



General Terms and Conditions of Sale

Samscreen, Inc.

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EXHIBIT A	SECURITY AGREEMENT

Samscreen, Inc.
("Seller")

GENERAL TERMS AND CONDITIONS OF SALE

1. Applicable Law and Jurisdiction.

These general terms and conditions apply to all proposals and quotations submitted by Seller, to all purchase orders received by Seller, and to all goods and services sold by Seller, except as otherwise specifically provided in a document issued by Seller. This sale or any sale resulting herefrom consists only of these General Terms and Conditions of Sale and those in other documents which are referred to herein or are attached hereto or in a document provided or signed by Seller and referencing this transaction (all of which constitute the "Agreement"). THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED AND ENFORCED UNDER THE LAW OF THE STATE OF NEW YORK INCLUDING THE UNIFORM COMMERCIAL CODE IN FORCE ON THE INITIAL DATE OF THIS AGREEMENT ("UCC"), EXCEPT AS PROVIDED HEREIN. The U.N. Convention on the International Sales of Goods shall not apply. Any services to be provided hereunder, whether or not they are otherwise ancillary to and part of a sale of goods (as separate units or included in a project), shall be considered ancillary to a sale of goods and the UCC shall apply to all goods and services to be provided hereunder ("Goods"). THE COURTS OF NEW YORK SHALL HAVE EXCLUSIVE JURISDICTION OVER THE PARTIES AND THE CLAIMS ARISING UNDER OR RELATED TO THIS AGREEMENT, UNLESS WAIVED IN A WRITING SIGNED BY SELLER AND SUBJECT TO ANY RIGHT OF ARBITRATION WHICH MAY BE PROVIDED BY THIS AGREEMENT. The parties stipulate to the convenience of New York courts in general, as to all litigation. Any declaration of unenforceability of a provision shall be as narrow as possible and shall not affect the enforceability of the other provisions. A tribunal with jurisdiction may reform a provision of this Agreement, at the request of Seller, to the extent minimally required for enforcement.

2. Formation, Integration and Modification.

A. This Agreement supersedes all previous quotations and agreements pertaining to the Goods. Delivery to Seller of Buyer's acceptance of Seller's quotation (according to its terms), any action taken by Seller's in reliance on Buyer's oral or written acceptance of Seller's written or oral quotation, or Seller's tender of goods, will constitute a binding contract under the terms of this Agreement. This Agreement is subject to Seller's revocation or cancellation without liability until it is approved by Seller at its home office. Notice of such approval may be furnished to Buyer in the form of an acknowledgment, shipment, or other form of express approval.

B. An order submitted by Buyer orally or in a purchase order or other writing (whether or not it contains terms or conditions modifying, adding to, repugnant to, or inconsistent with these Terms and Conditions), may be accepted, approved or filled by Seller, but any

resulting contract and the liabilities or obligations of Seller shall be determined solely by this Agreement, and (unless Seller otherwise advises Buyer in writing) notice is hereby given that Seller objects to any such terms or conditions in Buyer's purchase order or other document or communication. Seller shall not be deemed to have in any way enlarged or modified its liabilities or obligations under this Agreement by filling such order or by failing to further object to Buyer's terms or conditions.

C. This Agreement is a final, complete and exclusive statement of this Agreement of the parties. No modifications, limitations, waivers or discharge of this Agreement or any of its terms shall bind Seller unless in writing signed by Seller's authorized employee at its home office. Notwithstanding anything to the contrary in this Agreement, no modifications, limitation, waiver or discharge of any provision of this Agreement shall affect Buyer's liabilities to Seller accrued prior thereto. Seller may correct unilaterally mathematical and typographical errors in this Agreement. A course of performance, course of dealing, or custom in the trade shall not modify or waive any right of Seller under this Agreement

D. This Agreement is only for the benefit of the parties, except all disclaimers and limitations applicable to Seller shall be for the benefit of Seller's affiliates, agents, employees, contractors, successors, assigns, directors, shareholders, officers and suppliers. If any other provisions of this Agreement are determined to apply to third parties, all other provisions including limitations, waivers, and disclaimers shall also apply.

E. Goods quoted to Buyer may be subject to prior sale or other commitment to other parties.

F. Buyer acknowledges that: he/she/it are merchants in respect to the Goods; they have had an opportunity to review this Agreement; and the provisions of this Agreement are reasonable when considered as a whole.

3. Authority of Seller's Agents.

No agent, employee, or representative of Seller has any authority to bind Seller to any affirmation, waiver, representation or warranty concerning the Goods, not contained in this Agreement. Unless a executed written affirmation, waiver, representation, or warranty is expressly included within this Agreement, it is not a part of the basis of this Agreement and it is not enforceable.

4. Prices, Payment and Risk of Loss.

A. Prices contained in Seller's published price lists, if any, are subject to change without notice. Prices contained in individual written quotations or proposals are firm only for a period stated therein and otherwise for 20 days from the date of the quotation. After the firm price period the prices are subject to change, and Buyer should inquire of Seller as to their validity and request a written confirmation or revision. Prices do not include taxes and Buyer shall pay (or be responsible for said payment of) all applicable sales or other taxes levied with respect to Goods (and replacements) and this Agreement, unless exempt therefrom. All prices are in United States dollars and must be paid in U.S. dollars at the location specified in Seller's invoice. Buyer shall pay all government fees levied on the installation and inspection of the Goods. Buyer shall pay upon receipt all invoices rendered by

Seller for any such items Seller may pay.

