

SERVICE AGREEMENT
(Web Version February 10, 2006)

Whenever ANSYS provides consulting services, as more particularly described in ANSYS's proposal to the Customer ("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. Services to be Provided

1.1 ANSYS shall provide to the Customer the services described in the Proposal (the "Services").

2. Fees, Payment, and Expenses

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 after receipt of ANSYS's invoice.

3. Intellectual Property

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's 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, 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, and shall not modify any licensing or other agreements between the Customer and ANSYS.

3.3 ANSYS hereby grants Customer and its affiliates and parent company, a non-exclusive, paid-up license to use any know-how used or software developed by ANSYS solely in connection with the Services.

3.4 Unless otherwise agreed in writing by the parties, any software which may be provided by ANSYS to the Customer as part of the Services shall be subject to the terms and conditions of ANSYS's then current standard form commercial software license agreement, which will be provided to the Customer.

4. IP Infringement

4.1 ANSYS will defend or settle, at its option and expense, any legal proceeding brought against Customer to the extent that it is based on a claim that the software developed and/or provided by ANSYS or services provided by ANSYS (the "Software and Services") infringes a third party's U.S. patent or copyright. ANSYS will indemnify the Customer against all damages and costs attributable exclusively to such claim awarded by the court finally determining the case, provided that Customer: (1) promptly provides written notice of the claim to ANSYS; (2) permits ANSYS to have sole control of the defense and settlement of the claim; (3) provides to ANSYS, at ANSYS's expense, all available information and assistance; and (4) does not compromise or settle such claim;

4.2 If the Software and Services is found to infringe, or in the reasonable opinion of ANSYS is likely to be the subject of a claim, ANSYS will at its option: (1) obtain for the Customer the right to continue to use the Software and Services; (2) replace or modify the materials so that they become non-infringing; or (3) if neither (a) nor (b) is reasonably achievable, provide a partial refund for the Software and Services. For Software, ANSYS will refund that portion paid for the Services that relates to delivery of Software as further pro-rated hereafter. Such portion shall further be pro-rated based on the amount of time that the Customer has had to use the Software before having to permanently uninstall it because of the infringement claim. For the purpose of calculating the pro-rated refund herein, a perpetual license shall be treated as having a term equivalent to three (3) years. (e.g. If the Customer paid \$10,000 to ANSYS and \$1,200 of that was for the delivery of Software and the Customer had use of the Software for 2 years before a notice of infringement, then the Customer would receive a refund of \$400 once it has permanently uninstalled the Software) For Services, 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. Alternatively, the Customer may retain that portion of the services work that is non-infringing provided that Customer and ANSYS can agree on an appropriate refund for the infringing services work returned by the Customer to ANSYS.

4.3 ANSYS shall not have any obligation under this Section 4 to the extent that any claim results from the following: (1) use of the Software and Services in combination with any third party equipment, software, or data; (2) compliance by ANSYS with the designs or specifications of the Customer; (3) modification of the Software and Services other than at the direction of ANSYS; or (4) use of an allegedly infringing version of the Software, if the alleged infringement could have been avoided by the use of a different version made available to Customer by ANSYS;

4.4 This section states the entire liability of ANSYS and the exclusive remedies of Customer for claims that the Software and Services infringe a third party's intellectual property rights.

5. Confidentiality

5.1 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 the terms of that separate confidentiality agreement shall govern the disclosure and use of confidential information between the parties and not this Section 5.

5.2 Except as set forth in Section 5.1, any information that may be exchanged between ANSYS and the Customer pursuant to the Service Terms, are subject to the terms as set forth herein.

5.3 The parties agree to preserve in confidence all Confidential Information of the other party and not to use, or disclose to any person, such Confidential Information while the Service Terms are in effect, and thereafter except upon the disclosing party's authorization, and except for internal purposes confined to the necessary administration and performance of the Service Terms. For purposes of the Service Terms, "Confidential Information" shall mean information disclosed by the disclosing party and relating to the Services, including trade secrets, business and technical information and data, or which, although not related to the Services, is nevertheless disclosed as a result of the Parties' discussions in that regard, and which, in any case, is disclosed by the disclosing party or its affiliates to the receiving party or its affiliates in document, electronic media, or other form bearing an appropriate legend indicating its confidential or proprietary nature, or which, if initially disclosed orally or visually is identified as confidential at the time of disclosure and a written summary thereof, also marked with such a legend, is provided to the receiving party within 15 (fifteen) days of the initial disclosure. In all cases, Confidential Information shall include any source code, development-level documentation, and similar technical information pertaining to ANSYS's software, which will at all times be protected through the highest commercially reasonable standard of care. The receiving party may provide Confidential Information to employees and contractors of its affiliates or to subcontractors provided that such disclosure is reasonably necessary to carry out the purpose of this Service Terms and provided that the receiving party has a confidentiality agreement in place with such subsequent recipients of Confidential Information requiring such employees, contractors, and subcontractors to protect the Confidential Information to the same degree as the receiving party under these provisions.

5.4 Confidential Information does not include information already in the public domain, or that is independently developed by a party without reference to the other party's Confidential Information, or that is in the rightful possession of the other party at the time of its disclosure, or that is disclosed as a matter of right by a third party after the execution of the Service Terms, or that enters the public domain other than by the unauthorized acts of the receiving party. Within 30 days of the disclosing party's request, all materials or media containing any Confidential Information (including any information, records, and materials developed on the basis thereof) will be either returned or destroyed by the receiving party, and the receiving party agrees to certify its compliance with such obligation upon the request of the disclosing party.

5.5 Excluding trade secrets, the obligations of confidentiality set forth herein shall expire five (5) years from the date of first disclosure. The obligations of confidentiality with respect to trade secrets shall survive until such time as such information is no longer a trade secret.

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, EQUIPEMENT, 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 ANSYS Software by Customer, or inability of Customer to use the ANSYS Software, or inaccurate output, or ANSYS's breach of this 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, except to the extent that ANSYS can be shown to have been negligent in providing such report, materials, equipment or information.

7.3 IN NO EVENT SHALL ANSYS's 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.

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: (1) termination or cessation of the business of the other party; or (2) 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, and 8 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, the order of precedence is as follows: (1) Consulting Form; (2) Service Terms; and (3) Proposal. 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 this 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 this 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 this 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 this Service Terms.

9.4 In providing the Services under the Service Terms, ANSYS shall comply with all applicable federal, state, and local laws and regulations.

9.5 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 personal jurisdiction of the Commonwealth of

Pennsylvania for purposes of the enforcement, in a state or federal court of law or equity, of any of the provisions of the Service Terms with venue existing exclusively therein.