SERVICE AGREEMENT
(Web Version October 6, 2008)

Whenever ANSYS provides consulting services, as more particularly described by ANSYS either in a written proposal to the Customer or in Section 3 of the Consulting Form ("Proposal"), a Consulting Form shall be executed which shall refer to this Service Agreement ("Service Terms") and which shall be incorporated therein by reference. By signing said Consulting Form, each party has caused this Agreement to be executed by its duly authorized representatives and agrees to be bound by the terms and conditions of this Agreement. As used herein, ANSYS means the entity referenced on the Consulting Form in the signature block beneath "ANSYS" (which shall be an entity directly or indirectly controlled by or under common control with ANSYS, Inc.)

1.   <u>Services to be Provided</u>
1.1   ANSYS shall provide to the Customer the services described in the Proposal (the "Services").

2.   <u>Fees, Payment, and Expenses</u>
2.1   For the Services provided under the Service Terms, the Customer shall pay ANSYS the amount(s) indicated and within the time(s) indicated in the Proposal.
2.2   The Customer shall reimburse ANSYS for reasonable and necessary expenses incurred by ANSYS in connection with providing the Services under the Service Terms, including reasonable and necessary travel expenses for any travel which has been approved in advance by the Customer.
2.3   Payment of the invoiced amount will be due and payable within thirty (30) days NET of ANSYS' invoice date. In the event that the Customer does not pay within the period indicated, ANSYS may charge the Customer interest in an amount equal to 1.5% per month of the unpaid balance.

3.   <u>Intellectual Property</u>
3.1   ANSYS shall disclose promptly to the Customer all inventions, discoveries and improvements, whether or not patentable, which relate to the business or activities of the Customer and which are conceived or made by ANSYS in connection with the Services provided under the Service Terms or which result from access to business or technical information of the Customer. ANSYS hereby assigns and shall assign ANSYS' entire interest in such inventions, discoveries and improvements to the Customer or its nominee and shall execute all documents necessary to enable the Customer or its nominee to secure patents in the United States or any foreign country or otherwise to protect the interest of the Customer.
3.2   Notwithstanding any provision of this Section 3 to the contrary, ANSYS does not assign any of ANSYS's interest in, and the Service Terms shall not afford the Customer any existing or future rights in software or know-how, owned, developed or licensed by ANSYS including, but not limited to, any software or know-how developed or used in connection with the Services or any software identified as a Licensed Deliverable on the Consulting Form, and shall not modify any licensing or other agreements between the Customer and ANSYS.
3.3   Subject to the terms of the Non-Standard Software License Agreement ("Software Terms"), which is available for review at http://www.ansys.com/nonstandardterms.htm, ANSYS hereby grants Customer and its Affiliates, a non-exclusive, Paid-Up License to use any know-how used or software developed by ANSYS solely in connection with the Services. With respect to any Licensed Deliverable, ANSYS shall grant a license to use such Licensed Deliverable consistent with the Software Terms and for the License Term indicated in the Consulting Form.
3.4   Any software, including, but not limited to, a Licensed Deliverable, specifically licensed by ANSYS to the Customer as part of the Services shall be subject to the terms and conditions of the Software Terms.

4.   <u>IP Infringement</u>
4.1   ANSYS will defend at its expense, any claim, suit, or proceeding (each, a "Claim") brought against Customer by any third party to the extent that such Claim is based on a claim that the Services infringe or conflict with any rights of such third party under copyright laws of any country that is a signatory to the Berne Convention; any trademark issued under the laws of the United States, any State of the United States or any member state of the European Union; or any trade secret laws of the United States, any State of the United States or any member state of the European Union. ANSYS will pay all costs and damages finally awarded against the Customer by a court of competent jurisdiction as a result of any such Claim; provided, however, that Customer (i) promptly notifies ANSYS in writing of such Claim; (ii) promptly gives ANSYS the right to control and direct the investigation, preparation, defense and settlement of such Claim, with counsel of ANSYS' own choosing (provided that Customer will have the right to reasonably participate, at its own expense, in the defense of any such Claim); and (iii) gives assistance and full cooperation for the defense of same. If the Services are, or in ANSYS' opinion, might be held to infringe as set forth above, ANSYS may, at its option: (a) replace or modify the Services so as to avoid infringement; (b) obtain for

the Customer the right to continue to use the Services; or (c) require that the Customer returns that portion of the Services that are infringing and provide a partial refund for such infringing Services. In the event that the non-infringing portion of the Services cannot be used by the Customer without access to the portion of the Services that were returned to ANSYS hereunder, then ANSYS may agree to refund the complete service fee paid by the Customer for the Services, provided that the Customer returns all of the work provided by ANSYS as part of the Services.

4.2 The foregoing indemnity will not apply to any Claim based upon or arising from (i) use of the Services in combination with any third party equipment, software, or data for which it was not intended to be used; (ii) compliance by ANSYS with the designs or specifications of the Customer; (iii) modification of the Services other than at the direction of ANSYS; or (iv) Customer's continued use of the Services subsequent to the receipt of (a) notice of any claimed infringement or (b) notice from ANSYS of its intent to exercise rights under Section 4.1.

