

KAWASAKI ROBOTICS (USA), INC.

STANDARD TERMS & CONDITIONS OF SALE

The following terms and conditions, as the same may be amended from time to time by Kawasaki Robotics (USA), Inc. (“KRI”), apply to all sales of products or services, and to all licenses of computer software products, manufactured or distributed by KRI (or others on behalf of KRI) to a buyer and any and all principals and agents of a buyer (collectively “Buyer”), in whatever manner or form such sale is identified including any proposal, purchase order, request for quotation, quotation, invoice, agreements or other document evidencing a sale, transfer, or license of products or services by KRI (each, a “Purchase Order”).

ACCEPTANCE OF ORDER

Any Purchase Order submitted by Buyer to KRI, whether or not KRI’s standard form purchase order is used, shall be deemed to be an irrevocable offer by Buyer to purchase or license products and services described in such Purchase Order. Only the products and services specifically described on the proposal attached to or enclosed or otherwise associated with this document (together with this document, the “Agreement”) are being offered to Buyer and no products or services will be provided to Buyer except as expressly provided in this Agreement regardless of any prior discussions that may have occurred between the parties. Buyer’s offer will not be accepted by KRI until and unless the Purchase Order in which it is contained is signed by an authorized representative of KRI at its corporate headquarters (an “Accepted Purchase Order”). Buyer’s acceptance of the terms and conditions of this Agreement shall occur on the first expression of acceptance by Buyer, including Buyer’s (i) signed acknowledgement on this Agreement; (ii) other written acceptance, (iii) the placement of an order for goods or services related to this Agreement from KRI, (iv) receipt of goods or services related to this Agreement by Buyer; (v) failure to object to the terms and conditions stated in this Agreement, in writing, within ten (10) days of receipt, or (vi) conduct that indicates Buyer’s acceptance. KRI’s acceptance of Buyer’s order, and all terms and conditions contained or referenced in such order, will be subject to and based exclusively upon all of the terms and conditions stated in this Agreement, as amended or supplemented from time to time by KRI, and any addition to or modification of said terms and conditions shall not be effective unless expressly accepted by KRI in writing as provided in this Agreement. All offers or acceptances by KRI of Purchase Orders are subject to the terms and conditions contained in this document. Unless agreed to by KRI in writing as provided in this Agreement, all terms and conditions contained in any Purchase Order which conflict with or are in addition to the terms and conditions stated in this Agreement are hereby rejected by KRI and shall not be binding on KRI whether or not they would materially alter such Purchase Order. Without limiting the generality of the foregoing, KRI’s unsigned or verbal acknowledgement of, internal approval of, commencement of work upon, or failure to object to any Purchase Order containing or related to any conflicting or

additional terms shall not constitute an acceptance of such additional or conflicting terms.

PRICES

Unless otherwise agreed in writing by KRI, prices for KRI products or services specified by KRI in any Accepted Purchase Order, other document accompanying this Agreement or other applicable price schedule will remain in effect for a period of sixty (60) days from the date stated therein or, if not so stated, then from the date said prices are announced by KRI in writing. Thereafter, all prices for products and services shall be subject to change, without notice, to applicable prices for the particular products or services in effect from time to time as announced in writing by KRI. Prices announced by KRI or stated in any Accepted Purchase Order do not include taxes or other similar charges or levies of any kind, including, without limitation, federal, state, or local sales, use, excise, transit or similar taxes; and do not include costs of shipment or storage, including, without limitation, insurance, transportation, inspection, or special preparation or packing for shipping, or costs of installation, repair, maintenance, or servicing (except as may be expressly provided under any applicable express warranty provided in this Agreement or pursuant to any separate written agreement between Buyer and KRI). Buyer shall be liable for and shall pay directly all such taxes, present or future, and all such costs applicable to the sale, shipment, and delivery and use of the products, services, software programs, and other materials sold, licensed, or furnished by KRI in connection with any such Purchase Order. The terms of any Purchase Order and any pricing information disclosed to Buyer in connection with any Purchase Order shall remain confidential and shall not be disclosed to any third party by Buyer without the prior written consent of KRI.

PAYMENT TERMS; DEFAULT

Except as otherwise provided in this Agreement or in any invoice or Accepted Purchase Order covering specific KRI products or services sold, licensed, or furnished by KRI to Buyer, payment by Buyer shall be made, without offset or deduction, upon the following terms: Net thirty (30) days from date of invoice. The parties agree that in the event of any breach of this section, KRI’s damages suffered would be difficult to calculate. Therefore, at the sole option of KRI, Buyer shall be charged a late fee payable upon KRI’s demand on amounts not paid by Buyer when due, including, without limitation, any and all amounts accelerated due to Buyer’s default, or for any other reason, which shall be equivalent to the interest rate on any and all such amounts at the lower of: (1) one percent (1%) per month, or (2) the highest rate of interest then permitted by applicable law as liquidated damages and not as a penalty, which is the parties’ reasonable estimate of fair compensation for the foreseeable losses that might result from the breach. To secure payment of all amounts due KRI related or pursuant to this Agreement, or any Purchase Order or other agreement between

