

SPECIAL CONDITIONS OF PURCHASE - CROSSDOCKING CONTRACT

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October 1, 2007

1. Crossdocking Overview/Nature of Agreement

Crossdocking is a process whereby the Seller, in accordance with all of the requirements of the Purchase Order (including these Special Conditions), provides same day delivery to a single Con Edison location of materials ordered electronically by Con Edison. Con Edison will off load the materials from the Seller's delivery vehicle for delivery by Con Edison to other Con Edison locations.

This is an indefinite quantity contract for the materials specified in the Purchase Order for the term set forth in the Purchase Order. Any quantities of materials specified in the Purchase Order are estimates only and are not purchased or ordered merely by issuance of the Purchase Order. During the term of the Purchase Order, Con Edison will issue material orders to the Seller via Electronic Data Interchange for specific quantities of materials to be furnished by the Seller pursuant to the Purchase Order. All material orders issued to the Seller are subject to the terms and conditions of the Purchase Order.

This is not a requirements contract. Con Edison reserves the right at any time to contract with others during the term of the Purchase Order for any quantity of one or more of the materials specified in the Purchase Order.

2. Minimum and Maximum Quantities

The Seller shall furnish such quantities of materials as Con Edison may order subject to the following limitations: Where estimated quantities of materials for the term of the Purchase Order are stated, the Seller shall supply up to 125% of the estimated quantity of each material, in consideration whereof Con Edison shall make purchases amounting to at least 10% of the total contract price of the estimated quantities (not necessarily resulting from the purchase of 10% of each material). If no estimated quantities are stated, Con Edison's minimum purchase obligation shall be 10% of the total authorized dollar amount stated in the Purchase Order, as such amount may be increased by Con Edison. In any event, the Seller shall not be obligated to furnish quantities of materials the prices of which total more than the total authorized dollar amount stated in the Purchase Order, as such amount may be increased by Con Edison. The prices for materials shall remain firm regardless of the quantities of each material or of all materials ordered and, except for the minimum purchase obligation specified in this Paragraph and the purchase obligation specified in Paragraph 13 of these Special Conditions, Con Edison shall incur no liability for any materials not ordered. Purchases made by Con Edison in accordance with Paragraph 13 of these Special Conditions shall be credited towards Con Edison's minimum purchase obligation specified in this Paragraph.

3. Use of EDI For Material Orders

Material orders originated by Con Edison departments will be transmitted hourly via Electronic Data Interchange (EDI) to the Seller's computer. Accordingly, the Seller must be capable of receiving, processing, and sending transactions via EDI. Data will be sent via the EDI 850 transaction in accordance with the layout described in Attachment A. That data must be received and translated by the Seller and used to determine the material ordered by Con Edison. The data should be passed directly into the Seller's order entry and inventory control systems. The data also must be available to the bar code label generation software utilized by the Seller.

4. Unusual Quantities

The Seller shall ask the Con Edison department issuing the material order to confirm any material order for an unusually large quantity of any material before processing such order. An "unusually large quantity" of material is defined as any quantity equal to or greater than one third of the initial required inventory level (as described in Paragraph 13) for that material. The Seller shall advise Con Edison's Materials Management Department weekly in writing of all material orders for unusually large quantities issued during the preceding week.

5. Use of EDI For Payment Process

Con Edison will generate a report of all crossdocking transactions weekly which will serve as the basis for payment to the Seller. The information also will be transmitted via the EDI 870 transaction described in Attachment B. The Seller is responsible for reconciling its own records against Con Edison's transmitted list and subsequent payment. Any discrepancies must be reported to Con Edison within five business days from the date of transmission. Payment will be made as provided in the Purchase Order.

6. Delivery Requirements

The Seller is required to deliver all of the materials ordered each day by Con Edison to Con Edison's facility located in Astoria, Queens at 31-01 20th Avenue, New York, N.Y. 11105. Material orders received up to and including the 4pm EDI transmittal must be delivered to Con Edison no later than 8pm the same day. The Seller shall package and sort materials in accordance with the requirements of Paragraph 10 of these Special Conditions and shall affix bar code labels to such packaging in accordance with the requirements of Paragraph 11 of these Special Conditions.

7. Emergency Requirements

During the term of the Purchase Order, the Seller should expect that conditions occasionally will arise when Con Edison, in its sole discretion, determines that an

emergency exists requiring a delivery schedule other than that described in Paragraph 6. Such an emergency could, among other things, require multiple deliveries during a normal working day or require the Seller to staff and operate its facilities at any hour of any day during the year (including weekends and Con Edison holidays described in Paragraph 8). The Seller shall provide Con Edison with telephone and pager numbers by which Con Edison may contact the Seller during off-hours to notify it of such an emergency. The Seller shall staff at least one of these telephone and pager numbers at all times to enable such notification to be made. Within five hours of Con Edison notifying the Seller of such an emergency, the Seller shall be required to make deliveries of ordered materials to any designated Con Edison location. During such an emergency, Con Edison may order materials by telephone. Depending on the circumstances, Con Edison may choose to pick up the ordered materials at the Seller's facilities. The Seller shall comply with all such emergency requirements without additional charge to Con Edison.

8. Holiday Schedule

In addition to weekends, Con Edison is closed for normal operations on the following holidays: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, day after Thanksgiving, and Christmas Day. Deliveries will not be required on those days unless an emergency is declared.

However, the Seller must maintain normal services on all other days irrespective of the Seller's holiday schedule.

