

Pioneer Solutions, LLC General Terms and Conditions

The following general terms and conditions (these "Terms and Conditions") are incorporated into and made part of any quotation for design services ("Quotation") issued by Pioneer Solutions, LLC ("Pioneer") to any individual, company or other organization to which Pioneer proposes to provide design services ("Client") and together the Quotation and these Terms and Conditions shall constitute the agreement (the "Agreement") between Pioneer and Client. For purposes of these Terms and Conditions, "Design Services" shall mean and include the deliverables of services or hardware, or any part thereof, including but not limited to software, compact disc, drawings, documentation, certificates, reports, training, consultancy, equipment and hardware. THE TERMS AND CONDITIONS CONTAINED IN THE AGREEMENT SHALL TAKE PRECEDENCE OVER ANY CONTRADICTORY OR ADDITIONAL TERMS OR CONDITIONS WHICH APPEAR IN ANY PURCHASE ORDER OR SIMILAR DOCUMENT ISSUED BY CLIENT OR IN ANY DOCUMENTS INCORPORATED BY REFERENCE INTO ANY PURCHASE ORDER OR SIMILAR DOCUMENT ISSUED BY CLIENT. No term or condition of Client's purchase order or similar document which is additional to or different from the terms and conditions contained in the Agreement shall become part of the Agreement unless explicitly agreed to in writing by Pioneer. Retention by Client of any Design Services delivered by Pioneer, or payment by Client of any invoice rendered hereunder, shall be conclusively deemed acceptance of this Agreement. Pioneer's failure to object to any provision contained in any communication from Client shall not be construed as a waiver of any term or condition contained in the Agreement or as an acceptance of any such provision.

1. **ACCEPTANCE OF QUOTATIONS** – A Quotation is open for acceptance for 30 days from the date the Quotation is issued by Pioneer, but is subject to change by Pioneer at any time prior to acceptance by Client. Prices, specifications and dates for delivery referenced in a Quotation are for information purposes only and shall not be binding on Pioneer until all technical requirements of the Design Services have been agreed and Pioneer has accepted Client's purchase order. No purchase order, whether or not submitted in response to a Quotation, shall be binding on Pioneer until accepted in writing by an authorized representative of Pioneer. Pioneer shall advise Client of any changes in the original Quotation, following which Client may cancel its order by providing Pioneer written notice within five (5) business days. A Quotation may only be accepted by the party listed as Client on the face of such Quotation. Pioneer reserves the right to modify the terms of the Quotation at any time as a result of any changes by Client in the specifications of the Design Services. In the event of any such changes, Pioneer shall provide Client with a new Quotation the terms of which shall supersede any prior Quotations issued by Pioneer to Client.

2. **PRICES; TAXES** – All prices are quoted and payable in U.S. dollars. Prices quoted are exclusive of all sales, use, excise and similar taxes now in effect or hereinafter enacted that are applicable to the Design Services, and all costs of delivery, including export and import duties, if applicable. All such taxes and costs will be added to the invoice as a separate charge and paid by Client. Prices are based on current costs and the information provided by Client. All prices are subject to change to account for any changes in the direct costs incurred by Pioneer in providing the Design Services which are beyond Pioneer's control. All taxes and costs shall be paid by Client unless Client provides Pioneer with valid and properly executed tax exemption certificates.

3. **PAYMENT TERMS** – Unless otherwise specified in the Quotation, terms of payment shall be net cash thirty (30) days from the date of invoice by Pioneer. Payment terms set forth in this Agreement and any Quotation shall be contingent upon Pioneer's review and approval, in its sole discretion, of Client's current creditworthiness, and Pioneer reserves the right, in its sole discretion, to modify the payment terms, require advance payment or require progress payments at any time. If Client fails to meet these or any modified payment terms, then Pioneer, may at its option withhold delivery of all or any portion of the Design Services pending compliance with such payment terms or cancel this Agreement or any part thereof and receive reasonable cancellation fees. Amounts past due shall be subject to a service charge equal to one and one-half percent (1.5%) of the unpaid balance per month (or fraction thereof), or the maximum rate permitted by law until paid. A charge of \$25.00 may be made by Pioneer for any check or negotiable instrument tendered by Client and returned unpaid by a financial institution for any reason.

4. **NO SETOFF** – Client shall not be permitted to reduce or withhold any portion of any payments due Pioneer under this Agreement, regardless of (i) any amounts that may be owed by Pioneer to Client under any other agreement or arrangement

among Client, on the one hand, and Pioneer or any affiliated party, on the other hand, or (ii) any claims Client may have against Pioneer under this Agreement or any other agreement or arrangement among Client, on the one hand, and Pioneer or any affiliated party, on the other hand.