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Buyer and KRI, Buyer grants a security interest in and to all products, parts, accessories, tools, equipment, materials, software programs, and all manuals and other manifestations of the foregoing, which may be sold, licensed or furnished by KRI to Buyer, and in all proceeds and products of the foregoing, and irrevocably authorizes KRI to file financing statement(s) describing the collateral in all public offices deemed necessary by KRI, and to take any and all actions, including, without limitation, filing all financing statements, providing notices, continuation financing statements and all other documents that KRI may reasonably determine to be necessary to perfect and maintain KRI's security interests. Such security interest is in addition to any rights KRI might have pursuant to applicable Materialmen's Lien, Mechanic's Lien, Construction Lien or comparable statutory liens or rights.

If Buyer fails to make any payment to KRI in accordance with the applicable terms of sale and license granted to Buyer, or if Buyer breaches any other covenant or agreement by Buyer to or in favor of KRI, or if, in the sole judgment of KRI, the financial condition or operating results of Buyer at any time do not justify delivery or continuance of shipments on terms previously agreed, or if KRI otherwise deems itself insecure, KRI may require full or partial payment in advance of all sums due and to become due in connection with any such sale or other agreement, whereupon Buyer shall be obligated to make said payment to KRI as demanded. Upon the occurrence of any such default or breach, or upon KRI's demand for timely payment, KRI shall be entitled, in addition to all other rights, at its sole option, to: (1) cancel any and all Purchase Orders or other agreements then outstanding from Buyer which have not been fully performed, (2) declare, at will, immediately due and payable all unpaid amounts for any and all KRI products or services previously shipped, delivered, licensed, or furnished by KRI to Buyer, (3) cease and be relieved of any further obligation of performance under any or all agreements or Purchase Orders between KRI and Buyer, (4) exercise and enforce all of the rights, remedies, and powers of a secured party under the Uniform Commercial Code, and (5) demand and receive from Buyer a cancellation charge equal to the sum payable to KRI as set forth in the paragraph below entitled "Cancellation," applicable to any and all Purchase Orders and agreements so cancelled.

TITLE, DELIVERY AND INSURANCE

All products included in a sale or license, including all equipment, parts, software programs, manuals, and related materials required for installation or use, shall be delivered F.O.B. KRI's designated facility, whether or not complete or installation may be then or thereafter required at another site designated by Buyer or KRI, and all repair or replacement parts, may, at KRI's option, be delivered F.O.B. to KRI's designated repair facility. Title and all risk of loss or damage to such products shall pass to Buyer and shall become Buyer's sole

responsibility upon KRI's completion of delivery to a carrier for shipment to Buyer. Buyer shall purchase and maintain insurance against loss, theft, vandalism and damage to the products delivered by KRI, in amounts and with insurance carriers acceptable to KRI, continuously from and after delivery through the date of payment of all related amounts owing from Buyer to KRI, naming KRI as primary loss payee. Buyer shall bear all costs and expenses of transportation and insurance associated with the shipment, transit, and delivery of all products to Buyer's designated facility or other specified delivery destination.

Buyer acknowledges that products by KRI may be manufactured, prepared, assembled or developed for KRI by one or more separate contractors in order to fill Buyer's orders. Any and all delivery dates stated in any Accepted Purchase Order are estimates only and are based on the assumption that no delay will occur due to causes beyond KRI's reasonable control. Whether or not any cause for delay is beyond KRI's reasonable control, KRI SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGES OR EXPENSE, INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL OR INCIDENTAL DAMAGES, LOSS OF PROFITS OR REVENUES, LOSS OF USE, OR OTHERWISE, WHATSOEVER INCURRED OR SUFFERED BY BUYER OR BUYER'S CUSTOMERS IF KRI FAILS TO MEET ANY SPECIFIED DELIVERY SCHEDULE. Without limiting the generality of the foregoing, KRI shall not be responsible for any such delay, damages, expenses, or losses caused by other suppliers or other manufacturers of products or portions thereof, including, without limitation, Kawasaki Heavy Industries, Ltd. ("KHI"), acts of God, acts of terrorism or any public enemy, action by any governmental authority (whether valid or invalid), compliance in good faith with any applicable foreign or domestic governmental or trade regulations or orders (whether or not any such regulation or order proves to be invalid or unenforceable to any extent), restrictive treaties, embargos, involuntary seizures in transit, fires, riots, sabotage, inability to obtain material, energy, equipment or transportation, labor strikes or disputes, severe weather, natural disasters, or any other cause beyond the reasonable control of KRI. To the extent that any cause beyond the reasonable control of KRI results in an actual delay in deliveries on the part of KRI, the time for performance by KRI shall be extended for a period of time at least equal to the period of delay plus a reasonable period of time in order to permit KRI to take steps which KRI deems to be necessary or appropriate to complete performance. In the event the time for performance by KRI has been delayed, for any such cause, beyond the date through which KRI's quoted prices are to otherwise remain in effect, KRI may, at its sole option, adjust Buyer's prices for such products and services to be sold, licensed or furnished, to corresponding prices in effect at the time to which KRI's required performance shall have been postponed.

