

Line	Quantity	Part Number/Description	Cost	Down Payments	Balance Due
1	1	26" Ultrasonic Pilot Line			
2	1	Ultrasonic Lab Module			
3	1	Spare Rotary Die Cutting Station			
4	1	Dukane U/S Probe System			
5	1	Dukane U/S Thruster System			
6	1	Electronic Edgeguide Option			
			\$ 343,000.00		
		Down Payment From AMPAC		209,143.70	
		Down Payment -- GPMI		125,347.30	
		BALANCE DUE FROM AMPAC	\$ 343,000.00	334,491.00	\$ 8,509.00

Sorry, I forgot serial #'s. The machine was assigned (2) serial #'s – #3092-1-04-04 and #3093-13-04-04 – as it was built in 2 sections. Please call me if you have any questions.

Line	Quantity	Part Number/Description	Unit Price	Amount Paid	Extended Price
3083-D 1	1	LINE, ULTRASONIC 26" ULTRASONIC FILLET LINE	\$ 109,900.00	32,970.00	\$ 76,930.00
3083-D 2	1	MODULE ULTRASONIC LAB MODULE	\$ 95,800.00	28,740.00	\$ 67,060.00
3083-D 3	1	SPARE PARTS SPARE ROTARY DIE CUTTING STATION	\$ 54,000.00	16,200.00	\$ 37,800.00
3083-D 4	1	WELDER DUKANE U/S PROBE SYSTEMS	\$ 20,300.00	6,090.00	\$ 14,210.00
3083-D 5	1	WELDER DUKANE U/S THRUSTER SYSTEM	\$ 39,600.00	11,880.00	\$ 27,720.00
3225-C Page 3	1	ELECTRONIC EDGEGUIDE OPTION	\$ 14,891.00	4,467.30	\$ 10,423.70

16050-000

12547C-A 25,000.00 8/11/04 (1st payment)

\$ 334,491.00 \$ 100,347.30

TOTAL \$ 234,143.70

1st payment - 25,000.00

Remaining Balance 209,143.70

(1) 26" ULTRASONIC PILOT LINE TO INCLUDE THE FOLLOWING FEATURES:

I. (2) UNWINDS

- * Maximum web width; 26"
- * Maximum package diameter; 30"
- * Minimum package diameter; 3"
- * Maximum weight; 50 lbs.
- * Maximum line speed; 50 FPM
- * (2) 3" Mechanical core chucks
- * Each unwind utilizes a simple mechanical brake mechanism
- * Web run-out sensors

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- DANCING ARMS FOR TENSIONAL CONTROL

II. (1) ULTRASONIC MITT WELDING & ROTARY DIE CUTTING STATION.

- * Maximum web width; 26"
- * Maximum line speed; 50 FPM (NOTE: Line speed is machine capacity only. Actual production speed will vary depending upon material handling and laminating speed.)
- * Provisions to mount customer-supplied ultrasonic units
- * Provisions to mount customer-supplied complete rotary die system
- * System to weld (4) mitts in one revolution of drum
- * Loose horn ground detect
- * Fan cooling on ultrasonic horns
- * Low tension aluminum idlers
- * Nip pull roll station
- * Finished mitts to drop into customer-supplied bin
- * Precision pressure regulators and gauges
- * Variable speed DC drives
- * Zero access guarding on all drives
- * 230 VAC 60 Hz, Single phase
- * All guarding around high access area to be safety interlocked
- * Tubular steel frame (Byzantium Blue)
- * All electrical to meet NEC regulations
- * All guarding to meet OSHA regulations

★ EDGE FINISHER?

III. SKELETON REWIND

- * Maximum web width: 26"
- * Maximum package diameter: 30"
- * Minimum package diameter: 3"
- * 3" Diameter mechanical core chuck
- * Maximum weight on spindle: 50 lbs.
- * Maximum line speed: 50 FPM
- * (1) Pneumatic dancer system
- * (1) Precision regulator & gauge
- * (1) DC motor
- * Chain driven
- * Tubular steel frame design
- * All electrical to meet NEC regulations
- * All guarding to meet OSHA regulations

IV. GENERAL

- * Customer to supply Rotary Die Cutter and Pattern Anvil. (May be used as a spare for the production line.)
 - * Chase Machine will provide all ultrasonic components during trial run at Chase. Equipment will ship without ultrasonic components.
 - * Customer to supply ultrasonic components for use outside Chase's facility.
 - * Pilot line will remain the property of GPMI once trials are completed.
 - * Provisions to add a Simple Paper Unwind (engineering only)
 - * Provisions to add a cleaning brush on the ultrasonic pattern drum (engineering only)
- ** NOTE: Paper Unwind and cleaning brush are not included in the overall price.

