

ROLLED ALLOYS

TERMS AND CONDITIONS OF PURCHASE ORDER

1. ACCEPTANCE - Seller's commencement of work on the goods subject to this purchase order or shipment of such goods, whichever occurs first, shall be deemed an effective mode of acceptance of Buyer's offer to purchase contained in this purchase order. Any acceptance of this purchase order is limited to acceptance of the express terms of the offer contained on the face and back hereof. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer in Seller's acceptance is hereby objected to and rejected, but such proposal shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by Seller without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained on the face and on the back hereof. Additional or different terms or any attempt by Seller to vary in any degree any of the terms of this purchase order shall be deemed material and are objected to and rejected, but this purchase order shall not operate as a rejection of the Seller's offer unless it contains variances in the terms of the description, quantity, price or delivery schedule of the goods.

2. INVOICES/DOCUMENTATION - Seller shall mail invoices in duplicate to Buyer, or as requested on the face of this purchase order, promptly after shipment is made, as all discounts will be calculated from the actual date of receipt of the goods by Buyer or date of invoice, whichever is later. Separate invoices shall be issued for each shipment pursuant to this order, showing purchase order number and part number.

Unless otherwise stated on the purchase order, all stainless, nickel and titanium alloy products must be identified and traceable to material test reports through heat/lot numbers. Test reports and other relevant order information records must be maintained by the Seller for a minimum of ten years. A copy of the applicable test reports must accompany shipment.

3. EXTRA CHARGE - No extra charge of any kind, including charges for boxing, packing, or cartage, will be allowed unless specifically authorized on the face of this order, or agreed to in writing by Buyer.

4. PRICE - If no price is specified on this order, the goods shall be billed at the price last quoted to Buyer or at the prevailing market price, whichever is lower, and in no event is this order to be filled at higher prices than quoted or charged, without Buyer's written consent.

5. DELIVERY - Time is of the essence. Deliveries are to be made both in quantities and at times specified herein, or if not specified herein, in such quantities and at such times as are specified in Buyer's written instruction. Buyer is not obligated to accept early deliveries, late deliveries, partial deliveries or excess deliveries. If Seller's deliveries fail to meet schedule, Buyer, without limiting its other rights or remedies, may either direct Seller or terminate all or part of this order in accordance with the Cancellation provision hereof. Any additional handling charges resulting from Seller's failure to comply with Buyer's shipping instructions will be charged to Seller.

6. CHANGES - Buyer shall have the right at any time to make changes in his order. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this order shall be modified in writing accordingly. Seller agrees to accept any such changes subject to this paragraph.

Seller shall not make any changes in materials, components, manufacturing processes, or methods used in production of the goods covered by this order without the prior written consent of Buyer. Seller shall reimburse Buyer for any damage or expense sustained by Buyer as a result of violation of this clause by Seller. When requested, Seller shall place in writing the nature of their request for deviation from the original order requirements prior to consideration for acceptance by the Buyer.

7. PATENTS - Seller agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Buyer or its customers for alleged patent infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished hereunder, and Seller further agrees to indemnify Buyer and its customers against any and all expenses, losses, royalties, profits and damages including court costs and attorneys' fees resulting from any such suit or proceeding, including any settlement.

8. WARRANTY - Seller expressly warrants that all goods and services furnished under this purchase order shall conform to all applicable specifications and descriptions, shall be merchantable, and will be free from any defects in material or workmanship. If Seller knows or has reason to know the particular purpose for which Buyer intends to use the goods or services, Seller warrants that such goods or services will be fit for such particular purpose. Seller's warranty shall run to Buyer, its successors, assigns and customers, an users of products sold by Buyer. Seller shall indemnify and save Buyer harmless from any breach of this warranty, and no limitations on Buyer's remedy in Seller's documents shall operate to reduce this indemnification. This warranty is in addition to all warranties contained under the law.

9. INDEMNIFICATION - Seller shall defend, indemnify and hold harmless Buyer against all damages, claims or liabilities and expenses (including attorneys' fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, or from any act or omission of Seller, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of Seller.

10. INSPECTION - Buyer shall have the right to inspect the goods delivered hereunder and to reject any or all of said goods which are in Buyer's judgement defective or non-conforming. Goods rejected and goods supplied in excess of quantities called for herein will be held for Seller's instruction at Seller's risk and if Seller so directs, will be returned at Seller's expense and, in addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repacking and reshipping such goods. Payment for the goods delivered hereunder shall not constitute acceptance thereof, nor will acceptance remove Seller's responsibility for latent defects. Acceptance or failure to inspect by Buyer shall not relieve Seller of any of its responsibilities or warranties hereunder and nothing contained in this purchase order shall release in any way the Seller from the obligation of testing, inspection and quality control.

11. COMPLIANCE WITH LAWS - In performance of work under this order, Seller agrees to comply with all applicable Federal, state and local laws, rules, regulations and ordinances relating to the manufacture, storage, sale and delivery of all goods sold and delivered hereunder. Seller agrees to defend, protect, indemnify and hold buyer harmless against all suits and any damages, penalties, claims and demands arising out of Seller's violation of such laws, rules, regulations and ordinances.

12. TERMINATION FOR CONVENIENCE OF BUYER - Buyer reserves the right to terminate this order or any part hereof for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder, and observe any instructions from Buyer as to work-in-process. Seller shall be paid an equitable adjustment for work already performed.

13. CANCELLATION - Buyer may also cancel this or any part hereof for cause in the event of any default by the Seller, or if the seller fails to comply with any of the terms and conditions of this offer. In the event of cancellation for cause, Buyer shall not be liable to Seller for any amount and Seller shall be liable to Buyer for any and all damages sustained by reason of the default with gave rise to the cancellation.

14. PROPRIETARY INFORMATION - CONFIDENTIALITY - Seller shall consider all information furnished by Buyer to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this contract, unless Seller obtains written permission from Buyer to do so.

15. FORCE MAJEURE - Buyer may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such goods at the direction of Buyer and shall deliver them when the cause affecting the delay has been removed. Buyer shall be responsible only for Seller's direct additional costs in holding the goods or delaying performance of the agreement at buyer's request. Causes beyond Buyer's control shall include government action or failure of the government to act where such action is required, strike or other labor trouble, fire, or unusually severe weather.

16. LIMITATION OF LIABILITY/STATUTE OF LIMITATIONS - Buyer's liability for damages, whether based upon negligence, breach of warranty, breach of contract or otherwise shall not include liability for special, incidental, punitive or consequential damages. Any action resulting from any breach on the part of Buyer as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

17. APPLICABLE LAW - This order is to be construed according to the laws of the State of Michigan, exclusive of the choice of law rules thereof, and shall not be governed by the provisions of the U.N. Convention on Contracts for the International Sale of Goods, 1980.

18. WAIVER - Buyer's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Buyer's waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same of similar type.

19. RIGHT OF ENTRY - Seller will provide the Buyer, buyers' customer and regulatory agencies access and right of entry to sellers' facilities at all reasonable times to determine and verify the quality of the work, materials, and technical records associated with this purchase order.

20. ENTIRE AGREEMENT; ASSIGNMENTS - This purchase order, together with any documents referred to on the face hereof, constitutes the entire agreement between the parties and can only be modified by a writing signed by both parties. No part of this order may be assigned or subcontracted without the prior written approval of Buyer.