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BUYER FURNISHED MATERIAL

All materials, tools, dies, equipment, and other property furnished to KRI by Buyer in connection with the sale, operation or installation of KRI products, or the furnishing of services by KRI in connection with any such sale, shall be furnished and delivered by Buyer to KRI, at Buyer's sole risk and expense, and Buyer shall indemnify KRI and hold KRI harmless from and against any and all related claims, losses, liabilities, damages, costs, expenses, and fees, including, but not limited to, attorneys fees and related costs incurred by KRI as a result of any use, loss, theft, damage, injury, destruction, misapplication, maintenance, or failure to insure or maintain the same. KRI shall not be responsible or liable to Buyer or any other person for safekeeping, securing, insuring, or preventing any loss, damage, or destruction to said equipment, or with respect to any personal injury or property damage caused by the use, operation, or maintenance of the foregoing. KRI shall own exclusively all rights in ideas, inventions, works of authorship, strategies, plans and data created in or resulting from its performance under any Purchase Order, including all patent rights, copyrights, moral rights, rights in proprietary information, database rights, trademark rights and other intellectual property rights. If by operation of law any such intellectual property is not owned in its entirety by KRI automatically upon creation, then Buyer agrees to transfer and assign to KRI, and hereby transfers and assigns to KRI, the entire right, title and interest throughout the world to such intellectual property. Buyer further agrees to enter into and execute any documents that may be required to transfer or assign ownership in and to any such intellectual property to KRI.

PRODUCT SPECIFICATIONS

KRI reserves the right, in its sole discretion, to modify any and all specifications of products designed, manufactured, distributed, or recommended by KRI or KHI in connection with any sale or licensing of products or services by KRI, provided that any such modification shall not materially affect the performance of any such product. If products are to be installed at Buyer's designated facility, Buyer shall be liable to KRI, and shall indemnify KRI from and against, all costs or the time required for the performance of any work under this Agreement or any relate Accepted Purchase Order associated with any change of specifications which may be required in order to comply with Buyer's requirements, or in the event Buyer's facility, equipment, or intended use of KRI products or services is not compatible with KRI's specifications. Notwithstanding anything contained herein to the contrary, as part of the sale of products or services to Buyer, KRI may, in its reasonable judgment investigate, sample and analyze materials and conditions encountered during the course of its work. If KRI makes a good-faith determination that, in its reasonable judgment, it is required to disclose information encountered or developed during the course of its work, it may do so without any liability, even if such determination is not correct. KRI may

further comply with all legally-binding judicial orders or governmental directives and federal, state and local laws, statutes, rules, regulations and ordinances which mandate reporting to appropriate public agencies of KRI's knowledge of or findings which indicate an existing danger to the public health, safety or the environment.

INSPECTION AND ACCEPTANCE

Buyer shall inspect each item of equipment or other product or KRI's service promptly upon, and in any event within five (5) days, following delivery of product or equipment or completion of service. In the event Buyer fails to notify KRI of any defect, deficiency, omission, or nonconforming delivery with respect to equipment or other products or services delivered to Buyer within ten (10) days of delivery, Buyer shall be deemed to have unconditionally accepted delivery of each such item of equipment or other product and to have unconditionally accepted the service rendered. If any item of equipment or other product delivered or required to be delivered by KRI or services rendered to Buyer is defective, omitted, or otherwise nonconforming, Buyer must deliver a written notice to KRI within ten (10) days of such nonconforming delivery by KRI, specifying in said notice the particular defect, deficiency, omission, or nonconformity upon which Buyer is relying to justify rejection of delivery or service. Buyer agrees that said ten (10) day period is a reasonable period of time after delivery within which to reject such products or services. Within ten (10) business days of KRI's receipt of a written notice of rejection from Buyer with respect to any item of equipment or other product sold or licensed or service rendered in connection with this Agreement or any Accepted Purchase Order, KRI may notify Buyer in writing of KRI's intention to cure any such defective or nonconforming goods or services, and KRI shall have a reasonable period of time thereafter within which to make a conforming delivery or service to otherwise correct or remedy the specific condition upon which Buyer is then relying in rejecting the equipment, service or other product, provided Buyer provides KRI reasonable access to effect such cure. Any rejection properly made by Buyer shall apply only to nonconforming goods or services, and Buyer is required to complete its purchase of all other products and services pursuant to any and all Purchase Orders and other agreements between Buyer and KRI, strictly in accordance with the terms and conditions thereof.

