

CONCEPT ALLOYS, INC.
TERMS AND CONDITIONS OF SALE

YOU AGREE THAT THE FOLLOWING TERMS AND CONDITIONS CONSTITUTE THE COMPLETE AND FINAL AGREEMENT BETWEEN BUYER AND SELLER IN RESPECT OF THE APPLICABLE ORDER. ANY WRITTEN OR ORAL TERMS AND CONDITIONS OR OTHER PROVISIONS DIFFERENT FROM OR IN ADDITION TO SELLER'S EXPRESS TERMS, AND CONDITIONS OF SALE AND THIS ACKNOWLEDGMENT, CONTAINED IN ANY COMMUNICATIONS FROM BUYER TO SELLER, ARE OBJECTED TO AND REJECTED AND WILL NOT BE BINDING, UNLESS CONTAINED IN A WRITING THAT IS SIGNED BY DULY AUTHORIZED REPRESENTATIVES OF SELLER, AND THE PRODUCTS RECEIVED BY BUYER FROM SELLER SHALL BE DEEMED TO BE DELIVERED ONLY UPON THE TERMS AND CONDITIONS CONTAINED IN THIS ACKNOWLEDGEMENT.

1. Acceptance. The acceptance of your ("Buyer") order by Seller for the products set forth on the front side hereof (the "Goods") is EXPRESSLY MADE CONDITIONAL UPON BUYER'S ACCEPTANCE TO THE TERMS AND CONDITIONS OF THIS ORDER ACKNOWLEDGEMENT, and these constitute the only binding terms and conditions between the parties, even if these terms and conditions differ from or are in addition to those on any purchase order or other document sent to Seller by Buyer. Any terms of sale requested by Buyer which are in any way inconsistent with or in addition to these terms and conditions are rejected and will not be binding upon Seller. In the event that a written sales agreement between the parties applies to the Goods, such agreement shall control and supersede any terms or conditions hereof in conflict therewith, but all other terms and conditions hereof shall apply. For purposes of these terms and conditions, "Seller" shall mean Concept Alloys, Inc., a close corporation ("The Company") to which you submitted your order.

2. Prices Except as expressly set forth herein, all prices are F.O.B. Seller's shipping point, are exclusive of taxes and subject to correction for error. Prices are subject to change without notice, and the price invoiced will be the price, and surcharge if applicable, in effect at the time of shipment. Price quotations are valid for 30 days unless otherwise noted by Seller. Any special contract pricing must be specified at the time the applicable order is placed (with reference to the applicable contract); no credit for contract pricing will be issued after acceptance of an order. Buyer shall pay each invoice within 30 days of the date of invoice. Buyer shall make all payments when due without offset, deduction or counterclaim regardless of any claim by Buyer. Amounts not paid when due will bear interest from the invoice date at the rate of 1.5% per month or the maximum rate allowed by law, whichever is less. Buyer shall pay to Seller all costs and expenses (including reasonable attorneys' fees) incurred in collecting any amounts due hereunder. If the financial responsibility of Buyer becomes impaired or unsatisfactory to Seller, advance cash payments or satisfactory security shall be given by Buyer upon demand by Seller, and shipments may be withheld until such payment or security is received.

3. Taxes The amount of any sales, use, ad valorem, property or other tax or duty, however designated, levied or based on the Goods, or the sale or delivery thereof, shall be paid by Buyer. If Seller is required to pay any such tax or duty, Buyer shall reimburse Seller therefor, or provide Seller with an appropriate exemption certificate or other documents acceptable to the taxing or customs authorities.

4. Shipping. All Goods shall be shipped via a carrier designated by Seller at Buyer's expense. Buyer shall pay all costs incurred by Seller in connection with shipping such Goods, including, without limitation all insurance, freight, cartage, warehousing, and all other charges in connection with loading and shipping the Goods to Buyer. All shipping dates are approximate and tentative, and are based on prompt receipt from the Buyer of all necessary information. Requests for proof of delivery must be made within 60 days of the date of shipment. If Buyer fails to accept delivery, Buyer shall nonetheless make payment to Seller. Claims for shortage, damage or non-delivery shall be made directly to carrier. Seller's responsibility ceases upon delivery to the carrier at the stated shipping point, and risk of loss, damage, injury or destruction to any of the Goods shall pass to Buyer upon such delivery to the carrier. In no event shall any loss, damage, injury or destruction operate in any manner to release Buyer from the obligation to make payments required herein. Seller reserves the right to make partial shipments and to submit invoices for partial shipments. Seller reserves the right to allocate available Goods among its customers in its discretion.

5. Delays in Delivery. Seller shall be excused for delay in delivery, may suspend performance and shall under no circumstances be responsible for failure to fill any order or orders, or any portion thereof, when due to: acts of God or the public enemy, fires, floods, riots, strikes, freight embargoes or transportation delays, inability to procure labor, fuel, material supplies, or power at current prices or on account of shortages thereof, any existing or future law or governmental act affecting the conduct of Seller's business, or any cause beyond the reasonable control of Seller.