B. This Agreement is for a shipment contract and the Goods shall be delivered F.O.B. Seller's dock. Whether or not Seller prepays shipping charges, risk of loss passes to Buyer upon tender of the Goods at Seller's Dock. Risk of Loss shall pass to Buyer upon Seller tendering delivery at Seller's dock notwithstanding any breach by the Seller or provision of law to the contrary.

C. Prices may be changed by Seller to Seller's prices charged to other customers on the date of delivery. If any delay in delivery beyond the date of delivery scheduled at the time of entry of the order is requested or otherwise caused by Buyer, Seller shall adjust the price under the provisions of this subsection. Seller may unilaterally adjust the price to cover Seller's increased cost of performance due to increases in the costs of materials or transportation, change in the law, or other conditions beyond Seller's reasonable control after the date of any quotation.

D. Seller may unilaterally increase prices to cover increased costs (plus reasonable overhead and profit) of design, materials, manufacturing, and other performance by Seller, required by changes requested by Buyer to the Goods, schedule, or any other performance by Seller after the date of any quotation. Seller is not obligated to perform any such changes, but shall be compensated for them if Seller complies with such requested changes.

E. Except as otherwise provided in this Agreement, Seller shall not be responsible for any freight, transportation, insurance, shipping, storage, handling, demurrage or similar charges arising out of the performance of this Agreement. If such charges are specifically included in the price, any increase in rates for such services becoming effective after the date the price is quoted to Buyer shall be paid by Buyer.

F. If, at any time, reasonable grounds for insecurity arise with respect to Buyer's performance of its payment or other obligations hereunder, Seller may demand immediate payment in full or a documentary letter of credit approved by a U.S. bank acceptable to Seller or other financial security for such payment or other obligations. In addition, all amounts owed by Buyer to Seller shall be accelerated and payable immediately if Buyer fails to make any payment on time and as otherwise required or if Buyer sells or transfers the line of business for which the Goods are purchased or is a participant in a merger or other reorganization.

G. All export and import permits and licenses and the payment of all export and import duties and customs fees shall be the responsibility of Buyer. All export and import duties, fees, permits, licenses, etc. for Goods to be delivered outside of the United States shall be the responsibility of Buyer.

H. Invoices may be rendered separately for each shipment (including any early shipment) made by Seller. Buyer shall pay all invoices net 30 days after the date of

shipment unless Seller agrees to other terms in writing. Seller may change any payment term to Buyer on seven days written notice.

I. Seller may elect to deliver the Goods in installments. Each installment of Goods to be delivered is to be considered as a separate sale and Buyer shall pay timely the price for each installment which is delivered. Any Goods indicated as back-ordered now or in the future shall be considered an installment delivery. A failure to pay for an installment within the time for payment is a material anticipatory breach of all other installments by Buyer.

J. All amounts not paid to Seller when due shall incur a carrying charge of 1.5% per month to the extent allowed by law and otherwise at the highest written contract rate allowed by law. Buyer will also pay collection fees and any other fees associated with the unpaid balance allowed by law.

K. All amounts due on installation or other event which requires the action or cooperation of Buyer which Buyer fails to supply timely shall become due upon such failure.

L. If this Agreement permits or requires the use of a letter of credit, the letter of credit must be a documentary letter of credit assignable, irrevocable, confirmed by a United States bank with a payment office in New York acceptable to Seller, payable in installments, and require payment to Seller on submission of Seller's invoice and a bill of lading. Buyer shall pay all costs related to the letter of credit.

M. Seller may offset or recoup any amounts owed by Seller or an affiliate of Seller to Buyer or an affiliate of Buyer against any amounts owed by Buyer or an affiliate of Buyer to Seller or an affiliate of Seller. Buyer waives any right of offset or recoupment and shall pay all amounts owed to Seller when due regardless of any claim of Buyer regarding warranties or other issues arising under contract, tort, statute or otherwise. Payment of such amounts under written protest shall constitute a waiver by Buyer of its claims under this Agreement or Applicable Law.

N. Seller may allocate payments from Buyer among outstanding invoices in Seller's discretion.

O. It is understood that any of the Goods ordered under this contract which are procured by Seller from sources outside the United States are predicated on the rate of exchange in force at the time of the placing of the order or the time of the acceptance of the order at Seller's choice. In the event that prior to the delivery of such Goods to Buyer the rate of exchange between the United States dollar and the currency of the country from which the Goods are procured should vary, the price of the Goods shall be increased or decreased accordingly to compensate Seller for such variation in the rate of exchange.

5. Delivery.

A. Shipping dates are estimates based on Seller's present engineering and manufacturing capacity and scheduling, and may be revised by Seller upon receipt or scheduling of Buyer's order. All shipping dates are approximate and shall be computed from the date of entry of the order on Seller's books. All shipping dates are further subject to Seller's prompt receipt from Buyer of a written purchase order or acceptance, letter of credit, down payment, and

other conditions as specified in this Agreement, and of all drawings, information and approvals necessary to provide the Goods and to grant any credit proposed in this Agreement.