LIMITED WARRANTIES

Limited Warranty on Equipment

Subject to the provisions below in the paragraph entitled "Disclaimer of Other Warranties" and "Limit of Liability," KRI warrants to Buyer that all equipment and other products sold to Buyer, whether manufactured by KRI or KHI, will conform to all applicable written specifications of KRI or KHI delivered to Buyer, and shall be free from substantial defects in material or workmanship for a period of time not to exceed the earlier to

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occur of the following: (i) fourteen (14) months from the date of delivery of such equipment or products, or (ii) twelve (12) months from the earlier of the date installation is complete or the date Buyer commences the use of the equipment or other products purchased from KRI in its production process as originally contemplated. In the event Buyer discovers, within the applicable warranty period, the existence of any defect which is covered by the foregoing warranty, Buyer must provide written notice to KRI of any such defect within ten (10) days after discovery, and KRI shall, if given notification by Buyer within the time and in the manner provided in this Agreement with respect to any such defect occurring within the applicable warranty period, take steps to correct or otherwise cure such defect by either of the following methods, at KRI's sole option: (1) KRI may repair or replace any such defective equipment, at Buyer's facility at which the equipment or other products have been installed and are being used, or (2) KRI may require Buyer to properly assemble and immediately deliver any such defective equipment, or defective parts thereof, to KRI's designated repair facility, at Buyer's sole expense and risk. In the event KRI determines to repair or replace any such defective equipment or other product at Buyer's facility, such repair or replacement shall be completed at no charge to Buyer for labor costs incurred by KRI for work performed during KRI's normal working hours, as determined by KRI from time to time. Labor costs in connection with work performed at other times at the request of Buyer must be paid by Buyer to KRI promptly upon receipt of each invoice for payment thereof, at KRI's applicable rates then prevailing for services of KRI personnel, agents, or contractors.

KRI warrants that all repair or replacement parts delivered or installed by KRI in connection with compliance with the foregoing warranty obligations shall be free from any substantial defect in material or workmanship for a period of ninety (90) days following delivery, and such repairs or replacements of original or replacement equipment or parts shall not result in or be construed as a renewal or extension of the original warranty period pertaining to any equipment or products. All parts returned or retrieved by KRI and which are replaced pursuant to the foregoing provisions shall then become the property of KRI.

NOTWITHSTANDING ANY PROVISION TO THE CONTRARY CONTAINED IN THIS AGREEMENT, ANY AND ALL EQUIPMENT AND PARTS SUPPLIED BY KRI TO BUYER WHICH HAVE BEEN MANUFACTURED FOR OR PURCHASED BY KRI, BY OR FROM ANY OTHER MANUFACTURER OR SUPPLIER OTHER THAN KHI, SHALL BE SUBJECT ONLY TO ANY WARRANTY WHICH MAY BE OFFERED BY SAID MANUFACTURER OR SUPPLIER; AND BUYER AGREES TO LOOK SOLELY TO SAID MANUFACTURER OR SUPPLIER, AND NOT TO KRI OR KHI, TO REPAIR OR REPLACE ANY DEFECTIVE EQUIPMENT WHICH IS THE SUBJECT OF AND IS COVERED BY ANY SUCH WARRANTY, AND DOES

HEREBY RELEASE AND HOLD KRI, KHI AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS WITH RESPECT TO ANY BREACH OF WARRANTY OR DEFECT IN ANY SUCH EQUIPMENT OR PARTS.

Buyer shall pay to KRI such amounts, fees and costs as KRI shall charge or incur, in accordance with KRI's prices and terms then in effect, for all parts and services which (1) are required to be replaced or repaired as a result of normal or excessive wear and tear and maintenance of the equipment, (2) are necessary in order to make additions or modifications to the equipment as requested by Buyer, or (3) are necessary in order for KRI to make repairs or replacements not covered by KRI's warranties under this Agreement or any Accepted Purchase Order, including, without limitation, repairs to or replacements of equipment or parts damaged as a result of any accident, misuse, neglect, alteration, improper storage, installation, or maintenance, or unauthorized repair or programming errors or defects caused directly or indirectly by Buyer, its agents, or contractors. This Limited Warranty shall be contingent upon timely payment by Buyer of amounts owed to KRI.

