

TERMS AND CONDITIONS OF SALES ORDER

The following terms of sales shall be applicable to all sales made by Precision Alloy Services, Inc. (PAS) except where it is otherwise expressly agreed in writing. Acceptance of delivery of any or all goods ordered by a buyer shall constitute assent by the purchaser to these terms of sale.

Sales Contract: Deliveries are quoted subject to prior sale. Price quoted subject to revision to price prevailing at time of shipment unless otherwise stated. Stenographic or clerical errors are subject to correction. We will not be liable for non-delivery or shipment of goods, or for any damages suffered by Buyer by reason of such non-delivery or delay when such non-delivery or delay is, directly or indirectly caused by, or in any manner arises from acts of God, wars, shortage of materials or supplies or supplies now or hereafter ordered or interruption or delay in the delivery thereof, plant breakdowns or disability for any cause whatsoever, strikes or other labor disturbances, delays or interruptions in transportation facilities, required shipments or regulations or policies of any Government and all other disabling causes or contingencies reasonably beyond our control.

Limited Warranties: There are no understandings, terms, condition or warranties not fully expressed herein. PAS warrants title to and freedom from encumbrance of the products sold hereunder, and PAS warrants that products bought on the basis of the description thereof, as appears or is referred to on the face hereof, are of merchantable quality. There are no warranties express or implied, with respect to products sold hereunder which are misused, abused, or operated on mechanical equipment improperly designed or maintained or which are used, supplied for use or made available for use in any nuclear application of which PAS has not been notified in writing by Buyer at the time of Buyer's offer for the products sold hereunder. PAS makes no other warranty whatever expressed or implied. All implied warranties of merchantability and all implied warranties of fitness for any particular purpose which exceed or differ from the warranties herein expressed are disclaimed by PAS and excluded from this agreement.

Limitation of Buyer's Remedies: Except as further specifically limited by paragraph 6 below, Buyer's sole and exclusive remedy hereunder shall be limited to the repair or replacement of products proven to PAS's satisfaction to fail to meet agreed upon specifications or to have been defective in workmanship at the time of delivery, or at the option of PAS, to credit or refund for any defective products. PAS's total cumulative liability in any way arising from or pertaining to a product sold or required to sell under this contract shall NOT in any case exceed the purchase price paid by Buyer for such product. IN NO EVENT SHALL PAS BE LIABLE FOR COMMERCIAL LOSS, LOST PROFITS, CLAIMS FOR LABOR, OR ANY OTHER CONSEQUENTIAL DAMAGES, WHETHER BUYER'S CLAIM BE BASED IN CONTRACT, TORT, WARRANTY, STRICT LIABILITY, OR OTHERWISE. It is expressly agreed that the remedies expressed in the paragraph are Buyer's sole and exclusive remedies for any claims arising hereunder.

Limitation of Liability for Failure or Delay in Delivery: In no event shall PAS be liable for any claims for labor or for any consequential or any other damages resulting from failure or delay in delivery. NO delivery dates are guaranteed.

Force Majeure: In any event and in addition to all other limitations stated herein. PAS shall not be liable for any act, omission, result or consequence, including but not limited to any delay in delivery or performance, which is (1) due to any act of God, the prior performance of any government order, any order bearing priority rating or order placed under any allocation program (mandatory or voluntary) established pursuant to law, local labor shortage, fire, flood, or other casualty, government regulation or requirement, shortage or failure of raw material, supply, fuel, power or transportation, break down of equipment, or any cause beyond PAS's reasonable control whether of similar or dissimilar nature to those above enumerated, or (2) due to any strike, labor dispute, or difference with workers, regardless of whether or not PAS is capable of settling any such labor problem.

Nuclear Application Exclusion: It is expressly understood and agreed that buyer will not use, cause to be used or make available for use the goods described herein in any nuclear application including, but not limited to, use in connection with any nuclear reactor, any nuclear power generating system or any nuclear waste (or spent fuel) disposal project. Any subsequent nuclear application of the goods is wholly unauthorized and shall be deemed to be unknown to, unforeseeable to and unintended by PAS.