B. Seller shall deliver the Goods by tendering the Goods on its docks for placement in the possession of a carrier and, without liability, shall make such contract for their transportation as Seller decides having regard for the nature of the Goods and other circumstances. On Buyer's written request, Seller shall obtain and send to Buyer documents necessary to enable Buyer to obtain insurance. Seller is not responsible in any manner for transportation or insurance costs. Buyer shall pay all handling and other charges incidental to transportation. Buyer is responsible for making any claim against the carrier and other handlers of the Goods after delivery.

6. Delay of Shipment or Performance Excused for Various Reasons.

A. If shipment of any Goods or other performance by Seller is delayed at the request of or due to the fault of Buyer, Seller may at its option hold the Goods at the place of manufacture at the risk and expense of Buyer from the time it is ready for shipment. In the event of any such delay in shipment, full and final payment for Goods shall be due and payable 30 days after Buyer is notified that the Goods are ready for shipment. If Seller is unwilling to accommodate Buyer by holding such Goods, Buyer shall accept shipment immediately.

B. All inspection, delivery, and other dates for Seller's performance are estimates only. In addition, Seller shall not be in default because of its delay or failure to deliver or perform under this Agreement resulting, in whole or in part, from: (i) any foreign or domestic embargoes, seizures, acts of God, insurrections, war, or the adoption or enactment of any law, ordinance, regulation, ruling or order; (ii) shortages of raw materials or labor; (iii) the lack of usual means of transportation, fires, floods, explosions, strikes or other work actions, or any other accidents, contingencies, or events, at Seller's or its supplier's plant or elsewhere (whether or not beyond Seller's control) which directly or indirectly interfere with, or render substantially more burdensome, Seller's production, delivery, or performance; (iv) delays by Buyer in inspecting and acceptance, in furnishing requested specifications, materials, tooling or information, in making payments, or otherwise; (v) failure of Seller's suppliers to perform. If one or more deliveries hereunder are delayed by reason of any one or more of such occurrences for a period of 30 days, Seller may, at its option, terminate this Agreement as to the undelivered goods or waive such delay and establish a new delivery schedule.

C. Whenever Seller's supply of the Goods, materials or means of production is insufficient to meet the estimated delivery schedule or in the event of any occurrence mentioned above in Subsections A and B, Seller, in its sole discretion, may allocate its supply to its own use or other customers.

D. This Section shall be effective even as to events described in Subsections A, B and C which exist on the date of a quotation or of contract formation.

7. Inspection, Testing and Rejection.

A. If this Agreement expressly provides for Buyer's inspection and/or acceptance of the Goods, Seller's standard test procedures conducted by Seller's representative shall be the criteria for inspection and/or acceptance, unless other specific procedures have been specified in this Agreement. On request, Seller will quote to Buyer additional charges required to conduct any additional procedures requested by Buyer which may be acceptable to Seller.

B. Buyer shall have fifteen days after receipt of any manuals, drawings, specifications, technical documentation, samples, prototypes and Goods to inspect and either accept or provide notice of objection and/or rejection. If it is rejected, notice must be given to Seller so that it will arrive no later than 15 days after receipt of the item by Buyer. Failure to so act shall constitute an irrevocable acceptance by Buyer of the item. Any objection and/or rejection by Buyer must be in writing and state with specificity all defects and non-conformities upon which Buyer will rely to support its rejection. ALL DEFECTS AND NON-CONFORMITIES WHICH ARE NOT SO SPECIFIED ARE WAIVED. If Buyer rejects any tender of the Goods and if requested by Seller, Buyer shall return them to Seller, at buyers expense within three days after such request. A failure to so return shall constitute an irrevocable acceptance. No attempted revocation of acceptance shall be effective. There shall be no limitation on the period of time in which Seller may cure any non-conformity or breach, provided it continues to make reasonable efforts to cure.

C. If this Agreement requires, or Seller requests in writing, inspection or testing prior to shipment, and upon notification by Seller that the Goods are ready for inspection or testing, Buyer shall provide, at a place selected by Seller, at Buyer's own expense, one or more qualified and authorized employees to inspect and/or test the Goods, check the Goods for general compliance with this Agreement, and authorize shipment. If Buyer fails to do so within seven days, then Seller may, in its own discretion, determine that Buyer has waived the right of inspection, testing and/or acceptance prior to shipment and ship the Goods. Correction of defects or non-conformities, which would likely have been discovered by Buyer's inspection and/or testing will be at Buyer's expense.

D. Buyer shall provide, at its cost and risk of loss, all materials, fixtures, tooling and other items necessary for any inspection and/or testing required by this Agreement or requested by Seller. If Buyer fails to supply such items within the time required, Seller may supply them at Buyer's expense or test by such means as available at the place of manufacturer. Equipment, parts and materials furnished by Buyer for testing and/or inspection will be returned to Buyer at Buyer's cost, unless Buyer authorizes their disposal. If the Goods include the necessary fixtures and tooling, the inspection and/or testing at the place of manufacture may be performed on production or other equipment similar to, but other than, that identified to this Agreement.

E. Any claim by Buyer for shortages in any delivery must be in writing with satisfactory written evidence delivered to Seller within three days of receipt.