Limited Warranty on Software Products

Subject to the provisions below in the paragraph entitled "Disclaimer of Other Warranties" and "Limit of Liability," KRI warrants to Buyer that: (1) the media on which all software programs ("Programs") are sold or otherwise included with the purchase by Buyer of equipment or other products under this Agreement or any Accepted Purchase Order, will be free from substantial defects in material and workmanship, under normal use and as directed by KRI, for a period of ninety (90) days from the date of delivery of said media, regardless of the time in which the media is initially installed, tested or used by Buyer for any purpose; and (2) that the Programs will operate substantially as described in one or more specific written descriptions of said Programs prepared and furnished by KRI to Buyer, solely during the ninety (90) day period described in clause (1) of this provision (or twelve (12) months with respect to Programs which are designed for and used to operate equipment which is designated by KRI as a robot product or robot peripheral) commencing from the date of delivery to Buyer, provided that Buyer (a) does not, without the express written permission of KRI, modify the Programs in any way, and (b) must employ such Programs according to specific written instructions or manuals furnished to Buyer by KRI, as the same may be amended or supplemented by KRI from time to time.

During the applicable warranty periods with respect to Programs, KRI shall provide Buyer with: (1) written responses to each customer software performance report received by KRI during the applicable term of the warranty applicable to each

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Program which is subject of said report, and (2) improvements and enhancements to the Programs and any and all software reference manuals and other instructions which are made generally available by KRI to its customers during the initial ninety (90) days of the warranty periods described above.

The foregoing warranty shall apply with respect to any and all Programs sold or licensed by KRI or KHI to Buyer. BUYER'S SOLE AND EXCLUSIVE REMEDY AND KRI'S ENTIRE LIABILITY WITH RESPECT TO ANY SUCH PROGRAM IS AND SHALL BE LIMITED TO PROVIDING REASONABLE PROGRAMMING SERVICES, DURING KRI'S NORMAL WORKING HOURS, AT KRI'S EXPENSE, TO ATTEMPT TO CORRECT ANY BREACH OF WARRANTY BROUGHT TO KRI'S ATTENTION IN WRITING DURING THE APPLICABLE WARRANTY.

VOIDING OF WARRANTIES

Notwithstanding anything to the contrary in this Agreement or any Accepted Purchase or other agreement between KRI and Buyer, all KRI warranties shall be void and of no force or effect with respect to any equipment, parts, products or Programs that have been damaged as a result of any accident, misuse, neglect, alteration, improper storage, installation, or maintenance, unauthorized repair of programming errors or defects caused directly or indirectly by Buyer, its agents or contractors.

DISCLAIMER OF OTHER WARRANTIES

THE FOREGOING LIMITED WARRANTIES WITH RESPECT TO EQUIPMENT, PRODUCTS, AND PROGRAMS ARE EXCLUSIVE AND IN LIEU OF ANY AND ALL OTHER WARRANTIES OF QUALITY OR PERFORMANCE, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS OF SAID EQUIPMENT, PRODUCTS, OR PROGRAMS FOR ANY PARTICULAR PURPOSE. KRI DISCLAIMS ANY WARRANTY, WHETHER EXPRESS OR IMPLIED, REGARDING THE SUITABILITY OF PRODUCTS AND EQUIPMENT SUPPLIED PURSUANT TO ANY PURCHASE ORDER FOR INSTALLATION IN ANY PARTICULAR SYSTEM OR SYSTEMS. EXCEPT AS EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, KRI MAKES NO WARRANTY OF ANY KIND WITH RESPECT TO ANY SERVICES PERFORMED BY KRI OR ITS AGENTS PURSUANT TO ANY PURCHASE ORDER. KRI does not authorize any person or entity (including, without limitation, KRI agents and employees) to make any representations (verbal or written) contrary to the terms of this limited warranty or its exclusions. Such terms of this limited warranty and its exclusions can only be effectively modified in writing and only by the President of KRI.