5. **USE OF DESIGN SERVICES; INDEMNITY** – Client will not use the Design Services for any unlawful purpose or in violation of any applicable laws, regulations or local ordinances. Client agrees to indemnify, defend and hold Pioneer harmless from any Client violations of any statutes, regulations, ordinances or laws of any local, state, federal or foreign public authority.

6. **LIMITED WARRANTY** – Pioneer warrants that the Design Services provided by Pioneer (i) conform to the specifications provided by Client and (ii) do not infringe upon any intellectual property rights of a third party. Pioneer makes no warranties, either expressed or implied, regarding the adequacy, appropriateness or quality of the specifications provided to Pioneer by Client or relating either to any component of the Design Services manufactured by Pioneer or to the products manufactured by third parties based upon the Design Services. If any component of the Design Services manufactured by Pioneer or any product manufactured by third parties based upon the Design Services fails to perform as intended, Pioneer will make all reasonable attempts to work with the Client and/or such third party manufacturer to remedy any non-conformity identified in the Design Services. In the event that such non-conformity is not rectified after reasonable attempts to do so by Pioneer, Pioneer may in its sole discretion elect to refund the invoice amount paid by Client with respect to the Design Services, and Pioneer's liability under this warranty with respect to such non-conformity shall be limited to the amount of such refund. In the event of a claim of infringement, Pioneer's sole liability under this warranty is to, in Pioneer's sole discretion, either (a) refund the invoice amount paid by Client with respect to the Design Services, (b) modify the Design Services to eliminate the alleged infringement or (c) obtain the right for Client to use the intellectual property subject to such infringement claim. Client must promptly notify Pioneer of any problem identified with respect to the Design Services or any claim of infringement received by Client. Client remains obligated to make all payments due to Pioneer during the time that any warranty issues are being addressed by Pioneer. If Client fails to pay when due any portion of the purchase price or any other payment required from Client to Pioneer under this Agreement or otherwise, all warranties and remedies granted under this Section 5 may, at Pioneer's option, be terminated at any time. EXCEPT AS SET FORTH IN THIS SECTION 6, PIONEER MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE TO CLIENT IN CONNECTION WITH THE DESIGN SERVICES.

7. **LIMITATION AND CONDITION OF LIABILITY** – Pioneer will use all reasonable efforts to meet the scheduled delivery date specified in any purchase order accepted by Pioneer, but shall not be held liable for its failure to meet such time frame. Pioneer will not be liable for any delay in the performance of this Agreement or for any damages suffered by Client by reason of such delay. Pioneer does not assume and shall have no liability under this Agreement for (i) damage caused by the failure of any products manufactured based on the Design Services or (ii) damage due directly or indirectly to causes beyond the control of Pioneer, including, but not limited to acts of God, acts of the public enemy, acts of the government, acts or failures to act on the part of

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Client, its agents, employees or subcontractors, fires, floods, hazardous environmental conditions, strikes, freight embargoes, inability to obtain materials or services, war, or unusually severe weather conditions. The Client shall defend, indemnify, and hold Pioneer harmless from and against any liabilities, claims, damages and costs (including reasonable attorneys' fees) arising out of or in connection with the manufacturing of products based on the Design Services performed under this Agreement. UNDER NO CIRCUMSTANCES SHALL PIONEER BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES OF ANY KIND (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) RELATING TO OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE DESIGN SERVICES OR CLIENT'S USE THEREOF, WHETHER BASED IN OR ARISING UNDER CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), STATUTE OR OTHERWISE, EVEN IF PIONEER HAS BEEN WARNED OF THE POSSIBILITY OF SUCH DAMAGES.

8. **FORCE MAJEURE** – Notwithstanding anything else in this Agreement, no default, delay or failure to perform on the part of Pioneer shall be considered a breach of this Agreement if such default, delay or failure to perform is shown to be due to causes beyond the reasonable control of Pioneer, including without limitation, strikes, lockouts or other labor disputes, riots, civil disturbances, actions or inactions of governmental authorities or suppliers, epidemics, war, embargoes, severe weather, fire, earthquakes acts of God or the public enemy, nuclear disasters, or default of a third party. If such an event occurs, Pioneer shall notify Client and work in good faith to reach a mutually acceptable resolution. In the event a mutually acceptable resolution can not be reached and such condition continues, Pioneer shall have the right to terminate this Agreement.