F. Any expense incurred by Buyer or Seller in the inspection or testing of the Goods shall be paid by Buyer, whether or not the Goods have been rejected as defective or non-conforming or the Goods have been accepted and a warranty claim has been made for correction of a defect or nonconformity.

8. Disclaimer of Patent Warranties.

Seller disclaims any implied warranty of non-infringement. Buyer shall notify Seller promptly of any assertions of patent infringement and provide Seller with assistance and information requested by Seller for its defense, or shall have no further obligation to defend or indemnify. Seller shall defend with its counsel or other counsel of its choice and shall have the sole right, without consultation with Buyer, to take all action Seller deems appropriate to prosecute or settle such claims. Seller's exclusive obligation to indemnify as to Goods declared to infringe is limited to the acquisition of a license, the replacement of Goods with non-infringing goods, the modification of the Goods so that they are non-infringing, or the return of the purchase price and shipping costs in exchange for the Goods, as Seller may elect. This Section states Seller's entire and exclusive obligation regarding patent infringement and remedies therefor, and Buyer waives all other rights.

9. Disclaimer and Limitation of Express Warranties.

There are no express warranties other than those contained in this Agreement. Any representations as to performance, design, appearance, color or any other matters, except as contained in this Agreement, were for illustrative purposes only and do not constitute a warranty. Whether or not the Goods are to be used exclusively by Buyer, there shall be no third party beneficiaries to the express warranties contained herein. Seller does not warrant any portion of the Goods not conceived, designed, developed, or manufactured by Seller but Seller shall assign to Buyer upon request all assignable warranties of Seller's suppliers related to such Goods. Seller is not responsible for any errors or omissions or for any loss or damage resulting from reliance on catalogues, brochures, price lists or other information provided to Buyer from Seller, including, without limitation, any descriptions, shipping specifications, illustrations, representations as to quality or capabilities, or any other information. Such information provided by Seller is intended for general information only. Seller does not warrant that it or the Goods are in compliance with any entity, organization or industry standards, guidelines, or procedures unless specifically contained in this Agreement.

10. Disclaimer of Implied Warranties.

SELLER DISCLAIMS ALL IMPLIED WARRANTIES AND SIMILAR OBLIGATIONS (OTHER THAN GOOD TITLE) INCLUDING BUT NOT LIMITED TO THOSE OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND NON-INFRINGEMENT, WHETHER OTHERWISE ARISING BY LAW, CUSTOM, USAGE, TRADE PRACTICE, COURSE OF DEALING, OR COURSE OF PERFORMANCE. There are no warranties which extend beyond those express warranties contained in this Agreement. Buyer

affirms that it has not relied upon Seller's skill or judgment to select or furnish Goods for any particular purpose beyond the specific express warranties in this Agreement. Any design provided by Seller is based on information provided by Buyer. Seller may rely entirely on information provided by Buyer and is under no obligation to verify such information or take any action to obtain explanatory or supplemental information from Buyer or third parties. Buyer's approval of drawings and/or prototypes constitutes Buyer's acceptance and waiver of any responsibility for a failure to consider information provided by Buyer. Any modifications of drawings, prototypes and other work of Seller after approval by Buyer shall be at Buyer's expense at Seller's normal rates for services and materials. Seller does not warrant the Goods will comply with the requirements of any safety or environmental code or regulation of any federal, state, municipality or other jurisdiction beyond the specific express warranties in this Agreement.

11. Waiver of Remedies and Limitation of Seller's Liability.

A. Buyer hereby waives any and all rights and all remedies to which the Buyer might otherwise be or become entitled to because of any act or omission of Seller. UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR EXEMPLARY, PUNITIVE, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING BUT NOT LIMITED TO: LOST PROFITS OR REVENUES; INCREASED COSTS; DAMAGE TO EQUIPMENT, TOOLING, PREMISES, OR WORK-IN-PROCESS; COST OF CAPITAL; COST OF PURCHASED POWER; SUBSTITUTE OR ADDITIONAL EQUIPMENT, FACILITIES OR SERVICES, PRODUCTION INTERRUPTION OR START-UP; OR THE CLAIMS OF THIRD PARTIES FOR SUCH DAMAGES. Buyer waives any causes of action or theories of liability including, but not limited to, those arising under contract, tort, strict liability, product liability, statutes, or otherwise, except as specifically provided by the UCC as modified and limited herein. The replacement or repair of Goods by Seller does not give rise to any new warranty, and any warranty period provided for herein shall not be extended by the length of any period from the date the defective or non-conforming Goods are received by Seller until the date repaired or replacement Goods are delivered to Buyer.

B. Seller has sole discretion to authorize a return of the goods by Buyer and in no case shall Buyer be entitled to return any good without the advanced written consent of the Seller which consent shall contain a return authorization number, and other instructions relating to the return of Goods. If requested by Seller, Buyer shall issue a new purchase order or amendment to Seller for replacement parts. Buyer must comply with Seller's return instructions, including return of the Goods, within 30 days. If not returned within 30 days, Buyer is responsible for properly tagging, identifying, and packing returned Goods. Goods returned without compliance with the above procedures shall be returned to the Buyer at Buyer's cost.