4.3 This Section 4 represents the sole and exclusive remedy of Customer and the entire liability and obligation of ANSYS with respect to infringement or claims of infringement or misappropriation of any intellectual property right (including any trade secret) with respect to the Services.

4.4 The foregoing indemnity applies with respect to the Services only. With respect to any software, including, but not limited to, a Licensed Deliverable, specifically licensed by ANSYS to the Customer as part of the Services, ANSYS's indemnification obligations are as set forth in the Software Terms.

5. ITAR Information and Confidentiality

5.1 The Customer agrees that it will not submit to ANSYS any information controlled by the International Traffic in Arms Regulations ("ITAR") or the Arms Export Control Act unless it (a) first receives ANSYS's permission to provide ANSYS with such information, (b) clearly marks any such ITAR-controlled information with the legend "ITAR-Controlled" or, if the ITAR-controlled information is conveyed orally or visually, notifies ANSYS at the time of the conveyance that it is ITAR-Controlled and provides a written summary thereof, marked with the legend "ITAR-Controlled", to ANSYS within 5 days of the initial disclosure, and (c) submits the information in strict accordance with ANSYS's instructions. Customer agrees to indemnify ANSYS for any claims, suits, fines, penalties or proceedings brought against ANSYS that result in whole or in part from Customer's failure to comply with this Section 5.1.

5.2 In the event that ANSYS and the Customer have separately entered into a confidentiality agreement regarding the exchange of information in connection with the Services, then, excluding any software licensed by ANSYS in connection with the Services, including, but not limited to, a Licensed Deliverables, the terms of that separate confidentiality agreement shall govern the disclosure and use of confidential information and not Sections 5.2-5.6 herein. With respect to any such software licensed by ANSYS in connection with the Services, the terms of the Software Terms shall solely govern the use and disclosure of such software.

5.3 Except as set forth in Section 5.2, any information that may be exchanged between ANSYS and the Customer pursuant to the Service Terms ("Confidential Information"), is subject to the terms as set forth herein.

5.4 Confidential Information will remain the property of the party disclosing such information (the "Disclosing Party"). If initially disclosed orally or visually, Confidential Information must be identified as confidential at the time of disclosure and a written summary thereof, also marked with such a legend, must be provided to the party to whom such information was disclosed (the "Receiving Party") within 15 days of the initial disclosure. Notwithstanding the foregoing to the contrary, reports and/or information related to or regarding ANSYS's, its affiliates', or its suppliers' business plans, strategies, technology, research and development, current and prospective customers, bill records, and products or services will be deemed Confidential Information even if not so marked or identified. The Receiving Party will use the same degree of care as it uses to protect its own similar confidential and proprietary information, but not less than reasonable care, to protect the confidentiality of the Disclosing Party's Confidential Information. The Receiving Party agrees that it will not (i) use the Disclosing Party's Confidential Information in any way, for its own account or the account of any third party, except for the exercise of its rights and performance of its obligations under the Service Terms, or (ii) disclose any such Confidential Information to any party, other than furnishing such Confidential Information to (a) its employees, affiliates, and consultants who need to have access to such Confidential Information in connection with the exercise of its rights and performance of its obligations under the Service Terms and (b) professional advisors; provided that such employees, consultants and professional advisors are bound by written agreements of confidentiality or, in the case of professional advisors, ethical duties respecting such Confidential Information in accordance with the terms of this Section 5.

5.5 The obligations of confidentiality set forth in this Section 5 will not extend to any information which:
(i) was lawfully known to the Receiving Party prior to receipt from the Disclosing Party;
(ii) enters the public domain in general through no wrongful act or breach of this Section 5 by the Receiving Party;
(iii) is received by the Receiving Party from a third party having a legal right to disclose such information;
(iv) is developed independently by the Receiving Party without use of or access to the Disclosing Party's Confidential Information; or

(v) is required by law, regulation or court order to be disclosed, so long as the Receiving Party notifies the Disclosing Party in writing prior to disclosing the Confidential Information so that the Disclosing Party has an opportunity to seek a protective order or other appropriate remedy from the proper authority. The Receiving Party agrees to cooperate with the Disclosing Party in seeking such order or other remedy or in defining the scope of any required disclosure.

5.6   The obligations of the parties with regard to Confidential Information will survive for a period of three (3) years from the date of the first disclosure of such Confidential Information.

6.   Warranty

6.1   ANSYS warrants that the Services shall be performed with the standard of care and skill ordinarily used by other members of the software services profession when undertaking similar services.

6.2   Any interpretation or analyses of the Customer's data, and any recommendation based upon such interpretations or analyses, are opinions based upon inferences from measurements and empirical relationships and assumptions which are not infallible, and with respect to which industry professionals may differ. Accordingly, ANSYS does not warrant the accuracy, correctness or completeness of any such interpretation or recommendation. The Customer has full responsibility for all financial and other decisions concerning its operations.

