

**STANDARD ALLOYS INC.  
TERMS AND CONDITIONS OF SALE**

1. Any different or additional terms & conditions in purchaser's acknowledgement of this order are not binding unless accepted in writing by seller.
2. TITLE: Subject to Standard Alloys Inc. (SELLER) right of stoppage of transit, title to all products sold hereunder shall pass to BUYER upon delivery thereof, f.o.b., railroad car or common carrier truck, as the case may be, SELLER'S shipping point as designated herein.
3. DELIVERY TERMS/RISK OF LOSS: does not guarantee time of delivery; however, SELLER shall make every effort to deliver orders at the time requested. No delivery delay will be honored to support a charge-back or claim for damage. Each shipment shall be made at BUYER'S risk and SELLER shall have no liability for damage to the products after delivery to the carrier. Detention and demurrage arising due to customer retaining carrier equipment beyond the free period are for the customer's account.
4. FORCE MAJEURE: SELLER shall not be liable for failure or delay in delivery occasioned by fire, storm, flood, earthquake, or other Act of God, war, rebellion, insurrection, riot, strike, or other labor disturbance, inevitable accident, failure of carriers to furnish transportation facilities, shortage of labor, power or raw materials, orders or requests of the Government of the United States of America or of any State, or any political Subdivision, Department or Agency thereof, or any government officer or agent purporting to act under authority, interference of civil or military authorities, or any other cause of like or different nature beyond SELLER'S control.
5. LIMITED WARRANTY AND DISCLAIMER: Standard Alloys Inc. ("Standard Alloys") warrants that its products will be free from manufacturing defects for a period of one year subject to the terms, conditions and limitations set forth herein-after. This Warranty is expressly limited such that the liability of Standard Alloys over the life of this Warranty shall not exceed in aggregate a sum greater than the original purchase price of the Standard Alloys' supplied product(s). This Warranty expressly excludes any damages attributable in whole or in part to defects and/or inaccuracies in designs and/or specifications provided to Standard Alloys by third parties, including purchaser. This Warranty expressly excludes any guarantee as to projected performance level of the product(s) sold hereunder.  
**BEYOND THE FACE HEREOF, STANDARD ALLOYS MAKES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE TERMS AND CONDITIONS OF THIS WARRANTY SHALL BE THE SOLE AND EXCLUSIVE REMEDIES OF THE PURCHASER OF THE PRODUCTS MANUFACTURED BY STANDARD ALLOYS, AND THE PURCHASER SHALL BE ENTITLED TO NO FURTHER OR ADDITIONAL REMEDIES. PURCHASER HEREBY EXPRESSLY WAIVES ANY AND ALL CLAIMS FOR DAMAGES, WHETHER DIRECT OR INDIRECT, CONSEQUENTIAL OR INCIDENTAL, INCLUDING PROPERTY DAMAGE, PERSONAL INJURY DAMAGE TO THE PURCHASER OR**

**THIRD PARTIES, LOSS OF BUSINESS OR PROFITS AND/OR LOSS OF BUSINESS REPUTATION. IT IS THE SOLE RESPONSIBILITY OF PURCHASER TO DETERMINE THE SUITABILITY OF STANDARD ALLOYS' PRODUCTS IN THE PURCHASER'S INTENDED USE.**

This warranty constitutes the entire warranty and Standard Alloys is not bound by any oral expression or representation made by an agent or party purporting to act for or on behalf of Standard Alloys, or any commitment, arrangement or representation not expressly specified in this Warranty. This Warranty and Standard Alloys' liability hereunder shall be construed pursuant to the laws of the State of Texas.

6. WARRANTY LIMITATIONS AND EXCLUSIONS: SELLER'S liability hereunder is limited to repair and/or replacement, at SELLER'S sale option, of the product found to be defective in material or workmanship. **ANY MODIFICATION OR ALTERATION TO THE PRODUCT NOT AUTHORIZED IN WRITING BY SELLER SHALL OPERATE TO IMMEDIATELY VOID THIS WARRANTY IN ALL RESPECTS, AT WHICH TIME THE PRODUCTS ARE DEEMED SOLD AS-IS.** Further, BUYER, by its acceptance of the product, warrants that same will be utilized and/or installed in a suitable operating environment. BUYER acknowledges that BUYER will not remove SELLER'S product identification from the product and that BUYER will protect against any such unauthorized removal. Failure of BUYER to comply fully and completely with the limitations and conditions of use of the product will void this Warranty in all respects, at which time the products will be deemed sold AS-IS.