LIMIT OF LIABILITY

KRI'S SOLE AND EXCLUSIVE LIABILITY UNDER THIS AGREEMENT AND ANY RELATED PURCHASE ORDER SHALL BE TO REPAIR OR REPLACE EQUIPMENT, PARTS, OR PROGRAMS THAT ARE SPECIFICALLY DESCRIBED AND SOLD, LICENSED OR FURNISHED BY KRI THEREUNDER AND WHICH ARE FOUND TO BE DEFECTIVE WITHIN THE APPLICABLE WARRANTY PERIOD, OR, AT KRI'S SOLE DISCRETION, TO REFUND TO BUYER THE PURCHASE PRICE OF THE EQUIPMENT, PART, OR PROGRAM WHICH IS THE BASIS OF ANY CLAIM BY BUYER OF LIABILITY AGAINST KRI. IN NO EVENT SHALL KRI OR ANY MANUFACTURER OR SUPPLIER OF EQUIPMENT OR PARTS, INCLUDING, WITHOUT LIMITATION, KHI, BE LIABLE TO BUYER FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER PURSUANT TO CONTRACT, IN TORT, OR BASED UPON NEGLIGENCE OR STRICT LIABILITY, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS OR REVENUE, LOSS OF USE OF THE EQUIPMENT OR ANY ASSOCIATED EQUIPMENT USED BY BUYER, COSTS OF SUBSTITUTION OR REPLACEMENT OF EQUIPMENT, DIRECT AND INDIRECT COSTS OF ANY DELAY OR INABILITY TO OPERATE THE EQUIPMENT, OR OTHER DAMAGES SUFFERED BY BUYER OR ANY OF ITS CUSTOMERS EVEN IF BUYER OR ITS REPRESENTATIVES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND EVEN IF A REMEDY IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. THE LIMITATIONS OF DAMAGES SET FORTH ABOVE ARE FUNDAMENTAL ELEMENTS OF THE BASIS OF THE BARGAIN BETWEEN KRI AND BUYER. NO ACTION OR PROCEEDING SHALL BE FILED OR COMMENCED BY BUYER AGAINST KRI FOR ANY BREACH OF THIS AGREEMENT LATER THAN ONE (1) YEAR AFTER ITS ACCRUAL. IN ADDITION, AND WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL KRI BE LIABLE TO BUYER FOR ANY DAMAGES WHATSOEVER RESULTING FROM: (1) THE FAILURE OF ANY SYSTEM OR SYSTEMS IN WHICH KRI'S PRODUCTS ARE INSTALLED OR WHICH ARE AFFECTED BY THE SYSTEMS IN WHICH KRI'S PRODUCTS ARE INSTALLED; (2) THE FAILURE OF ANY SYSTEM OR SYSTEMS WHICH KRI HAS SERVICED OR WHICH ARE AFFECTED BY THE SYSTEMS WHICH KRI HAS SERVICED; (3) THE ACTIONS OR INACTIONS OF BUYER UNLESS SUCH ACTION(S) OR INACTION(S) ARE TAKEN OR NOT TAKEN UNDER THE EXPRESS DIRECTION OF KRI; OR (4) THE OCCURRENCE OF ANY EVENTS NOT REASONABLY FORSEEABLE BY KRI.

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Buyer shall release and indemnify and hold KRI harmless from and against all damages, losses, liabilities, claims, actions or expenses, including reasonable attorneys' fees actually incurred by KRI arising out of KRI's participation in any legal proceeding, alleging the failure or inoperation of a system in which KRI's products or equipment were installed or to which KRI has rendered services.

INDEMNITY

GENERAL

Buyer shall defend, indemnify, release and hold harmless KRI, its directors, officers, employees, agents, representatives, successors and assign, whether acting in the course of their employment or otherwise, against any and all suits, actions, or proceedings, at law or in equity, and from any and all claims, demands, losses, judgments, fines, penalties, damages, costs, expenses, or liabilities (including, without limitation, claims for personal injury or property or environmental damage) arising from any act or omission of KRI, its agents, employees, or subcontractors, except to the extent attributable to the sole negligence of KRI. Buyer further agrees to indemnify KRI for any attorneys' fees or other costs that KRI incurs in the event that KRI has to take legal action to enforce any indemnity provision of this Agreement.

PATENT AND COPYRIGHT

KRI will defend and hold harmless Buyer from and against any claim that the equipment, other products, or Programs sold, licensed, or furnished by KRI to Buyer infringe upon any patent or copyright issued to or acquired by any third party in accordance with any applicable federal or state statute, other than a claim pertaining to any related process or product, and KRI will promptly pay to Buyer any and all costs, damages, and attorneys' fees and related costs awarded to said third party pursuant to any judgment of a court of competent jurisdiction which has become final, but solely to the extent said award is made to compensate said third party for damages as a result of any such infringement and provided that Buyer: (1) promptly notifies KRI in writing of any such claim or allegation upon which any such claim may arise, and in no event later than ten (10) days following Buyer's receipt of notification of such claim or allegation, (2) provides KRI with such documentation, declarations, testimony, information and assistance as KRI may request, from time to time, in connection with the defense or investigation of any such claim, (3) permits KRI to exercise complete and sole control over the defense and investigation of any such claim, of any counterclaim or cross-claim, and of any and all related settlement negotiations and decisions, and (4) has not, directly or indirectly, committed any such infringement, other than solely as a result of the use and operation of the equipment, products, and Programs as instructed by KRI or as otherwise contemplated by Buyer and KRI. KRI shall not be liable for any costs or expenses incurred by Buyer in connection with any such claim unless said costs and expenses have been

expressly approved in writing in advance by an authorized representative of KRI. Buyer shall not directly or indirectly, through its agents or contractors or otherwise, initiate or defend any legal action with respect to any infringement claim referenced in this Agreement without KRI's prior written consent.