C. Buyer shall defend and indemnify Seller from all liability for claims, damages, losses, and expenses incurred, including reasonable attorney fees: (a) as a result of the use or disclosure of Seller's confidential or proprietary information (except in the performance of this Agreement) by Buyer or its contractors; and (b) as a result of the advice furnished by Seller to, and relied on by, Buyer's contractors to the extent the liability exceeds any liability as limited by this Agreement had the advice been furnished to, and relied on by, Buyer.

D. Seller shall not be liable for any costs related to a recall, service campaign, or similar action without its prior written consent.

E. Buyer waives any right of indemnity or subrogation as to third party claims, in excess of any applicable insurance carried by Seller.

12. User's Responsibility for Safety.

A. Buyer Covenants to provide all proper dies, devices, tools, training, and means that may be necessary to effectively protect all personnel from serious bodily injury which otherwise may result from the method of particular installation, use, operation, setup, or service of the Goods. Buyer covenants that he/she/it will comply with manuals furnished by Seller, ANSI Safety Standards, OSHA and similar state regulations, and other sources to insure the safe use of the Goods.

B. Seller makes no representations or warranties regarding compliance with the general requirements of federal OSHA regulations. Buyer may request compliance with specific sections or paragraphs of OSHA or other standards and Seller may, at its option, agree to comply with such Buyer requests, however, Seller does not make any representations or warranties regarding such compliance with specific sections or paragraphs of OSHA or other technical standards and shall not be liable in any way for non-compliance with the same. Because of changes which occur in OSHA, state codes, local codes and user safety programs, Seller must be advised by Buyer or other users if they desire specific modifications in the Goods required for compliance. A quotation will be submitted for such requested modifications.

C. Goods designed and manufactured by Seller are capable of being used in a safe manner, but Seller cannot guarantee their safety under all circumstances. BUYER COVENANTS TO INSTALL AND USE THE GOODS IN A SAFE AND LAWFUL MANNER IN COMPLIANCE WITH APPLICABLE HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS AND LAWS AND GENERAL INDUSTRY STANDARDS OF REASONABLE CARE.

13. Indemnification.

A. Buyer shall indemnify Seller from any and all third party claims, damages, and expenses (including reasonable attorney fees) under theories of tort, product liability, negligence (ordinary or gross), warranty, contract, statute, or otherwise arising out of the use, storage, sale, processing or other disposition of the Goods, supplies or materials used in connection with the Goods, or parts manufactured with the Goods, if the action or inaction of Buyer or its employees, customers or agents, or Buyer's design specifications, were a material or proximate cause of injuries or damages giving rise to claims against Seller.

B. Buyer covenants to use and require its employees to use all safety devices and guards furnished with or intended to be used with the Goods, and to follow proper safe operating procedures in accordance with general industry standards and as set forth in manuals and instruction information furnished by Seller. If Buyer fails to comply with the obligations set forth in this subsection, Buyer shall indemnify and save Seller harmless

from any liability or obligation incurred by Seller to persons injured directly or indirectly in connection with the operation of the Goods and all warranties of Seller shall become automatically void. Buyer shall notify Seller promptly, and in any event within 15 days, of any accident or malfunction involving Goods which results in personal injury or damage to property and shall cooperate fully with Seller in investigating to determine the cause of such accident or malfunction, including allowing Seller access to the Goods and Buyer's reports regarding the Goods for Seller's inspection. If Buyer fails to provide such notice and cooperation to Seller, Buyer shall indemnify Seller from any claims arising from such accident or malfunction whether or not the Goods are non-conforming or defective.

14. Breach and Cancellation.

A. If Buyer defaults in the performance of its obligations, if Buyer advises Seller that it will default in the performance of its obligations, or if any action is started by or against Buyer seeking the appointment of a trustee or receiver or the entry of an order for debtor's relief for Buyer, Seller may cease performance of its obligations, recover Goods in transit or delivered, disable delivered Goods, and otherwise enforce its remedies for Buyer's default.

B. Seller shall be awarded interest, consequential and incidental damages and costs (such as interest and actual reasonable attorney fees) in any proceeding to enforce its remedies in which it obtains relief or damages or in which it prevails in the defense of any action by Buyer.

C. Seller may require that Buyer post security for any or all amounts to be paid if Seller has a good faith doubt as to Buyer's ability to make prompt payment, and if such security is not posted Seller shall have the right to cease performance of its obligations and enforce its remedies for Buyer's default.

D. All rights granted to Seller and all limitations in favor of Seller in this Agreement and by law are cumulative, provided Seller shall be entitled to only a single full recovery.

E. Seller shall not be liable for any action taken pursuant to a good faith exercise of any of its rights under this Agreement or law.

F. Seller's failure or delay in enforcement of any provision shall not constitute a waiver of a breach or of the provision itself.

G. Buyer may cancel its order for the Goods prior to their completion by immediate payment to Seller of Seller's cost of manufacture and liquidated damages (including labor, engineering, materials, equipment time, and overhead) computed using Seller's standard internal costing procedures, plus 15% of the sale price of the Goods. Cost of manufacture shall include all materials or services which Seller has ordered and which cannot be canceled and all costs incurred in canceling material and service orders which can be canceled. Seller may retain without cost all materials and partially completed Goods on canceled orders. The parties acknowledge the great difficulty of proving damages for the cancellation of products such as the Goods and the reasonableness of this liquidated damages provision.