9. **CLIENT SPECIFICATIONS** – Client shall indemnify and hold Pioneer harmless from and against any and all loss, cost, claim, expense, or liability for any claims of infringement of any intellectual property of a third party based upon any specifications provided by Client to Pioneer in connection with Pioneer's delivery of the Design Services covered by this Agreement. Client shall promptly pay or secure any judgment or recovery which may be obtained against Pioneer with respect to any claim of infringement covering the foregoing, and will pay all reasonable costs and expenses incurred by Pioneer in evaluating, defending and settling such claim in any judicial or administrative proceeding or in any negotiations prior thereto. Client shall notify Pioneer in writing of any such claim, demand or suit brought against Client on the ground that use of the Design Services or any products manufactured based on the Design Services infringes the intellectual property rights of a third party. Pioneer shall, at its option, have the right to take control of and defend such claim, demand or suit at Buyer's expense, to approve counsel and to hire its own counsel at Buyer's expense to participate in such negotiation or litigation.

10. **CONFIDENTIALITY** – Client and Pioneer shall maintain in strict confidence and shall not disclose to any third party without the prior written consent of the other respective Party (i) any and all portions of the foregoing, (ii) any other confidential information or trade secrets disclosed by Pioneer or Client to the other Party during the course of their relationship pursuant to this Agreement or (iii) any Quotations or sensitive information submitted by Pioneer or the Client to the other respective Party.

11. **NON-SOLICITATION OF EMPLOYEES** – Without the prior written consent of Pioneer, during the term of this Agreement and for a period of one (1) year thereafter, Client agrees not to initiate any discussions to employ, engage, recruit or solicit for employment or engagement, any individual currently employed by Pioneer. Unsolicited application for employment by current and former Pioneer employees in response to Client's general advertising or job posting is not considered in violation of this agreement.

12. **COMPLETE AGREEMENT / SEVERABILITY / WAIVER** – Except as otherwise specified in this Agreement, this Agreement sets forth all of the agreements between Pioneer and Client

concerning the Design Services, and there are no oral or written agreements between them other than as set forth in this Agreement. No amendment or addition to this Agreement shall be binding unless it is in writing and signed by Pioneer. Should any provision of this Agreement be illegal or in contravention of the law, such provision shall be considered null and void but the remainder of this Agreement shall not be affected thereby. The headings used in this Agreement are for convenience only and no meaning shall be ascribed to such headings. The failure by Pioneer, at any time, to require the performance by Client of the provisions of this Agreement shall not affect in any way Pioneer's right to require such performances at any later time. No waiver by Pioneer of any breach of any provision of this Agreement will constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provision hereof by Client. Client acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

13. **ASSIGNMENT / GOVERNING LAW / LIMITATION OF ACTIONS** - Subject to the restrictions contained herein, this Agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto. This Agreement and the performance by the parties hereunder shall be construed in accordance with the laws of the State of Ohio, U.S.A., without regard to conflict of laws provisions. Client consents to the exclusive jurisdiction of, and venue in, the state and federal courts of Cuyahoga County, Ohio, U.S.A. for resolution of any and all disputes arising out of this Agreement and waives any defense or objection for lack of proper jurisdiction or venue or inconvenience of forum. Client, to the extent that it may lawfully do so, further agrees that a summons and complaint commencing an action or proceeding in any of such courts shall be properly served and shall confer personal jurisdiction if served personally or by certified mail to it at its address provided in the Quotation or as otherwise provided under the laws of the State of Ohio. No action regardless of form arising out of this Agreement may be commenced more than one (1) year after the cause of action has accrued except an action by Pioneer for nonpayment. The parties expressly reject the applicability to this Agreement of the United Nations Convention on Contracts for the International Sale of Goods.

14. **GOVERNMENT CONTRACTS OR SUBCONTRACTS** – If this Agreement results in a contract with the United States Government or any agency thereof or an entity which is a federal government subcontractor, then such provisions as are expressly required by federal laws or regulations applicable hereto will be included as part of this Agreement and any certification as to any state of facts which applicable federal laws or regulations require Pioneer to give in such Agreement are hereby given. Pioneer makes no other representations as to compliance with any other federal, state or foreign laws or regulations. If this Agreement results in a contract which is a United States defense contract or subcontract, then those specific clauses contained in the Armed Services Procurement Regulations ("ASPR") which such regulations require to be included in such contracts, will apply hereto. All other clauses of the ASPR shall be excluded from this Agreement.

15. **USE OF IDENTIFYING INFORMATION** – Without the other Party's prior written consent, Pioneer and the Client shall not utilize each others name, logos, trademarks or service marks in verbal, printed or electronic communications and advertising. Unless otherwise specified in the Quotation, Client acknowledges that it will obtain no interest in Pioneer's trademarks or other intellectual property contained or referenced in the Design Services.

END OF GENERAL TERMS AND CONDITIONS

Last revised 05.09.08