9. Credits

In the event that any material is ordered and is not used, the Seller will accept the return of any such material for full credit with no restocking or other charge. Any such material shall be picked up by the Seller from Con Edison's location in Astoria, Queens at 31-01 20th Avenue, New York, N.Y. 11105 and transported by the Seller without charge to Con Edison. The amount to be credited shall be deducted from future payments otherwise due the Seller, or, if such future payments are not, in the aggregate, greater than the amount of such credit amount, any remaining portion of such credit amount shall be paid by the Seller to Con Edison within 30 days of Con Edison's request for same.

10. Packaging and Sorting Requirements

The Seller must package and sort ordered materials as follows:

Each line item on each material order is to be packaged individually and, in accordance with Paragraph 10 hereof, labeled with a bar code. Packages shall be a minimum of 4" x 6" to accommodate the bar code label.

Packages must be palletized and sorted by Westchester County or the New York City Borough indicated on the material order. For large orders, Con Edison may request that material orders be sorted by truck number also.

Pallets containing full loads of only one commodity (stock number) must adhere to Con Edison's pallet specification 86-1. Pallets containing multiple commodities can be delivered on structurally sound pallets not meeting the above specification.

11. Bar Coding

The Seller shall properly package all materials and shall label each package with a bar code label prepared in accordance with Attachment C. The bar code label software utilized by the Seller must accept information from three sources: the EDI 850 transaction; system calculation of a check-sum value using the formula specified in Attachment D; and information entered by the Seller based on the physical packaging of the material order.

The Seller must specify the quantity, the package number, and the total packages on each label placed on a package satisfying the material order. For example, if an order for a quantity of 7 is received and delivered by the Seller in 2 packages, the first package containing 4 and the second package containing 3, a separate label must be generated for each package. The first label must specify package 01 of 02 with the quantity ordered of 7 and quantity issued of 4. The second label must specify package 02 of 02 with the quantity ordered of 7 and the quantity issued of 3.

12. Performance Rating

Con Edison will maintain records of the Seller's performance under this contract and will rate it against performance criteria including timeliness of deliveries and the quality of product provided. The Seller will be notified in writing periodically of its performance level. A high level of performance will be taken into consideration when awarding future contracts and poor performance may result in contract cancellation, unfavorable consideration during future contract awards, or both.

13. Stocking Requirements/Purchase of Inventory

Unless required by Con Edison to maintain different inventory levels (as provided for below), the Seller shall maintain during the term of the Purchase Order the Con Edison-specified initial required inventory level for each material covered by the Purchase Order. (The initial required inventory level for a material represents Con Edison's most up-to-date estimate of its anticipated purchases of that material over a period of three months.) At any time during the term of the Purchase Order, Con Edison, by written notice to the Seller, shall have the right to adjust up or down the initial required inventory level for any or all materials covered by the Purchase Order that the Seller is otherwise required to maintain as provided above. Such adjustments may be made for any reason including, but not limited to, changes in material usage and the time remaining until expiration of the Purchase Order (including any desire to reduce inventory levels as the Purchase Order nears expiration). As part of its obligations hereunder, the Seller shall make periodic recommendations to Con Edison concerning appropriate inventory levels for materials, taking into consideration Con Edison's historical purchases of materials and the time remaining until expiration of the Purchase Order (including any desire to reduce inventory levels as the Purchase Order nears expiration). Notwithstanding such recommendations from the Seller, however, the authority to establish inventory levels shall be vested solely in Con Edison. In any event, to assure that the required inventory levels are maintained, the Seller shall continually monitor Con Edison's purchases of each material covered by the Purchase Order.

Notwithstanding anything herein to the contrary, if, upon the expiration of the Purchase Order or upon its earlier termination in accordance with Article 19 (entitled "Termination for Convenience") of Con Edison's Standard Terms and Conditions - Purchase of Equipment dated August 16, 1988 or in accordance with Article 11 (entitled "Termination for Convenience") of Con Edison's Standard Terms and Conditions - Purchase of General Supplies and Materials dated August 16, 1988, the Seller has a remaining inventory of materials covered by the Purchase Order, which materials are maintained solely and exclusively for Con Edison pursuant to the Purchase Order and are purchased from the Seller solely by Con Edison (such materials having been identified in a separate writing signed by Con Edison and the Seller prior to the award of the Purchase Order), Con Edison's sole responsibility for such materials pursuant to the Purchase Order (including the aforesaid Article 19 or Article 11) shall be to purchase, at the applicable Purchase Order prices, all such materials up to a maximum of the adjusted inventory level that the Seller was last notified in writing to maintain pursuant to this Paragraph, or, in the absence of any such adjustment notification, up to a maximum of the initial required inventory level that the Seller is otherwise required to maintain; provided, however, that Con

Edison shall have no responsibility for any materials in the remaining inventory of the Seller at the time of such expiration or termination to the extent that material of that same type is covered by a separate purchase order that exists between the Seller and Con Edison at the time of such expiration or termination or by a separate purchase order that is issued by Con Edison to the Seller within 3 months after such expiration or termination.

14. No Substitutions

The Seller shall not make substitutions of materials that deviate in any way from the descriptions in the Purchase Order without a written amendment to the Purchase Order signed by an authorized representative of Con Edison.

15. Price Limit

The Seller shall not furnish the materials specified in any material order if the price thereof together with the price of all such previous material orders issued hereunder exceeds the total authorized dollar amount stated in the Purchase Order unless and until that amount has been increased by means of a written amendment to the Purchase Order signed by an authorized representative of Con Edison. The Seller shall inform Con Edison in writing when the total price of material orders issued hereunder reaches 75% of the total authorized dollar amount stated in the Purchase Order.