15. Consequential, Incidental, and Other Damages.

BUYER AND THIRD PARTIES SHALL NOT BE ENTITLED TO ANY CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INCIDENTAL DAMAGES, AS DEFINED IN THE UCC OR OTHERWISE. This limitation shall be enforced regardless of whether Seller has defaulted in its warranty or other obligations or any warranty under this Agreement is held to fail of its essential purpose. Any legal inability to limit or restrict the right of Buyer or a third party to such damages shall not affect the right of Seller to indemnification hereunder, and under no circumstance shall Buyer recover more than the purchase price. UNDER NO CIRCUMSTANCES SHALL SELLER'S LIABILITY FOR CLAIMS FOR PERFORMANCE, NON-CONFORMING GOODS, DEFECTIVE GOODS, OR OTHERWISE, EXCEED THE AMOUNT RECEIVED BY SELLER FOR THE PERFORMANCE OR SHIPMENT WHICH CONTAINED THE NON-CONFORMING GOODS, DEFECTIVE GOODS, OR OTHER EVENT GIVING RISE TO THE CLAIM.

16. Buyer's Property.

Buyer shall insure all materials, fixtures, tooling, and other property delivered to Seller against all risks and waives subrogation in the event of loss of or damage to such property or personal injury arising from the use or storage of such property.

17. Solvency of Buyer.

Buyer warrants and represents that it is solvent and able to pay the price for the Goods, and that all financial and business information given to Seller is correct. If Buyer becomes insolvent before delivery of the Goods, it shall notify Seller. Acceptance of delivery shall be a reaffirmation at delivery of Buyer's solvency, and that there has not been a material adverse change in such information.

18. Proprietary Information.

A. Buyer acknowledges that any information disclosed to Seller has not and will not be considered by Buyer to be confidential or a trade secret unless clearly and conspicuously noted on the disclosure, or in some other writing delivered to Seller at or prior to the time of the disclosure.

B. All proposals, plans and other information furnished by Seller in bidding, negotiating and performing this Agreement, are confidential and the property of Seller, whether or not marked "Confidential", and shall not be shown or disclosed to any other bidder, and shall not be shown or disclosed to any third party or used by Buyer except as may be necessary for the selection or use of the Goods.

C. The Process used in the manufacture of products is proprietary and any tooling, dies and fixtures used may not be inspected or removed from the Seller's plant. Any design, invention or other information developed by Seller in the performance of this Agreement shall remain the property of Seller, whether or not Seller charges for design, research, development, testing, or similar services. Any patentable features developed by Seller shall be the property of Seller and Seller shall be under no obligation to refrain from using in its business any information, manufacturing processes or unpatented disclosures which may pass to it from

Buyer in the performance of this Agreement, except as provided in subsection A.

D. Seller is not obligated to furnish detailed or shop working drawings, engineering calculations, computer programs, or other information for any Goods or part thereof.

E. Buyer shall treat as confidential any business proposal from Seller and all confidential and proprietary information and technology which shall be made available, directly or indirectly, to Buyer by Seller and by Seller's licensors, including but not limited to, drawings, schematics, formulas, techniques, methods of manufacture and/or operation, samples, results of research and development, intellectual property, intellectual property rights, computer programs, costs of products and materials, including discounts, customer lists, sales history, product mixes, specialized equipment used in the manufacturing process, specifications, bills of material, test results, analysis, recommendations, models, and designs, and Buyer shall use such confidential and proprietary information and technology only to evaluate its business relationship with Seller and to enable Buyer to perform under this Agreement. Buyer shall not disclose, or authorize or instruct any other party to disclose, any confidential or proprietary information of Seller to any third party that is not bound by contract to at least the same duty of confidentiality to Seller as is Buyer. In addition, only those employees and contractors of Buyer having a need-to-know and bound by contract by the same confidentiality provisions as Buyer may be given access to such technology. Buyer shall maintain, for Seller's inspection, written records which shall include the names and address of such employees and contractors granted such access. Buyer shall indemnify Seller from all expenses, including all costs and attorney fees, and damages related to the improper use or disclosure of Seller's confidential and proprietary information and technology by Buyer or its employees and contractors. Buyer acknowledges that such disclosure would cause Seller irreparable harm, in addition to monetary damages. As such, Buyer agrees that Seller would be entitled to injunctive relief should Buyer breach this paragraph, and further agrees that no bond would be required from Seller if the Court granted such relief. Business proposals and technology of Seller may also be protected by patent, copyright, trademark, and other law. No license or other right to business proposals or technology is granted.

19. United States Government Regulations.

Buyer shall not engage in any transaction with respect to the Goods, by way of resale, lease, shipment or otherwise, which violates any statute or regulation of the United States of America.

20. Limitations of Actions.

Any proceeding by Buyer for breach of this Agreement or any other right against Seller arising from or in connection with the payment cannot be filed nor maintained unless: (i) it is commenced within one year after the cause for action has accrued; (ii) Buyer has given timely written notice to Seller of its claim as provided herein; and (iii) Buyer pays all amounts due to Seller or deposits the unpaid portion of the purchase price with the tribunal pending final adjudication. An action for breach of this Agreement shall accrue no later than shipment of the Goods to Buyer whether or not installation or other post shipment services are required by this Agreement.

