

WARRANTY

Aero-Vac Alloys & Forge, Inc. warrants that all goods sold pursuant hereto will conform to the express specifications set forth on the face of Sellers' acknowledgement, for a period of 1 year from the due date of shipment, subject to no further processes performed and except as provided in Section 7 below. Buyers' sole remedy in the event of Aero-Vac Alloys & Forge, Inc.'s breach of the foregoing shall be the repair or replacement of nonconforming goods or, at Aero-Vac Alloys & Forge, Inc.'s Option , to refund the portion of the purchase price allocable to the nonconforming goods. Aero-Vac Alloys & Forge, Inc. shall not be liable for the cost of removal and/or reinstallation of such goods. Aero-Vac Alloys & Forge, Inc.'s liability shall in no event exceed the purchase price of such goods.

TERMS AND CONDITIONS

Conditions of acknowledgment and acceptance of purchase orders, which are set forth in the following, constitute all terms and conditions of the sale of products by seller. Any such contrary terms shall be without force and effect and shall not be binding upon seller.

- 1) **EXCLUSIVE TERMS, CONDITIONS, AND LIMITATIONS OF SALE.** No contract shall come in existence for the sale of materials or the furnishing of services by Seller to Buyer unless and until an offer has been made by Buyer and has been accepted by Seller by the confirmation thereof from Aero-Vac Alloys & Forge, Inc. or unless and until an offer has been made by Seller and has been accepted by Buyer. The terms and conditions in Buyer's purchase order shall be without force and effect and shall not be binding upon Seller except to the extent, if any, that such terms and conditions shall be identical to the terms and conditions herein set forth. The agreement resulting from the making of such offer and such offer and such acceptance thereof is hereinafter in these Conditions called the "Contract."
- 2) **PRICES, TERMS OF PAYMENT.** Prices and terms of payments specified herein for the materials or services covered hereby will be adjusted to Seller's price and terms in effect at time of purchase order entry. Each shipment for the purpose of pricing, invoicing, and billing shall be treated as a separate and independent contract upon acceptance of Buyer. All payments shall be in US Dollars.
- 3) **PAYMENT OF FREIGHT, TRANSPORTATION, RISK OF LOSS.** Terms of Sale are F.O.B. Santa Ana 92705 or F.O.B. Sellers Warehouse where applicable, unless otherwise noted. Seller shall not be required to pay or collect taxes to be added to the invoice prior to or imposed specifically on any other aspect of the transaction.
- 4) **DELIVERY, FORCE MAJEURE, RISK OF LOSS.** Estimated dates for shipping are provided to Buyer on the basis of Aero-Vac Alloys & Forge, Inc.'s best estimate for informational purposes only and are not guaranteed. Seller shall not be responsible for delay in shipments or delivery or for non-performance of contracts, in whole, or in part, if such delay or non-performance shall be due to fires, floods, strikes, work stoppages, or slow down, accidents, casualties, inability to procure raw materials, delays in transportation however caused, or other cause's beyond Seller's control.
- 5) **CHANGES, TERMINATION, OR CANCELLATION.** The contract is binding upon the Buyer and the Seller and cannot be cancelled after order is acknowledged by Seller. The contract cannot be cancelled or modified after the order has been scheduled for processing, but not yet ready for shipment, except on terms to be agreed upon in writing which shall include protection of the Seller against any loss. The Seller may, its option, cancel the contract if Buyer shall fail to make payment in accordance with the terms and provisions of this contract or any similar with the Seller, and the Buyer hereby waives any cause of action and right to any offset or counterclaim against Seller by reason of cancellation.
- 6) **APPLICABLE LAW, PATENTS.** Sellers represent that the sale of its products will not infringe any United States patents and undertake to indemnify Buyer against all judgments, decrees, costs and expenses resulting from such alleged infringement and covenants that it will, upon request from Byers, as Seller's own expense, defend or assist in the defense of any suit or action brought against Buyer by reason of an alleged infringement of any United States patent in the sale of Seller's product, however, that the foregoing representation and indemnity shall not apply of Seller's products are used in combination with other products or services such that the infringe any Unites States patent, no shall apply to any patent applications which are maintained in secrecy by the United States Government, pursuant to the terms of 35 U.S. Code, Section 181. If these commodities are to be exported out of United States Jurisdiction, it must be in accordance with the export administration regulations. Diversion contrary to U.S. Law is prohibited.
- 7) **LIMITED WARRANTY.** The buyer must notify Aero-Vac Alloys & Forge, Inc. in writing of any non-conformance in material. Such warranty as to conformity to express specifications runs only to Buyer and is Non-Transferable and Non-Assignable either directly, indirectly, or by operation of law, and any such purported or attempted transfer of assignment shall be null and void. In no event shall Aero-Vac Alloys & Forge, Inc. be liable to buyer or to any actions for such damages are based upon contract, tort, negligence, strict liability, warranty, contribution, indemnity, infringement, statute, or otherwise.
- 8) **PAYMENT TERMS.** The terms are 1.5% 10 net 30 days from the date of invoice. Shipments abroad, outside of U.S. Territories 2 % 10 net 45 from invoice date.
- 9) **FINANCE CHARGES, COLLECTION FEES.** In consideration for the extension of credit, Buyer agrees to pay for all purchases within the terms agreed to pay service charge of 1.5% per month (18% annual percentage rate) on all past due balances. In the event any third parties are employed to collect any outstanding monies owed by Buyer, Buyer agrees to pay reasonable collection costs, including attorney fees, whether or not litigation has commenced, and all costs of litigation incurred.

COMPANY NAME: _____ RESALE NUMBER: _____

AUTHORIZED AGENT: _____ SIGNATURE: _____ DATE: ____/____/____