

Novinium Quality Statement & Quality Plan

Novinium's policy is to conduct its business in a manner that provides the highest level of quality and reliability to our customers. The Novinium® brand is embodied by the procedures set forth in the Novinium Rejuvenation Instructions or NRIs. The most up-to-date versions of these NRIs are available at: www.novinium.com/instructions.aspx.

NRIs are mandatory. It is not permissible for Novinium personnel or Novinium channel partners or their employees to deviate from the instructions promulgated in the NRIs without the express written permission of Novinium engineering. Such permissions are provided in the form of an "Authorization to Deviate" memorandum and may only come from the Management of Novinium Engineering.

Quality is the responsibility of everyone in the chain of delivery for all Novinium technology. Failure by any entity (individual or corporation) to uphold the quality requirements set forth in the NRIs requires immediate corrective action. Repeated failure will result in dismissal for individuals or constitute cause for the termination of a contract with corporations or other legal entities.

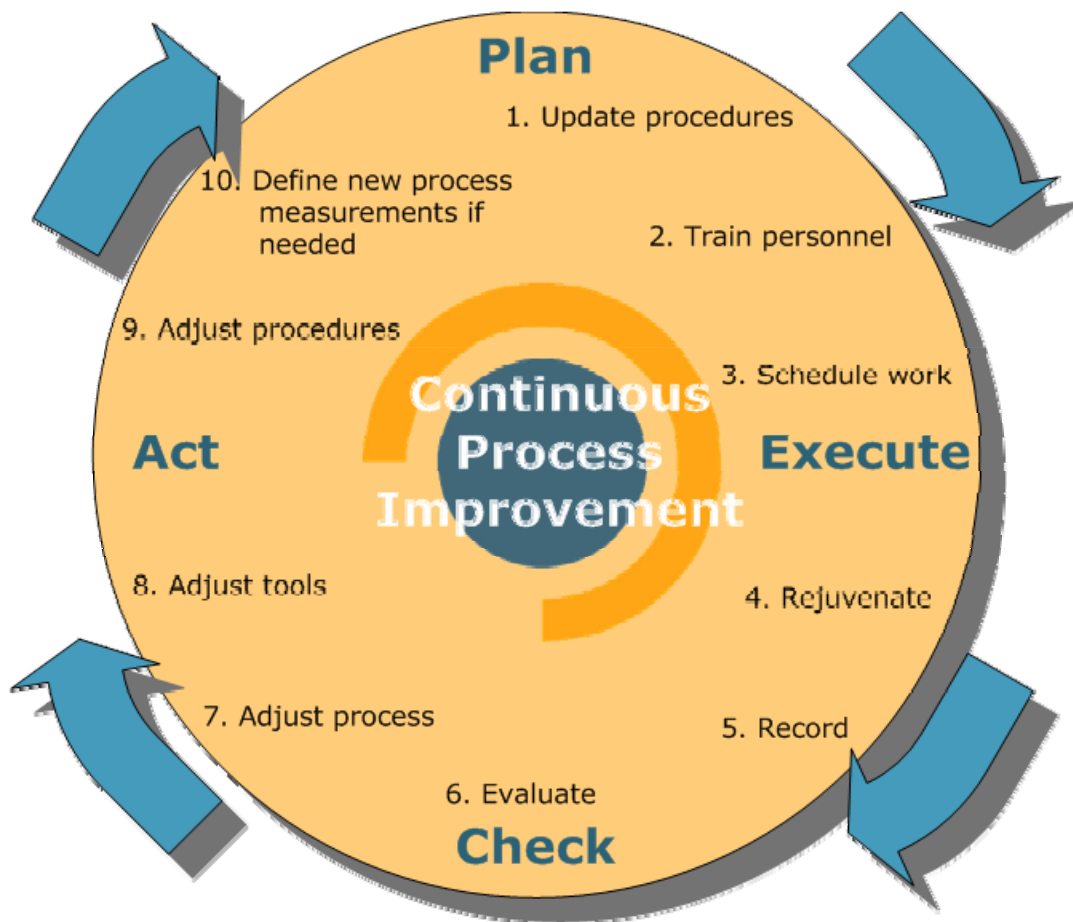
Quality is transparent. All Novinium brand work is subject to verification and validation. The verification and validation steps may occur concurrently with the work or after the work is complete. All deviations from procedures are noted in the Novinium Injection Tracking System or NITS. All corrective actions are also provided in the "comments" field. The NITS database is accessible to the end-use customer.

Certification is mandatory. All Novinium brand work may only be provided under the direct supervision of at least one Novinium Certified field technician. Certification may only be awarded through a demonstration of excellence in a written test and by concurrence of a Novinium Certified Trainer after at least two days of field observation.

When we mess up, we make it right. All Ultrinium™ brand work is backed by an unconditional money-back warranty. When we discover our own mistakes, we fix them on the spot. Unnecessary excavation occurs occasionally, when the time-domain reflectometer (TDR) or radio-frequency (RF) locator provide conflicting data on splice or neutral location. Unnecessary excavation does not occur often; when it does we do not charge the circuit owner for our efforts on their behalf.

Quality Assurance Plan. Quality Assurance (QA) for each project will be tailored to ensure compliance to Novinium Rejuvenation Instructions (NRIs)

as well as performance standards established by the circuit owner for a project. QA activities will encompass participation in developing and reviewing the deliverables identified in a given task order for services to be performed by Novinium. Particular attention will be paid to the initial training of employees on circuit owner specific applications and NRIs. QA will be performed with formal and informal in-process reviews of task operations to ensure that approved procedures for escalations, communications, incident classification and reporting are being followed. Observations and findings compiled during in-process reviews will be documented and tracked to resolution.



Novinium processes are subjected to the Continuous Process Improvement (CPI) Cycle illustrated in the nearby flow chart. This cycle has four phases: Plan, Execute, Check, and Act. During each phase, there is one activity to be performed against the process being measured and improved. There are ten activities for each CPI Cycle.

Each CPI cycle starts at the Plan Phase where existing procedures are updated as required if new circuit owner requirements are introduced. Each time a process goes through a CPI Cycle, each of the ten activities are

©Copyright 2007-2012 Novinium, Inc. All rights reserved.

performed. Cycle frequency is directly related to process improvement. One of the main elements of the CPI Cycle is the collection of quantitative measurement data and the evaluation of that data in the Novinium® knomentus™ database. Evaluated process measurement data is used to make adjustments to the process, tools and procedures to improve rejuvenation safety, reliability and productivity.

All supervisory personnel are trained in the use of our Process Improvement Model and are responsible for its implementation. Process operating personnel are trained to perform their process and are provided the necessary tools. To ensure implementation of the model, Novinium performs Internal Audits in all areas. These internal audits identify any non-conformances and verify the existence and implementation of the Process Improvement Model. The model places ownership of the Quality System in the hands of the personnel providing our products and services. This Quality System ensures that quality is built into products and services versus relying on an inspection program.

signature on file

Glen Bertini

President

April 24, 2012