21. Assignment.

No right or interest in this Agreement may be assigned by Buyer without the prior written consent of the Seller. Any assignment attempted by Buyer shall be void and ineffective for all purposes unless made in conformity with this Section.

22. Claims.

COMMUNICATIONS CONCERNING DISPUTED DEBTS OR OTHER CLAIMS, INCLUDING AN INSTRUMENT TENDERED AS FULL SATISFACTION OF A DEBT OR CLAIM MUST BE DELIVERED TO THE PRESIDENT OF SELLER.

23. Currency.

The choice of currency expressed in this Agreement and the place of payment are essential terms and there are no equivalent terms. Any money judgment rendered under this Agreement shall be converted in any enforcement action in a jurisdiction in which the currency expressed shall be converted into the currency of the enforcing jurisdiction at the current New York rate of exchange as published in the *Wall Street Journal* on the date of entry of the original judgment.

24. Force Majeure.

Seller shall not be responsible for any delay or failure in any performance due, without limitation, to acts of God, war, warlike conditions, blockade, embargoes, riots, governmental restriction, labor disturbances, unavailability of anticipated usual means of transportation or loading facilities, wrecks, epidemics, quarantine, fire, flood, earthquake, explosion, any unforeseen change in circumstances, or any other causes beyond the reasonable control of the party providing notice.

25. Severability.

Any provision found to be unenforceable by a final unappealed order entered by the court or tribunal shall be severed from this Agreement. Such severance shall be as narrow as possible and shall not affect the remainder of this Agreement in such action and other actions, unless the court or tribunal shall also find, on the request of the party that asserted the enforceability of the provision, that without such provision as originally written, this Agreement is not likely to meet the reasonably commercial expectations of such party and in such case, the court or tribunal shall enter an equitable judgment of rescission, termination or reformation of this Agreement as necessary to reach an equitable result.

EXHIBIT A

SECURITY AGREEMENT

Buyer (“Debtor”) for good and valuable consideration, the receipt of which is hereby acknowledged, hereby grants to SAMSCREEN, INC, a Delaware corporation, with a mailing address of 216 Broome Corporate Parkway, Conklin, NY, 13748 (“Secured Party”) a security interest in the machinery, equipment, and goods described in the sales order and all replacements, substitutions, profits, products, cash and non-cash proceeds from any of the foregoing in any form and wherever located (the “Collateral”), to secure payment of any and all obligations or liabilities, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising of Debtor to Secured Party (the “Obligations”) plus all default interest, costs, expenses and attorneys’ fees incurred by Secured Party in collecting or enforcing the Obligations.

1. GENERAL REPRESENTATIONS AND WARRANTIES. Debtor represents and warrants to the Secured Party that:

(a) Debtor has the full right and authority to convey the interests herein assigned and the execution and performance of this agreement is within its powers, has been duly authorized, and is not in violation of its governing documents, or any other agreement by which it is bound.

(b) Debtor holds good and marketable title to the Collateral and Debtor owns the Collateral free from any lien, security interest or encumbrance. Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.

(c) Except for any financing statement filed pursuant to this Agreement, no financing statement covering any of the Collateral or any proceeds thereof is on file in any public office except for those reflecting the security interest granted herein.

2. AFIRMATIVE COVENANTS. For the duration of this Agreement, Debtor agrees as follows:

(a) Debtor will, on demand of Secured Party, furnish further assurances of title, execute any agreement written or otherwise, or do any other acts necessary to effectuate the provisions and purpose of this Agreement, as well as execute any instrument required by law or otherwise to perfect, continue or terminate the Secured Party’s security interest.

(b) Debtor will immediately notify Secured Party in writing of any change in address and will upon demand furnish to Secured Party such further information and will execute and deliver to Secured Party such financing statements and other papers and will do all such acts and things as may be necessary or appropriate to establish and maintain a valid security interest in the Collateral as security for the Obligations. Debtor will pay all costs of filing or recording in all public offices where filing or recording is deemed by Secured Party to be necessary or desirable.

(c) Debtor will keep the Collateral free from any additional lien, security interest or encumbrance.

(d) With respect to the Collateral, at all times Debtor will have and maintain at its expense insurance in such amounts as Secured Party may reasonably require, containing such terms, in such form, for such periods and written by such companies as may be satisfactory to both Secured Party and Debtor, such insurance policies payable to Secured Party and Debtor as their interests may appear. All policies of insurance shall provide for ten (10) days' written cancellation notice to Secured Party. Debtor shall furnish Secured Party, upon Secured Party's request, with certificates or other evidence satisfactory to Secured Party of compliance with the foregoing provisions. Secured Party shall have a security interest in and may apply any proceeds of insurance received by it to pay the Obligations, whether due or not. Debtor will immediately notify Secured Party and insurers in writing of any damage to or loss of the collateral and shall promptly file proofs of loss.

3. NEGATIVE COVENANTS. For the duration of this Agreement, Debtor agrees that it will not sell or otherwise transfer, mortgage, pledge, abandon, exchange, deliver, abandon or dispose of the Collateral or any interest therein without the prior written consent of Secured Party. This includes subjecting the collateral to security interests, even if they are junior to the security interest created by this Agreement. If Debtor shall sell, pledge or mortgage or otherwise transfer the Collateral in violation hereof, Secured Party shall have a security interest in the proceeds of any such sale, pledge or mortgage or transfer.

