confirmation ("**Late Termination**"). In the event of a Late Termination, in addition to any remedies that may be available to NEC, all payments made by Customer to NEC shall be retained by NEC and Customer shall pay to NEC within 30 business days after such Late Termination a termination fee equal to 10% of the invoice price of the Services. (c) Customer may terminate this Agreement in the event that NEC has committed a material breach of these Terms, and Customer has provided NEC with written notice of such breach and allowed NEC with a reasonable time to cure such breach ("**Breach Termination**"). In the event of a Breach Termination, all payments made by Customer to NEC for Services in excess of the costs incurred by NEC shall be returned to Customer.

15. NEC Termination. In addition to any remedies that may be provided under this Agreement, NEC may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (i) fails to pay any amount when due under this Agreement; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors; or (iv) the performance of the Services is prohibited by applicable law. NEC shall be entitled to retain any payments made prior to such termination.

16. Waiver. No waiver by NEC of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by NEC. No failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

17. Confidential Information. All non-public, confidential or proprietary information of NEC, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by NEC to Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by NEC in writing. Upon NEC's request, Customer shall promptly return all documents and other materials received from NEC. NEC shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Customer at the time of disclosure; or (c) rightfully obtained by Customer on a non-confidential basis from a third party.

18. Force Majeure. No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of Customer to make payments to NEC hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("**Impacted Party**") reasonable control, including, without limitation, the following force majeure events ("**Force Majeure Event(s)**"): (a) acts of God; (b) flood, fire, earthquake, pandemics, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or actions; (e) embargoes or blockades in effect on or after the date of this Agreement; and (f) national or regional emergency; (g) shortages in transportation facilities, and (h) other similar events beyond the reasonable control of the Impacted Party. The Impacted Party shall give notice within a reasonable time of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end

the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party's failure or delay remains uncured for a period of 30 consecutive days following written notice given by it under this Section 18, either party may thereafter terminate this Agreement upon 30 days' written notice. If the purchase order is terminated due to a Force Majeure Event, all payments made by Customer to NEC in excess of the costs incurred by NEC shall be returned to Customer.

19. Assignment. Customer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of NEC. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Customer of any of its obligations under this Agreement.

20. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

21. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms.

22. Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Wisconsin without giving effect to any choice or conflict of law provision or rule (whether of the State of Wisconsin or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Wisconsin.

23. Submission to Jurisdiction. Any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Wisconsin, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

24. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth on the face of the Order Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, facsimile (with confirmation of transmission), email, or certified or registered mail. Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

25. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

26. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Insurance, Confidential Information, Governing Law, Submission to Jurisdiction and Survival.