6. Order Size and Variation. Orders for Goods (other than specially manufactured products) must be for a quantity that is a whole-number multiple of Seller's standard lot-size for such products. Any order for a quantity that is not a whole-number multiple of Seller's standard lot-size will be deemed to be for a quantity that is the nearest whole-number multiple of such lot-size. In the case of orders for special products, or products ordered by weight or length, the quantity of products actually shipped and invoiced by Seller may be up to ten percent (10%) higher or lower than the quantity ordered

7. Limited Warranty. Seller warrants that the Goods to conform to Seller's published specifications therefor, or such other specifications as the parties may agree in writing, provided that the Goods are subjected to only the usage for which they were intended and that they are installed and maintained in accordance with Seller's recommendations and

specifications. The warranty shall commence on the date of shipment and continue for a period of: 90 days. In the event that Buyer determines that any Good fails to comply with the foregoing limited warranty, Buyer must promptly (but no later than expiration of the applicable warranty period) contact Seller to obtain a return materials authorization. Goods must be returned to Seller, freight prepaid by Buyer, for determination by Seller that such Goods are defective. Such Goods shall be accompanied by a written description of the circumstances under which the applicable Goods purportedly failed. Seller shall replace or repair, at its sole option and expense, any defective Goods for parts thereof that prove to be defective during the warranty period, and return such repaired replacement Goods to Buyer, freight prepaid by Seller, or refund the purchase price paid therefor. THIS REMEDY IS THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO BUYER. If Seller determines in its sole discretion that the defect is attributable to any cause other than poor workmanship or defective materials supplied by Seller, then Seller shall have no obligation whatsoever with respect to repair or replacement of the defective Goods, Seller shall return the Goods to Buyer, freight to be paid by Buyer, and the warranty described herein shall be void. This limited warranty does not cover defects caused by normal deterioration and wear and tear, and does not apply if Goods have been subject to modification, or to misuse, mishandling, misapplication, operation outside rated capacities, negligence (including, without limitation, improper maintenance), or accident or if any adjustments or repair has been performed by anyone other than Seller or an authorized service representative of Seller. THIS WARRANTY IS IN LIEU OF ANY OTHER WARRANTIES, AND SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT. UNDER NO CIRCUMSTANCES, SHALL SELLER BE LIABLE FOR ANY INDIRECT, SPECIAL, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS), WHETHER BASED ON TORT, WARRANTY, CONTRACT OR ANY OTHER LEGAL THEORY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE LIABILITY OF SELLER FOR ANY REASON AND UPON ANY CAUSE OF ACTION WHATSOEVER SHALL BE LIMITED TO THE PRICE ALLOCABLE TO THE GOODS WHICH GAVE RISE TO THE CLAIM, AND SHALL TERMINATE ONE YEAR AFTER SHIPMENT OF THE APPLICABLE GOODS TO BUYER. THE FOREGOING LIMITATIONS SHALL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

8. Cancellation. Any order for specially manufactured products, or altered or modified versions of standard products that is cancelled after such order is accepted by Seller shall be subject to a cancellation fee determined appropriate by Seller based on the work performed and expenses incurred as a result of such order.

9. Drawings and Technical Documents All drawing and technical documents delivered by either of the parties to the other party remain the property of the delivering party, and the receiving party may not improperly use, reproduce, or otherwise disclose such materials to third parties. Tooling, setup, drawing, design information and partial preparation charges, when invoiced to Buyer, cover only part of the cost thereof of Seller. Buyer does not acquire any right, title or interest in any tooling, setup, drawings, design information, or invention resulting therefrom. All drawings, techniques, inventions or improvements (whether or not patentable) made or conceived in the course of fulfilling any order, including any intellectual property rights pertaining thereto, shall be the sole property of Seller.

10. General Provisions Buyer may not assign its order, these terms and conditions or any right or interest therein or any other obligation arising hereunder without the prior written consent of Seller. The contract resulting from Seller's acknowledgement and acceptance of Buyer's order shall be governed by the state of Michigan. Buyer hereby consents to the jurisdiction of such state for all disputes arising hereunder. Buyer further consents that service of process may be made upon Buyer by certified mail, return receipt requested, at Buyer's last known address and that such service shall be deemed valid personal service. No failure of Seller to insist upon strict compliance by Buyer with these terms and conditions, or to exercise any right accruing from any default of Buyer shall impair Seller's rights in case Buyer's default continues or in case of any subsequent default by Buyer. Waiver by Seller of any breach shall not be construed as a waiver of any other existing or future breach(es).

11. Right of Entry Restrictions. The Company utilizes proprietary manufacturing and testing processes that are protected by trade secret. Access by visitors is therefore limited to designated office areas. No access to manufacturing or testing areas is granted to the buyer.