Suspension of Performance: If PAS judgment reasonable doubt exists as to buyer's financial responsibility, or if buyer is past due in payment of any amount owing to PAS, PAS reserves the right, without liability and without prejudice to any other remedies, to suspend performance, decline to ship or to stop any material in transit, until PAS receives payment of all amounts owing to them, whether or not due, or adequate assurance of such payment.

Passage of Title: Title to the products sold hereunder shall pass upon delivery to the carrier at the point of shipment. Neither Buyer nor the consignee shall have the right to divert such shipment to any destination other than specified in the bill of lading without permission of the PAS. Unless otherwise agreed, PAS reserves the right to select the mode of transportation.



Transportation Charges: Delivery prices or prices involving competitive transportation adjustments shall be subject to appropriate adjustment to reflect changes in transportation charges.

Inspection: Materials must be examined by the buyer immediately upon receipt to determine correctness of shipment as to quantity, size, length, and condition. Buyer must not cut, fabricated or otherwise use material without such examination.

Claims by Buyer: Claims by Buyer must be made within 30 days of receipt of shipment, which Buyer and PAS agree is a reasonable time, or Buyer's claims shall be barred. In addition, PAS must be given an opportunity to investigate the claim before buyer disposes of the material; or else Buyer's claim will be barred. PAS shall incur no liability for damage, shortages, or other cause alleged to have occurred or existed at or prior to delivery to the carrier unless Buyer shall have entered full details thereof on its receipt to the carrier. A variation between PAS's and Buyer's scale weight or theoretical weight determination up to 1% shall be a permissible variation.

Tolerances and Variations: All good shall be subject to tolerances and variations consistent with usual trade practices regarding dimensions, straightness, section, composition and mechanical properties and normal variations in surface and internal conditions and quality and shall also be subject to deviations from tolerances and variations consistent with practical testing and inspection methods.

Technical Advice: PAS shall not be responsible for the results of any technical advice in connection with the design, installation or use of the products sold hereunder.

Patents: If any of the goods are to be furnished to Buyer's specifications, Buyer agrees to indemnify PAS against all liabilities and expenses resulting from any claim of infringement of any patent or other propriety right in connection with the production of such goods.

Permissible Variations: The products sold hereunder shall be subject to PAS's standard manufacturing variations, tolerances and classifications.

Taxes: No tax imposed in respect to the sale of the products sold hereunder is included in any quotation by PAS. Any such tax shall be added to and paid by Buyer as part of the purchase price.

Cancellation: A Contract may be cancelled or modified only by written agreement between PAS and Buyer. Buyer's insistence upon cancelling or suspending fabrication or shipment, or Buyer's failure to furnish specifications when required, may be treated by PAS as a breach of contract by buyer, and PAS may cancel any unshipped balance without prejudice to any other remedies PAS may have.

Prices: Prices will be PAS's prices in effect at time of shipment.

Conflicting Provisions Offered By Buyer: Any terms and conditions of any purchase order or other instrument issued by the Buyer, in connection with the subject matter of this document, which are in addition to or inconsistent with the terms and conditions expressed herein, will not be binding on PAS in any manner whatsoever unless accepted by PAS in writing.

Statute of Limitations: The Buyer and PAS agree that any action for a breach of this contract, including any action for a breach of warranty, must be commenced within one year after the cause of action accrues.

Severability: In case any provision of this contract shall be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

Applicable Law: This contract shall be governed by, and construed and enforced in accordance with the laws of Ohio and shall not be governed by the United Nations Convention for the International Sale of Goods. Buyer and PAS specifically agree that any legal action brought relating to this contract shall be brought and maintained exclusively in the Federal District Court for the Southern District of Ohio or in the absence of subject matter jurisdiction in that Court, in the Hamilton County Court of Common Plea, Cincinnati, Ohio. Buyer expressly and irrevocably submits to the jurisdiction of the Federal District Court for the Southern District of Ohio and the Hamilton County Court of Common Plea for the purpose of any such litigation and irrevocably agrees to be bound by any judgment rendered in connection with such litigation.