

STANDARD TERMS AND CONDITIONS OF PURCHASE  
HAZELETT STRIP-CASTING CORPORATION

1) ACCEPTANCE – ENTIRE AGREEMENT

Your acceptance of this order by acknowledgement, shipment or other performance shall be unqualified, unconditional and subject to and expressly limited by the terms and conditions of this offer, and when accepted, the terms herein shall constitute the entire agreement between us. HAZELETT shall not be bound by terms additional to or different from those herein, including those that may appear in your offer, quotation, acknowledgement, invoice or in any other communication from you unless such terms are expressly agreed to in writing and signed by HAZELETT. Acceptance of materials or services, payment, or inaction by HAZELETT shall not constitute HAZELETT's consent to, or acceptance of, any terms at variance herewith.

2) ASSIGNMENT

You agree not to assign any right or interest under this order (excepting monies due or to become due) nor delegate any work or other obligation to be performed or owned by you under this order without the prior written consent of HAZELETT.

3) COMPLIANCE WITH LAWS

You and all persons furnished by you shall comply with the Fair Labor Standards Act and the Occupational Safety and Health Act and all other federal, state and local laws, ordinances, regulations and codes, including procurement of required permits and certificates in your performance under this order. You agree to indemnify HAZELETT and HAZELETT's customers for any loss or damage that may be sustained by reason of any failure to do so.

4) PLANT RULES AND GOVERNMENT CLEARANCE

All persons furnished by you shall, while on the premises of HAZELETT or HAZELETT's customers, comply with all plant rules and regulations and any government regulation, if any apply.

5) SHIPPING AND BILLING

You shall: (1) ship this order complete unless otherwise stated in this order, (2) ship to the destination designated in this order, (3) ship according to routing instructions given by HAZELETT, (4) mark the HAZELETT order number on all supporting documents, packages and shipping papers, (5) enclose a packing list with each shipment, (6) render invoices showing order number, through routing and weight, (7) render separate invoices for each shipment within two (2) working days after shipment, (8) forward bills of lading and shipping notices with your invoices, and (9) mail your invoices, bills and notices to the address shown on this order. If prepayment of transportation charges is authorized by HAZELETT, you shall include the transportation charges from the F.O.B. point to the destination as a separate item on your invoice. Adequate protective packing shall be furnished at no additional charge. Shipping and routing instructions may be altered as mutually agreed. Unless otherwise agreed, all invoices shall be payable net thirty (30) days from the date of shipment.

(6) TITLE AND RISK OF LOSS

Title to material purchased by HAZELETT under an order shall vest in HAZELETT when the material has been delivered at the F.O.B. point. If the order calls for additional services such as unloading, installation, or the like to be performed after delivery, you shall retain risk of loss and damage to the material until the additional services have been performed. Notwithstanding the above, if you are expressly authorized to invoice HAZELETT for supply prior to shipment, title to such supply shall vest in HAZELETT upon payment of the invoices.

7) INSPECTION

If inspection is specified in this order, you agree to notify HAZELETT when material is ready for inspection. You agree to provide, without charge, personnel required to inspect the material.

8) NON-PERFORMANCE

HAZELETT reserves the right to cancel this order or any portion thereof, if delivery is not made when and as specified, time being of the essence of this order, and charge you for any loss entailed.

9) INFRINGEMENT OF PATENTS AND TRADEMARKS

Except to the extent that claims arise out of your compliance with HAZELETT's specifications, you guarantee that the goods hereby ordered and the sale or use of them will not infringe any letters patent or trademark, and you agree to defend and hold harmless, and indemnify HAZELETT, its customers and users against all suits, and from all damages and claims arising from the actual or alleged infringement of any patent or trademark by reason on the sale or use of the goods sold hereunder, including attorney's fees. Each party shall notify the other promptly of any claim of infringement and shall cooperate in every reasonable way to facilitate defense of any such claim.

10) SUPPLIER'S INFORMATION

You agree that no specifications, drawings, sketches, models, samples, tools, technical information or data, written, oral or otherwise, furnished by you to

HAZELETT under this order, or in contemplation of this order, shall be deemed to be confidential or proprietary unless HAZELETT agrees, in advance, in writing.

11) LICENSES

No license, express or implied, under any patents, is granted by HAZELETT to you under this order.

12) HAZELETT IDENTIFICATION

No HAZELETT identification, trademark or simulation thereof, references to HAZELETT or HAZELETT's customers, or references to HAZELETT codes, drawings or specifications shall be used in any of your advertising or promotional efforts without HAZELETT's written permission.

13) USE OF INFORMATION

Any specifications, drawings, sketches, models, samples, tools, or other confidential technical information or data, written, oral or otherwise (all hereinafter designated "information") furnished to you under this order or in contemplation of this order shall remain HAZELETT's property. All copies of such information in written, graphic or other tangible form shall be returned to HAZELETT at HAZELETT's request. Unless such information was previously known to you, free of any obligation to keep it confidential, or has been or is subsequently made public by HAZELETT, or a third party authorized or free to do so, it shall be used only in the filling or performance of this order, and may be used for other purposes only upon such terms as may be agreed upon between us in writing.

14) RELEASES VOID

Neither party shall require waivers or releases of any personal rights from representatives or customers of the other in connection with visits to its premises and both parties agree that such releases or waivers shall not be pleased by them or third persons in any action or proceeding.

15) SURVIVAL OF OBLIGATIONS

You agree that your obligations under this order which by their nature would continue beyond the termination, cancellation or expiration of this order, including, by way of illustration only and not limitation, those in the clauses HAZELETT IDENTIFICATION, COMPLIANCE WITH LAWS, IMPLEADER, INFRINGEMENT OF PATENTS AND TRADEMARKS, RELEASES VOID, USE OF INFORMATION, AND WARRANTY shall survive termination, cancellation or expiration of this order.

16) IMPLEADER

You agree that you will not implead HAZELETT for any claim by a third person for any cause arising out of material or services furnished by you under this order.

17) VARIATION IN QUANTITY

HAZELETT assumes no liability for material produced, processed or shipped in excess of the amount specified in this order.

18) WARRANTY

You warrant to HAZELETT and HAZELETT's customers that material furnished will be free from defects in design (except to the extent designed by HAZELETT), material and workmanship, and will conform to and perform in accordance with the specifications, drawings or samples. You also warrant to HAZELETT and HAZELETT's customers that services will be performed in a first class, workmanlike manner. All warranties shall survive inspection, acceptance and payment. Material not meeting the warranties will be repaired, adjusted or replaced by you at no cost to HAZELETT or its customers.

19) TAX

Federal manufacturers' or retailers' excise, and state and local sales or use taxes, when applicable, shall be billed as separate items.

20) TAX EXEMPTION STATEMENTS

HAZELETT certifies that the items indicated as exempt are: for resale, use in direct manufacturing, use in research and development in temporary storage for subsequent use outside of Vermont, or otherwise specifically exempt under state law.

SALES AND USE TAX LICENSE OR REGISTRATION NUMBER

02634

VERMONT