6.3   ANSYS MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, RELATING TO OR CONCERNING ANY REPORT, MATERIALS, EQUIPMENT, INFORMATION, OR ANY OTHER WORK PROVIDED UNDER THE SERVICE TERMS, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES CONCERNING THEIR USE OR PERFORMANCE AND ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

7.   Liability

7.1   **SUBJECT TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANSYS SHALL NOT BE LIABLE TO CUSTOMER OR ANY OTHER PARTY FOR ANY INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL, EXEMPLARY OR INCIDENTAL DAMAGES OR LOSSES.** Regardless of whether or not the parties have been advised of the likelihood of such damages or losses, said limitation of liability includes but is not limited to lost profits (whether direct or indirect), revenues, anticipated savings, goodwill, business opportunities, wasted or lost production and/or management's or employees' time, or loss of or corruption of software data, or database configuration, or use of the Services by Customer, or inability of Customer to use the Services, or inaccurate output, or ANSYS' breach of these Service Terms whether in contract, negligence, tort, or under any other theory of liability.

7.2   ANSYS will not be responsible for any use made of any report, materials, equipment or information arising from the Services, either by the Customer or any third party.

7.3   EXCLUDING ANSYS'S IP INFRINGEMENT INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 4, IN NO EVENT SHALL ANSYS' LIABILITY TO THE CUSTOMER OR ANY THIRD PARTY RELATING TO THE SERVICES EXCEED THE AMOUNT PAID BY THE CUSTOMER TO ANSYS FOR THE SERVICES, REGARDLESS OF THE FORM OF THE ACTION.

7.4   The Services are analytical and advisory in nature and are not a substitute for rigorous and comprehensive prototype testing by Customer of products or components intended for sale or use by the Customer. The Customer has the sole and final responsibility for determining the accuracy, correctness, and suitability of the Services for any purpose. The Customer agrees to defend, indemnify, and hold ANSYS, its officers, directors, employees, and agents, (collectively, the "Indemnified Parties") harmless from and against all losses, damages, liability (including reasonable attorneys' fees) incurred by such Indemnified Parties as a result of the Customer's use of the Services, including, but not limited to, such losses, damages, liability arising from ANSYS' negligence; provided, however, that such indemnification obligations will not extend to (i) claims for which ANSYS is required to indemnify the Customer pursuant to Section 4 or (ii) claims arising out of ANSYS' willful misconduct.

8.   Termination

8.1   The Customer or ANSYS may terminate the Services immediately upon written notice to the other party if the other party does not comply with any material term or condition of the Service Terms, and fails to remedy or commence remedial steps to cure such breach within thirty (30) days after receipt of written notice from the non-breaching party specifying the breach and requiring it to be remedied.

8.2   Either party may terminate the Services at any time upon thirty (30) days prior written notice in the event of: (i) termination or cessation of the business of the other party; or (ii) filing of a voluntary or involuntary bankruptcy, receivership, or similar proceeding with respect to the other party.

8.3	In the event of termination of the Service Terms by either party for any reason, the Customer shall pay ANSYS for that portion of the Services that ANSYS has completed and any irrevocable commitments entered into by ANSYS up to the date of termination.

8.4	The provisions of Sections 3, 4, 5, 6, 7, 8, and 9 shall survive any termination of the Service Terms.

9.	Miscellaneous

9.1	The Service Terms, Consulting Form, and Proposal constitute the full understanding of the parties and a complete and exclusive statement of the terms regarding the Services. In the event of any conflict between the Service Terms, Consulting Form, and Proposal, ("Service Agreement Components") the order of precedence is as follows: (1) Consulting Form; (2) Service Terms; and (3) Proposal. The Software Terms shall solely govern the use of any software licensed by ANSYS, including, but not limited to, a Licensed Deliverable, to the Customer in connection with the Services. In the event of any conflict between the Software Terms and the Service Agreement Components respecting such software, the terms of the Software Terms shall take precedence. No modification of the Service Terms or waiver of any of its terms or conditions shall have any effect unless made in writing and signed by the party to be bound.

9.2	Neither party shall assign the Service Terms without the prior written consent of the other, which shall not be unreasonably withheld, except that without securing such prior consent either party shall have the right to assign the Service Terms to any successor by way of merger or consolidation or the acquisition of all or substantially all of the business and assets of the party relating to the subject matter of these Service Terms. This right shall be retained provided that such successor shall expressly assume all of the obligations and liabilities of the assigning party under the Service Terms. Any assignment in violation of this paragraph shall be void. The terms and conditions of the Service Terms shall be binding upon and enforceable by the successor and permanent assign of the assigning party.

9.3	In providing the Services pursuant to the Service Terms, ANSYS shall act as independent contractor. ANSYS shall not be and shall make no representation of being an employee or agent of the Customer. ANSYS shall pay all federal, state and local taxes and withholdings which may be or become due on any money paid by the Customer to ANSYS under the Service Terms.

9.4	The rights and obligations of the parties hereto shall be governed by the substantive law of the Commonwealth of Pennsylvania, excluding the United Nations Convention on the International Sale of Goods and choice of law provisions. The parties hereto submit themselves to the venue and jurisdiction of the federal and state courts maintaining jurisdiction over Washington County, Pennsylvania for purposes of any legal proceedings arising under or relating to this Agreement.