



MACLEAN POWER SYSTEMS

A MacLean-Fogg Company

3/24/2010

Frequently Asked Questions on the S&C/MacLean Cutout Agreement

Transaction

1. What are the terms of the agreement?
 - MPS is acquiring assets related to the S&C polymer cutout business.
 - MPS and S&C have also entered into an agreement whereby MPS will be given the exclusive license to sell porcelain cutouts in the US and Canada.
2. Why did MPS and S&C enter into an agreement?
 - Fuse cutouts are part of the basket of products called “components” that are purchased by utilities (versus other larger dollar items like apparatus, poles or conductors).
 - MPS sells many complementary distribution components to the utility market and the product line was a better fit for MPS channel.
 - S&C’s market basket tends toward higher technology, “smart” devices.
 - This agreement allows both companies to provide better service to the market.
3. What does this agreement cover?
 - This agreement covers the acquisition of the polymer cutout assets by MPS and the license to be the exclusive seller of porcelain cutouts to the U.S. and Canada.
4. Is the fuse link business included in this agreement?
 - No.
5. Will any S&C employees be transferred?
 - No.
6. Will jobs be added or eliminated?
 - MPS will likely add a limited number of professional and factory staff.
 - S&C cutout assemblers will be offered other positions.

Manufacturing

1. How will I know which products are manufactured by MPS versus S&C?
 - Products manufactured and/or sold by MPS will have the MPS brand name on the product and the packaging.
2. Where will cutout manufacturing be located?
 - Porcelain cutouts will continue to be manufactured in S&C’s China facility and brand labeled for MPS.
 - Polymer cutouts will be relocated and manufactured in MPS’s facility in York, SC.
3. How will MPS continue to provide good quality cutout products during the transition?
 - Porcelain cutouts provided by MPS will be manufactured by S&C to the same quality standards using the same equipment, components and manufacturing processes as previously provided by S&C.
 - Polymer cutouts will be manufactured by MPS in its York, SC polymer insulator facility using the same equipment and components used by S&C. MPS York facility is an ISO 9001:2008 certified facility.



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4. How will MPS provide technical and commercial support?
 - In support of this agreement, MPS has already hired commercial and technical support personnel. In addition, MPS and S&C have entered into a Transitional Service Agreement, whereby, S&C will provide ongoing support to MPS in these areas.

Pricing/Terms

1. How will this agreement affect my current blanket pricing on cutouts with S&C?
 - MPS will honor pricing for any valid blanket order or unexpired quotation issued by S&C.
2. Will the terms and conditions change with MacLean Power Systems?
 - MPS will honor the terms and conditions of S&C for any orders placed under an existing blanket or unexpired quotation issued by S&C.
 - Quotes issued by MPS will include MPS standard terms and conditions and will apply to any orders placed against those quotations or blanket orders.
3. Will MPS provide a warranty for cutouts manufactured by S&C?
 - S&C will honor the warranty on all cutout products manufactured by S&C prior to the date of this agreement. Following the date of the agreement, the warranty will be administered by MPS with the support of S&C.
4. Will MPS continue to sell through S&C's sales representatives?
 - Immediately after the close of the transaction and for a minimum of 90 days, MPS will continue to sell through the S&C sales representatives under the same terms as S&C's agreement with those representatives.
 - S&C direct sales territories will be transitioned to the MPS representative on closing.
5. Will lead times change especially during the production relocation?
 - MPS and S&C are working to ensure ample inventory is in place prior to any production relocation.
6. Will the MPS cutout still be able to be used with the S&C TripSaver™ and FaultTamer® products?
 - Yes. Today S&C only warrants TripSaver and FaultTamer when used in S&C cutouts. Post closing, they will only be warranted when used in S&C or MPS cutouts.
7. Will my payment terms be the same?
 - Orders placed under a valid and current S&C quotation will continue to have the same payment terms, which will be honored by MPS.
 - Orders placed under an MPS quotation will have MPS payment terms.
 - Orders invoiced by MPS will identify the payment location for checks to be sent.
8. Will MPS continue the price index that I had with S&C?
 - MPS will continue to perform price indexing for existing customer accounts with valid unexpired quotes.
9. Will MPS honor quotes that were done by S&C?
 - MPS will honor valid unexpired quotes.



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Sales

1. Will I need to change the distributor that I currently purchase through?
 - MPS will continue to support the distributor you currently purchase cutouts through.
2. Where do I send my orders to and when?
 - Through Friday, 4/16 you should send your orders to S&C.
 - Orders should be sent to MPS after April 16, 2010.
3. Who will be the MPS contact for technical and commercial related matters?
 - Please contact your local S&C sales representative until notified otherwise.
4. How will this agreement affect my current outstanding orders and future orders?
 - There should be no impact on current orders.
 - i. Through 4/16 they will ship from S&C.
 - ii. After 4/16 they will ship from MPS.
 - Future orders after closing will ship from MPS.
5. If we have product issues with cutouts manufactured by S&C, do we send it to MPS for evaluation?
 - Please contact your local S&C sales representative until notified otherwise.
6. S&C discontinued arrester/cutout combination assemblies. Will MPS offer these products?
 - MPS will review the product offering.