In the event any such claim of infringement is made, or in KRI's opinion and judgment likely to be made, KRI shall have the right, at its sole option and expense, to either procure for Buyer the right to continue using the product or Program which is the subject of any such claim, or to replace or modify the same so long as the replacement or modified product or Program shall not result in any such infringement. If KRI determines, in its sole opinion and judgment, that neither of the foregoing options are appropriate under the circumstances, Buyer shall, upon written request by KRI, return to KRI all such products and Programs which are the subject of any such claim or potential claim, and KRI shall thereafter promptly remit Buyer's undepreciated net book value for said product or Program and reasonable transportation and delivery costs to Buyer in full and final satisfaction of all liability of KRI to Buyer with respect to said product or Program.

KRI'S obligations with respect to any such infringement are and shall be limited to the foregoing obligations to defend, settle, remedy, replace, or reimburse Buyer. KRI SHALL HAVE NO LIABILITY FOR ANY CLAIM BASED UPON ANY COMBINATION, OPERATION OR USE OF ANY PRODUCT OR PROGRAM SOLD, LICENSED OR FURNISHED TO BUYER IN CONJUNCTION WITH ANY EQUIPMENT OR OTHER SOFTWARE PROGRAMS NOT SOLD, LICENSED OR FURNISHED BY KRI OR KHI, OR ANY SUCH CLAIM WHICH MAY ARISE AS A RESULT OF ANY ALTERATION OF ANY OF THE PRODUCTS OR PROGRAMS SOLD, LICENSED OR FURNISHED BY KRI TO BUYER OR BUYER'S USE OF THE PRODUCTS OR PROGRAMS SOLD, LICENSED OR FURNISHED BY KRI OTHER THAN IN ACCORDANCE WITH THE TERMS AND CONDITIONS STATED IN THIS AGREEMENT. To the extent any such product, or any part of such product, becomes the subject of a claim of infringement of a patent or copyright issued to or obtained by any third person pursuant to any applicable federal or state statute, Buyer shall indemnify and defend KRI from and against such claim and all losses, damages, costs and expense (including, without limitation, attorneys' fees and related costs) incurred or suffered by KRI as a direct or indirect result of any such claim, all in the manner and to the extent provided in the foregoing indemnity provisions applicable to KRI.

REMEDIES AND DAMAGES

IN THE EVENT JUDGMENT IS ENTERED AGAINST KRI BY ANY COURT OF COMPETENT JURISDICTION

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HOLDING THAT KRI IS IN BREACH OF ANY OF ITS OBLIGATIONS UNDER OR RELATED TO ANY PURCHASE ORDER, AND SUCH JUDGMENT HAS BECOME FINAL, KRI'S SOLE AND EXCLUSIVE MAXIMUM LIABILITY, AND BUYER'S SOLE AND EXCLUSIVE REMEDY AGAINST KRI, WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE, SHALL NOT IN ANY EVENT EXCEED THE CONTRACT PRICE FOR THE PARTICULAR ITEM OR ITEMS OF EQUIPMENT AND OTHER PRODUCTS AND PROGRAMS WHICH ARE THE SUBJECT OF ANY SUCH CLAIM BY BUYER AGAINST KRI AND WHICH ARE THE SUBJECT OF SAID JUDGMENT.

APPLICABLE LAW

All Purchase Orders accepted by KRI shall be deemed entered into within the State of Michigan (U.S.A.), and the validity, performance and construction of this contract shall be governed by the laws of said State. Litigation arising from any Purchase Order shall be brought only in a United States Federal District Court located in Michigan or in a court of the State of Michigan. Buyer and KRI agree to submit to the jurisdiction of any such court.

WAIVER

Any failure of KRI to enforce at any time any of the provisions, rights or remedies of this Agreement, exercise any election or option provided herein, or require at any time performance by Buyer of any of the provisions of this Agreement shall in no way be construed to be a waiver of such provisions, rights or remedies, nor in any way construed to affect the validity or enforceability of this Agreement, or any part thereof, or the right of KRI to enforce each and every such provision, right or remedy.

BUYER REQUESTED DESIGN AND EQUIPMENT CHANGES

Charges for changes requested by Buyer in the design of any KRI supplied equipment, such as KRI end-of-arm tooling, KRI electrical interface panel, or similar equipment, which results in an increased cost to KRI, will be quoted to and paid by Buyer on an item-by-item basis. Such changes will be implemented only upon KRI's receipt of a new or amended Purchase Order from Buyer, acceptance of which by KRI will constitute Buyer's agreement to pay all such additional charges quoted to Buyer by KRI, unless mutually agreed otherwise in writing, and Buyer shall be solely responsible and liable for all consequences which may result from such changes, including, without limitation, delays in completing delivery.

NOTICE

All notices and demands of any kind which either party may be required or may desire to serve upon the other party under the terms of this Agreement shall be in writing and shall be served

by personal service or by mail at the address of the receiving party as designated in the applicable Purchase Order which is the subject of such notice or demand, or as otherwise designated in any notice of a change of address of the receiving party delivered to the sending party in the same manner. All notices or demands by mail shall be by certified or registered mail, return receipt requested, and shall be deemed complete in ten (10) days after mailing.