TERMS: 30% WITH PURCHASE ORDER TO BEGIN PRODUCTION,
60% PRIOR TO SHIPMENT,
BALANCE - NET 30 DAYS

(1) ULTRASONIC LAB MODULE MODIFIED FOR ULTRASONIC CUFFING TO INCLUDE:

I. (2) UNWINDS

- * Maximum web width: 30"
- * Maximum package diameter: 30"
- * Minimum package diameter: 3"
- * Maximum weight: 50 lbs.
- * Maximum line speed: 50 FPM
- * (2) 3" Mechanical core chucks
- * Each unwind utilizes a simple mechanical brake mechanism \rightarrow DANCER A-1-M-C
- * Web run-out sensors
- * Materials to be mechanically guided into ultrasonic cuff module (Electronic Edge Guidance may be quoted separately.) ~~EDGE GUIDES REQUIRED~~ - 2

II. (1) ULTRASONIC CUFF WELDING MODULE

- * Maximum web width: 30"
- * Maximum line speed: 50 FPM (NOTE: Line speed is machine capacity only. Actual production speed will vary depending upon material handling and laminating speed.)
- * Provisions to mount (3) customer-supplied ultrasonic units
- * (3) Independently actuated anvil arms
- * (1) 1" Wide engraved stitch wheel
- * (2) 90° Slitting anvils
- * Individual pressure controlled
- * Low tension aluminum idlers
- * Nip pull roll station
- * Anvil speed & nip speed electronically matched
- * Variable speed DC drives
- * 230 VAC, 60 Hz, Single Phase
- * Simple braked paper unwind
- * Simple paper rewind (mechanical slip clutch driven)
- * All electrical to meet NEC regulations
- * All guarding to meet OSHA regulations

III. DUAL POSITION REWIND

- * Maximum web width: 26"
- * Maximum package diameter: 30"
- * Minimum package diameter: 3"
- * 3" Mechanical core chuck
- * Maximum weight on spindle: 50 lbs.
- * (2) Dancer systems
- * DC motors and drives
- * Tubular steel frame design
- * All electrical to meet NEC regulations
- * All guarding to meet OSHA regulations

IV. GENERAL

- *Chase to provide all ultrasonic components during trial at Chase. Equipment will ship without ultrasonic components.
- * Customer to supply ultrasonic components for use outside Chase Machine's facility.
- * Cuff Line will remain property of GPML once trials are completed.
- * Module currently exists as Chase Machine's Lab Line and offers additional flexibility for ultrasonic slitting, embossing, etc.
- * Module will not be available for modifications until July 31, 2003.

NOTE: ACTUAL DELIVERY DATE TO BE ASSESSED AT TIME OF PURCHASE

TERMS: 30% WITH PURCHASE ORDER TO BEGIN PRODUCTION,
60% PRIOR TO SHIPMENT,
BALANCE - NET 30 DAYS

1.00	SPARE ROTARY DIE CUTTING STATION ESTIMATE	\$54,000.00	3
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* NOTE: Chase's quote is based on verbal estimate provided by vendor. Actual price may change.

1.00	DUKANE U/S PROBE SYSTEM ESTIMATE	\$20,300.00	4
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(3) DUKANE ULTRASONIC PROBE SYSTEM ESTIMATE FOR CUFF WELDING STATION

*NOTE: Chase's quote is based on verbal estimate provided by Dukane. Actual price may change.

1.00	DUKANE U/S THRUSTER SYSTEM ESTIMATE	\$39,600.00	5
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(2) DUKANE ULTRASONIC THRUSTER SYSTEM ESTIMATE FOR MITT WELDING STATION

*NOTE: Chase's quote is based on verbal estimate provided by Dukane. Actual price may change.

NOTE: ACTUAL DELIVERY DATE TO BE ASSESSED AT TIME OF PURCHASE ORDER PLACEMENT.

TERMS: 30% WITH PURCHASE ORDER TO BEGIN PRODUCTION
60% PRIOR TO SHIPMENT
BALANCE, NET 30 DAYS