



## **Terms and Conditions of Sale**

The following terms and conditions constitute all terms and conditions of the sale of products or furnishing of services by Specialty Ring Products and its affiliates (hereinafter Seller). Seller objects to any contrary terms in Buyer's purchase order or in other communications from Buyer. Any such contrary terms shall be without force and effect and shall not be binding upon seller.

(1) No contract shall be formed for the sale of products or the furnishing of services by Seller to Buyer unless and until (a) an offer has been made by Buyer and has been accepted by Seller, or (b) an offer has been made by Seller and has been accepted by Buyer. The terms and conditions as set forth herein will constitute all of the terms and conditions of the Contract and any additional or different terms and conditions in Buyer's purchase order shall be without force and effect and shall not be binding upon Seller. The agreement resulting from the making of such offer and such offer and such acceptance thereof is hereinafter called the "Contract."

(2) Prices and terms of payments specified herein for the products or services covered hereby will be adjusted to Seller's prices and terms of payment in effect at the time of shipment. Each shipment for the purpose of pricing, Invoicing, and billing shall be treated as a separate and independent Contract. Seller reserves the right to deliver commercially reasonable overages or underages of weight, length, size and/or quantity, and any reasonable variation shall constitute compliance with Buyer's order and the unit price will continue to apply. If this order is for Buyer's requirements, Buyer shall, upon Seller's request, provide information sufficient to confirm Buyer's actual requirements.

(3) Notwithstanding any actions to the contrary, including any pursuit of freight claims by Seller on behalf of Buyer, Seller's exclusive terms of sale regarding the transfer of title of products sold is F.O.B., Origin, regardless of freight payment terms, and title to products shall pass immediately to Buyer upon delivery to a carrier at the point of shipment. Any tax or taxes now or hereafter imposed under any

existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing, use, consumption or transportation of the products specified (except income taxes), shall be for the account of, and paid by, Buyer and, if paid or required to be paid by Seller, the amount thereof shall be added to and become part of the price payable by Buyer. Buyer shall not assign any order or any interest therein without the written consent of Seller. Any such actual or attempted assignment without Seller's proper written consent shall entitle Seller to cancel such order upon notice to Buyer.

(4) Seller shall not be responsible for delay in shipments or delivery or for no performance of Contracts, in whole or in part, if such delay or non-performance shall be due to fires, floods, strikes, work stoppages or slow down, accidents, casualties, inability to procure raw materials, delays in transportation however caused, or other like or unlike cause, foreseen or unforeseen, beyond Seller's control. The foregoing shall be in addition to and not in limitation of any excuses for nonperformance available to Seller under the Uniform Commercial Code or any other applicable law.

(5) The Contract is binding upon the Buyer and Seller and cannot be cancelled or modified, except with the written consent of the Seller and on terms to be agreed upon which shall include protection of the Seller against any loss. The Seller may, at its option, cancel the contract if Buyer fails to make payment in accordance with the terms and provisions of this Contract or any other Contract with the Seller, and the Buyer hereby waives any cause of action and the right to any offset or counterclaim against Seller by reason such cancellation. Restrictive endorsements on Buyer's checks will not reduce Buyer's obligations to Seller. Seller may, at any time or times, suspend performance of any order or require payment in cash, security or other adequate assurance satisfactory to Seller when, in Seller's opinion, the financial condition of Buyer or other grounds for insecurity warrant such action

(6) Seller represents that the sale of its products will not infringe any United States patents, provided, however, that the foregoing representation shall not apply if Seller's products are used in combination with other products or services such that they infringe any United States patent; nor shall it apply to any patents or patent applications which are maintained in secrecy by the United States Government, pursuant to the terms of 35 U. S. Code, Section 181.

(7) Seller warrants that for a period of one year from the date of shipment that its products shall conform to the description on the face of Seller's acknowledgment, and shall be free from defects in products and workmanship as determined by Seller's manufacturing and production standards. Seller warrants that for a period of one year from the date of shipment that its services shall conform to the description on the face of Seller's acknowledgment, and shall be free from defects in workmanship as determined by Seller's manufacturing and production standards. THE LIMITED WARRANTY DESCRIBED HEREIN SHALL BE IN LIEU OF ANY OF OTHER WARRANTIES, EXPRESS OR IMPLIED, NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY.

(8) Buyer's exclusive remedy for any warranty claim, or for any claim arising out of the purchase or use of Seller's products or services, shall be, at the Seller's option, (a) replacement, rework or repair of any non-conforming product or service, or (b) refund of the purchase price for the product or service involved (which may be conditioned upon the return of the product to the Seller); provided, however, that the Seller's total liability, whether arising from or based on contract, warranty, negligence, tort, strict liability, or any other cause or basis whatsoever, is strictly limited to the purchase price of the products or services involved. Any products that the Seller chooses to be replaced will be shipped F.O.B., Origin. In no event shall any products be returned, reworked, or scrapped by Buyer without the written authorization of the Seller.

(9) Buyer shall have sole responsibility for selection and specification of the goods or services appropriate for the end use of such goods or services, even if Buyer has informed Seller of the end use for such goods or services. Buyer acknowledges that it alone has determined that the products purchased or processed hereunder will suitably meet the requirements of their intended use. SELLER SHALL NOT BE LIABLE FOR ANY LOSSES, DAMAGES OR EXPENSES, WHETHER DIRECT OR INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR OTHER DAMAGES OF ANY KIND WHATSOEVER. IN NO EVENT SHALL SELLER'S LIABILITY FOR DEFECTIVE PRODUCTS SOLD TO BUYER EXCEED THE PURCHASE PRICE THEREOF, AND IN NO EVENT SHALL SELLER'S LIABILITY FOR NONCONFORMING CONVERSION SERVICES EXCEED THE PRICE PAID FOR SAID SERVICES.

(10) Seller hereby certifies that products covered by this Contract were produced in compliance with all applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act, as amended,

and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.

(11) Seller agrees in performing the Contract, not to discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.

(12) The Contract shall be construed in accordance with the laws of the Commonwealth of Pennsylvania. If any portion of these terms and conditions is declared to be unenforceable by a court of competent jurisdiction, all other portions shall be considered valid and enforceable to the extent that they are reasonably severable.

(13) The terms and conditions set forth herein and in Seller's acknowledgment constitute the entire Contract between the parties. There are no other agreements, representations, warranties or terms or conditions, other than those stated herein. Any alteration or modification to this Contract must be in writing signed by Seller.

(14) If Buyer's order is for a U.S. government contract, and goods or services ordered from Seller are to be used in the performance of said contract, only those mandatory flow down clauses of applicable U.S. government procurement regulations required by federal statute to be included in U.S. government subcontracts shall be incorporated herein by reference. Where applicable, government contract numbers and related procurement data will be furnished to Seller by Buyer.

(15) Any commodities, technology, or software which are exported from the United States of America are subject to U.S.A Export Administration regulations and/or other U.S.A export laws and regulations. Diversion contrary to U.S.A law is prohibited.

(16) Collection Fees: In the event any third parties are employed to collect any outstanding monies owed by Buyer, Buyer agrees to pay reasonable collection costs, including attorney fees, whether or not litigation has commenced, all costs of litigation incurred.