4. RIGHTS AND POWERS OF SECURED PARTY. For the duration of this Agreement, Secured Party has the following rights and powers:

(a) Secured Party shall have, at all times, the rights, remedies and other interests of Debtor in the Collateral, including the right of enforcement in its own or Debtor's name, and, upon Secured Party's request, Debtor shall execute and deliver to Secured Party all assignments or other documents essential to the exercise by Secured Party of such rights, remedies and interest.

(b) Secured Party is hereby irrevocably appointed attorney in fact of Debtor, with full power of substitution, to take possession of and indorse in the name of Debtor all instruments or other papers arising out of, or constituting the proceeds of, the Collateral, including any instruments or other papers representing or pertaining to the proceeds of any insurance. Secured Party further has the power to negotiate, settle or compromise in the name of the Debtor any claims with respect to such insurance.

(c) Secured Party may, without notice to Debtor, notify all persons obligated to Debtor by reason of the Collateral that all payments due or thereafter becoming due shall be made directly to Secured Party. Secured Party may, without notice to Debtor, vary the terms of, or release, any obligation included in, or arising out of, the Collateral, without affecting any obligation of Debtor to Secured Party.

(d) Secured Party, at the expense of Debtor, may obtain a search of the public records of financing statements and may file this agreement, and any financing statement and continuation statement pertaining to it, with such filing officers as Secured Party may deem necessary or advantageous, without the signature of Debtor.

5. EVENTS OF DEFAULT. Debtor shall be in default under this Agreement upon the happening of any of the following events or conditions (each an “Event of Default”):

(a) Default in any of the covenants, terms or provisions contained or referred to in this agreement or in any memorandum evidencing or agreement executed in connection with any of the Obligations.

(b) Any warranty, representation or statement made or furnished to Secured Party by or on behalf of Debtor in connection with this Agreement or otherwise proves to have been false in material respect when made or furnished.

(c) Any of the following involving Debtor or any guarantor or surety for the Debtor: dissolution; making a bulk sale; termination of existence; failure to maintain corporate existence in good standing; insolvency; failure to pay debts as they mature; commitment of any act of bankruptcy; appointment of a receiver of any part of its property; assignment for the benefit of creditors, of the commencement of any proceeding under any bankruptcy; insolvency, reorganization, arrangement, adjustment of debt, dissolution or liquidation laws; calling a meeting of creditors; or offering a composition or extension to creditors.

(d) Any material judgment against Debtor or any attachment against its property for any amount remains unpaid, unstayed on appeal, undischarged, unbonded or undismissed for a period of sixty (60) days.

Upon the occurrence of an Event of Default under (d) of this section all the Obligations shall be immediately due and payable without notice or demand. Upon the occurrence of any other Event of Default and at any time thereafter, Secured Party may declare any or all the Obligations immediately due and payable upon notice to that effect delivered by Secured Party to Debtor. Secured Party shall have the rights and remedies of a secured party under the Uniform Commercial Code of New York or any other applicable law, including without limitation, the right to sell, lease or otherwise dispose of any or all of the Collateral and to take possession of the Collateral, and for that purpose Secured Party may, so far as Debtor can give authority therefor, enter peaceably any premises on which the Collateral or any part thereof may be situated and remove the same therefrom and the Debtor will not resist or interfere with such action. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Debtor hereby agrees that the address of its place of business and the place or places of location of the Collateral are places reasonably convenient to it to assemble the Collateral. Unless the Collateral threatens to decline speedily in value or is a type customarily sold on a recognized market, Secured Party will send Debtor reasonable notice of the time after which any private sale or any other disposition thereof is to be made. The requirement of

sending reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement at least five (5) days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, repair necessary to put Collateral in first-class condition, insurance, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses, and Debtor agrees to pay such fees and expenses. Debtor shall remain liable for any deficiency. The remedies of Secured Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies of Secured Party.

6. MISCELLANEOUS.

(a) No delay or omission on the part of Secured Party in exercising any right hereunder shall operate as a waiver of such right or of any other right under this agreement. No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion.

(b) All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns; and all obligations of Debtor shall bind it, its successors and assigns.

(c) Any notice or notification required to be given to Debtor may be given by mailing such notice, postage prepaid, to Debtor's address as it appears at the beginning of this agreement.

(d) This agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change modification or discharge is sought.

(e) Any provision of this agreement invalid under or prohibited by the law shall be ineffective to the extent of such prohibition without invalidation of the remaining provisions hereof.

(f) All headings in this Agreement are for reference only and shall not in any way affect the meaning or interpretation of any provision of this Agreement.

(g) This agreement is made pursuant to the Uniform Commercial Code of New York and is to be interpreted in accordance with the laws of said State, without regard to choice of law.

(h) This agreement may be executed in counterparts and each one is considered an original. This agreement may be executed by any electronic method and said electronic signature shall constitute an original signature.

IN WITNESS WHEREOF, the parties have executed this Agreement the date and year first above written, in accordance with their respective capacities.

(Debtor)

By: _____

SAMSCREEN, INC
(Secured Party)

By: _____