

PREMIUM ALLOYS SALES CONTRACT TERMS AND CONDITIONS

The following Terms and Conditions are incorporated into and made a part of the Sales Contract.

1. **COMPLETE AGREEMENT:** The Sales Contract, together with these Sales Contract Terms and Conditions form the entire agreement between the parties with respect to the goods and equipment described therein, hereinafter referred to as the "Goods".
2. **SELLER DUTIES:** In addition to all other duties hereunder, the Seller shall:
 - a) Deliver the Goods, free of all claims or liens from third parties, to the location specified in the Purchase Order (the "Specified Location") on the Delivery Date during the normal hours of operation and unload and suitably store the Goods at the Specified Location;
 - b) Obtain and pay for all permits, licenses and official inspections made necessary by its supply of the Goods;
 - c) Comply with all laws, ordinances and regulations relating to its supply of the Goods, including, without limitations, any regulation of the storage, transport, disposal or labeling of hazardous substances;
 - d) Comply with all terms and provisions of these Terms and Conditions; and
 - e) Permit Contractor, without waiving the right to reject nonconforming Goods, to inspect and test the Goods at Seller's plant at any time prior to shipment.
3. **PRICE:** The price for the good set forth in the purchase order are valid only if this purchase order is signed and returned to Seller by Buyer within five (5) days of the date of the purchase order. If so signed and returned the price set forth in the purchase order can, at the discretion of the Seller, be thereafter increased if the Seller's supplier increases its price to Seller by more than 10% over the sales price quoted on the date the purchase order was signed and returned to Seller or to reflect any surcharge charged to Seller by its supplier due to price increases due to rapidly escalating costs or supply. Seller shall make reasonable efforts to avoid the necessity of such price increases. Any tax that Seller may be required to pay or collect with regard to the sale, storage, use or consumption of the goods shall be paid by Buyer and shall be paid promptly upon the demand for the payment of same by Seller.
4. **PAYMENT:** Payment for goods shall be due and owing in full within thirty (30) days of the invoice date. All sums not paid when due shall bear interest at the rate of eighteen percent (18%) per annum commencing the 31st date after the date of the invoice and continuing till paid in full.
5. **RISK OF LOSS AND/OR DAMAGE IN TRANSIT:** Unless otherwise indicated in the Purchase Order, the transaction described herein is ship FOB Origin. Buyer agrees to assume and does assume all risk of loss or damage to goods from the time they leave the Seller's facility.
6. **WARRANTIES, DUTY TO INSPECT AND LIMITATION OF LIABILITY:** Seller shall, as Buyer's sole remedy, and at Seller's option, replace or without replacement render credit for the purchase price, for any goods which if properly selected, stored, processed, and used by Buyer shall prove to be latently defective within thirty (30) days from the date of shipment. A good sold hereunder shall on be deemed defective only if it fails to meet Seller's written specifications for same. Buyer shall inspect the goods upon receipt and shall notify Seller in writing within ten (10) days of receipt of any shortages, inaccuracy of goods or then determinable defects or it shall have accepted said goods and shall have waived its rights to seek any remedy therefor. BUYER'S SOLE AND EXCLUSIVE REMEDY FOR DEFECTIVE GOOD SHALL BE, AT SELLER'S OPTION THE REPLACEMENT OF THE DEFECTIVE GOODS AS SAME WERE WHEN SHIPPED OR THE REFUND OF THE PURCHASE PRICE FOR SAME. SELLER SHALL NOT BE RESONSIBLE FOR THE COST INCURRED IN MACHINING OR PROCESSING THE GOODS AFTER RECEIPT BY BUYER. OTHER THAN THE WARRANTY SET FORTH ABOVE. SELLER MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, USAGE OR TRADE AND HEREBY DISCLAIMS SAME.
7. **GOVERNING LAW.** This Agreement shall be interpreted and enforced according to the laws of the State of Texas, and venue for any court or other proceeding shall be in Houston, Texas.
8. **FORCE MAJEURE.** Should performance of any obligation created under this Agreement become illegal or impossible or impractical or should a Party be prevented or hindered from performing by reason of fire, flood, storm, act of God, epidemic, pandemic, national or regional emergency, governmental authority, nation-wide or regional shortages, supply chain delays and unavailability, war, riot, insurrection terrorist threats or acts, or other cause not enumerated herein but which is beyond the reasonable control of the party whose performance is affected, then the performance of any such obligation is suspended during the period of, and only to the extent of, such prevention or hindrance.
9. **ATTORNEY'S FEES.** In the event of a dispute between the parties hereunder the prevailing party shall be entitled to recover from the non-prevailing party the e attorney's fees and costs that it incurred in prosecuting and/or defending against the claim.
10. **WAIVER OF CONSEQUENTIAL DAMAGES.** IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, SHALL EITHER PARTY HERETO BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OR PROFITS OR REVENUE; CONTRACT; LOSS OF USE OF EQUIPMENT, RETURN ON CAPITAL; COST OF SUBSTITUTE EQUIPMENT, SERVICES OR FACILITIES; DOWN TIME COSTS; COST OF REPLACEMENT PRODUCT; COSTS OF PROCESSING OR MACHING GOODS AFTER RECEIPT BY BUYER,OR

CLAIMS OF THIRD PARTIES FOR SERVICE OR SUPPLY INTERRUPTIONS.

11. **TERMINATION:** Seller shall have the right, at any time prior to acceptance of all of the Goods, to terminate the Purchase Order without cause by giving written notice to Buyer, which notice shall be effective upon delivery or as specified therein. Buyer shall have the right to terminate this Purchase Order only if done so prior to the time that Seller has incurred in costs related to the Goods or the performance of the Purchase Order.
12. **ASSIGNMENT:** This agreement shall not be assignable by either of the parties hereto without the prior written consent of the other party
13. **GENERAL PROVISIONS:** These Terms and Conditions are in addition to the special terms expressed in the Purchase Order. No changes, alteration, additions, deductions, or extra charges, whether on the Buyer's order or confirmation or otherwise, shall be binding upon the Seller unless Seller expressly agrees in writing thereto. Except as expressly set forth herein, a delay by Seller in exercising any remedy on a default by Buyer shall not constitute a waiver of such right, nor shall a waiver of such right for one default constitute a waiver with respect to an ongoing or subsequent default.

- END OF TERMS & CONDITIONS -