SEVERABILITY

In the event that any of the provisions of an Accepted Purchase Order or these standard terms and conditions shall be held by a court or other tribunal of competent jurisdiction to be invalid or unenforceable, the remaining portions of such Accepted Purchase Order and these standard terms and conditions shall remain in full force and effect, provided that in such event the parties agree to negotiate in good faith substitute enforceable provisions which most nearly affect the intent of the parties in entering into the Accepted Purchase Order and these standard terms and conditions. Provided, however, that if the parties are unable to agree upon a replacement provision which most nearly reflects the intent of the parties in entering into the Accepted Purchase Order and these standard terms and conditions, any provision of the Accepted Purchase Order or these standard terms and conditions prohibited by law or otherwise held invalid or unenforceable shall be ineffective only to the extent of such prohibition, invalidity, or unenforceability, and shall not invalidate or otherwise render ineffective or unenforceable any other terms, conditions, provisions or covenants of the Accepted Purchase Order and these standard terms and conditions.

CANCELLATION

Upon termination or cancellation of a Purchase Order or other agreement between KRI and Buyer, Buyer shall immediately pay to KRI the following amounts: (1) on all robots and controllers, whether incorporated into a system or sold as an individual unit, the full Purchase Order price applicable to the robots or controllers for Purchase Order(s) accepted by KRI and cancelled by Buyer, (2) the Purchase Order price for all items or services which have been completed in accordance with the Purchase Order or agreement and not previously paid for by Buyer, and (3) the actual costs incurred by KRI, plus a reasonable profit to KRI, not to exceed the aggregate purchase price specified by KRI in furnishing the items or services under the Purchase Order, to the extent such costs are reasonable in amount and are properly allocable or apportioned under generally accepted accounting principles to the terminated portion of the Purchase Order.

ENTIRE AGREEMENT

This Agreement and all Accepted Purchase Orders or other written agreements duly accepted by KRI in writing as provided in this Agreement and which supplement the standard terms and

KAWASAKI ROBOTICS (USA), INC. STANDARD TERMS & CONDITIONS OF SALE

conditions stated in this Agreement constitute the entire agreement between the parties relating to the sale of the products, services and Programs described therein and supersede all previous communications, representations or agreements, either oral or written, with respect to the subject matter thereof. In the event of a conflict or inconsistency between the provisions of these standard terms and conditions, on the one hand, and specific provisions of any Accepted Purchase Orders, on the other hand, the provisions of these terms and conditions shall govern the resolution of any such conflict or inconsistency, unless expressly stated otherwise in the Accepted Purchase Order. No representations or statements of any kind made by any representative of KRI, which are not stated in this Agreement, shall be binding on KRI. No addition to or modification of any provision to the contract shall be binding on KRI unless made in writing and signed by a duly authorized representative of KRI located at Kawasaki Robotics (USA), Inc., Wixom, Michigan headquarters office. No course of dealing or usage of trade or course of performance shall be relevant to explain, supplement, or determine the meaning of any term or provision expressed in this Agreement or any Purchase Order.

FURTHER ASSURANCES

Each of the parties, without further consideration, shall perform in good faith such other acts, execute and deliver such other documents, and take such other action as may be reasonably required by the parties to this Agreement to carry out the purpose or subject matter of this Agreement. Nothing in this Agreement shall be deemed to render KRI and Buyer joint venturers or partners of any sort.

EXPENSES

If any party to this Agreement shall commence legal proceedings against another party to the Agreement with respect to the terms, conditions or provisions of this Agreement, including, without limitation, KRI's collection of any sums arising or due under this Agreement or any other agreement between KRI and Buyer, the non-prevailing party shall pay to the prevailing party all expenses of said proceedings, including, without limitation, reasonable attorneys' fees and related costs, including costs of enforcement of any judgment rendered in said proceedings. In addition, Buyer shall pay to KRI all costs and expenses, including reasonable attorneys' fees, incurred by KRI in connection with responding or participating in discovery in any legal proceeding, whether or not KRI is a party to such action.

SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective successors and assigns; provided, however, that Buyer shall not transfer, sell, assign, pledge or encumber any of its rights, interests, or obligations under this Agreement or any related Purchase Order without the prior consent of KRI. For purposes of the foregoing, a transfer of Buyer's rights, duties and obligations under this Agreement shall be deemed to have occurred if (1) Buyer is party to a merger in which it is not the surviving entity, or (2) 50% or more of Buyer's voting securities are transferred in one transaction or a series of related transactions.

The Kawasaki Robotics (USA) Inc., Standard Terms & Conditions of Sale may not be modified without written authorization from an Officer of Kawasaki Robotics (USA) Inc. Should a modification be agreed, said modification will be applicable to the one specific occurrence. At all other times, the Standard Terms & Conditions of Sale will apply.