7. CLAIMS PROCEDURES: In the case of claims against SELLER for defect in products written notice and sample illustrating such defect must be submitted to SELLER within 60 days of receipt of goods to give full basis for such claim. SELLER shall have 60 days from date of receipt of such notice to inspect and repair or replace defective products if such claim is allowed. Under no circumstances are the products to be returned to SELLER unless BUYER has received SELLER'S written instructions authorizing same. The BUYER shall have no right to deduct the amount of any claim from SELLER'S invoice until the claim is allowed by SELLER or adjudicated by proper authority. All claims for loss or damage in transit must be filed with the carrier by the BUYER. Products are loaded in accordance with the carrier's loading instructions to insure delivery without damage. However, SELLER will give all reasonable assistance to BUYER in collecting loss or damage claims from carriers by furnishing duplicate invoice, affidavits showing count when loaded, method of loading, etc. BUYER should in all cases immediately report loss and/or damage to carrier and request inspection in case of damage. On loss claims, BUYER should secure car or truck seal numbers and signed exception report from the carrier.

8. BUYER'S STRICT PERFORMANCE: Time of payment is of the essence. In the event that BUYER shall, at any time, fail to accept delivery and make payment in accordance with the terms of the order. SELLER at its option, and without prejudice to any other lawful remedy, may suspend further deliveries there under, stop any shipments then in transit, and regard such default as a breach of the entire order. SELLER'S failure to insist upon

BUYER'S strict performance, or to exercise any option or legal right SELLER may have, shall not be construed as a waiver or relinquishment by SELLER of any option or legal right in the event of a subsequent breach by BUYER.

9. DELINQUENCY CHARGES: A one (1) percent per month delinquency charge is applicable to all commercial accounts not paid when due. The imposition of such delinquency charge does not imply or constitute any agreement to forebear collection of a delinquent account.

10. ACCEPTANCE OF ORDERS: An order of products from Standard Alloys shall be effective only upon acceptance thereof by Standard Alloys at its home office in Port Arthur, Texas (but without necessity of any notice of acceptance by Standard Alloys to the purchaser). Any such order and all other transactions between Standard Alloys and purchasers of its products shall be governed by the laws of the State of Texas, subject to any preempting federal law.

11. LIMITATION OF AUTHORITY: The conditions of sale appearing on any order shall control and may not be abrogated, varied, modified, supplemented or waived except with the written approval of an authorized representative of SELLER.

12. PAROL UNDERSTANDINGS: The order embodies all of the terms and conditions of sale, and there are no understandings, warranties, or agreements, expressed or implied, relative to any order, or its subject matter that are not fully expressed therein. No representative, employee, agent or purported agent of SELLER, or any other person has any authority to assume for SELLER any additional or other liability or responsibility other than as set forth herein. Seller shall not be bound by any oral representation or expression not set forth specifically herein.

13. TAXES: The price specified hereon do not include any Federal, State or Municipal Sales or Use Tax which may be imposed upon SELLER, or which SELLER, may be required by law to collect from BUYER, as the result of any transaction, or does not include any Federal, State or Municipal Excise Tax which may be imposed upon the manufacture, sale, transportation or delivery of the product referred to herein. To the extent that SELLER may be permitted by law to do so, any such tax shall be added to the price specified hereon payable by BUYER and shall be stated separately on SELLER'S invoice.

14. RETURN AUTHORIZATION TERMS: Products may not be returned until SELLER'S written approval has been secured, and in such case, will be accepted subject to inspection at SELLER'S shipping point from which the products originated. Prepayment of freight is to be made by BUYER. In addition, there will be a handling and reconditioning charge equivalent to 15 percent of the original sales value of the returned product or the actual charges incurred, whichever is larger.

15. MODIFICATION OF TERMS OF SALE: These Terms and Conditions of Sale cancel and supersede all previous issues, supplements and revisions and are subject to change without prior notice.