

## GENERAL TERMS AND CONDITIONS OF PURCHASE

1. OFFER AND ACCEPTANCE. This order is an offer to purchase and is limited to and expressly conditioned on Seller's acceptance of the terms and conditions contained herein. Any differing or additional terms and conditions contained in Seller's quotations or acknowledgments are hereby rejected and shall not become part of the purchase agreement without Buyer's written consent.

2. SHIPMENT. Shipment shall be made in accordance with specific instructions from Buyer. In the absence of specific shipping instructions, shipment shall be routed via the most economical mode of commercially reasonable transportation available. Material will be classified so that lowest Commodity Rate may be obtained. Unless otherwise agreed to in writing by Buyer, prices include all charges for packing and crating. Seller shall suitably pack, mark and ship all goods to prevent damage and shall comply with any applicable customs requirements, such as importer filings prior to shipment, or requirements set by common carriers. Notwithstanding any shipping terms or rights of the Buyer included herein, Buyer shall have the right to return all freight damaged merchandise to Seller and receive full credit, unless said damage has been caused solely by the negligence of Buyer.

3. DELIVERY. Time is of the essence. Delivery shall be made in quantities and at the time(s) specified in this order or may be canceled or rejected by Buyer. If any goods and/or services delivered do not conform to this order in each and every respect, then Buyer may withhold total or partial payment and reject such goods or the entire lot received at Seller's expense. Moreover, if this order requires or authorizes deliveries of goods in separate lots, Buyer may also, at its sole election, exercise either or both of the following rights: (i) cancel any undelivered lots and/or; (ii) purchase elsewhere and charge Seller with any loss incurred. Unless delay is solely attributable to Buyer, premium transportation costs to meet delivery schedules shall be at Seller's expense.

4. WARRANTIES. Whether or not Seller is a merchant of goods and/or services provided by it, Seller warrants that all goods and/or services provided by it: (i) shall be of good quality and workmanship and free from defects, latent or patent; (ii) shall strictly conform to all specifications, drawings, descriptions furnished, specified or adopted by Buyer; (iii) shall be merchantable and suitable and sufficient for their intended purposes; and (iv) shall be free of any claim of any third party. NONE OF THE REMEDIES AVAILABLE TO BUYER FOR THE BREACH OF ANY OF THE FOREGOING WARRANTIES MAY BE LIMITED EXCEPT TO THE EXTENT AND IN THE MANNER AGREED UPON BY BUYER IN A SEPARATE

AGREEMENT SPECIFICALLY DESIGNATING SUCH LIMITATION AND SIGNED BY AUTHORIZED REPRESENTATIVES OF THE BUYER.

Buyer's inspection and/or acceptance of and/or payment for goods and/or services shall not constitute a waiver by it of any warranties. Buyer's approval of any sample or acceptance of any goods shall not relieve Seller from responsibility to deliver goods and to perform services conforming to specifications, drawings and descriptions.

5. PATENT WARRANTY. Seller warrants that: (i) neither the goods and/or services furnished nor the sale or use thereof will infringe any patent, trademark, copyright, or other proprietary or similar rights of any third party; (ii) Seller will, at its own expense, defend any claim or suit that may arise with respect to any aforementioned infringement or allegation thereof; and (iii) Seller will indemnify and hold Buyer and/or its customers harmless from all loss and expense incurred on account of any alleged or actual infringement. Buyer shall promptly notify Seller of any such infringement claim made against it. The warranty provided here shall not apply to goods to the extent such goods comply with specifications furnished by Buyer.

6. INDEMNITY AND INSURANCE. Seller shall indemnify and hold Buyer harmless, and at Seller's expense, defend Buyer from all liability, loss and expense, or claims, arising out of death or injury to any person or damage to any property, or any other damage or loss, by whomsoever suffered, resulting in whole or in part from any alleged or actual defect, whether latent or patent, in goods sold to Buyer hereunder including without limitation actual or alleged improper construction or design or failure to comply with specifications, or arising from non-complying services sold to the Buyer hereunder, or arising from the actual or alleged violation by any services or goods (or their manufacture possession, use, sale, shipment or return) of any federal, state or local rule, regulation or governmental order, or arising from the failure of any goods or services to comply with any express or implied warranty of Seller or with any of the provisions which govern Seller's performance under this purchase agreement; provided that this indemnity shall be null and void to the extent such liability, loss or expense, or claim(s), results solely from the gross negligence of Buyer. Seller will obtain and maintain in force, at no expense to Buyer, Comprehensive General Liability insurance with products liability coverage and an endorsement naming Buyer as an additional insured in sufficient amounts and with companies acceptable to Buyer, to cover any liability, loss or damage of the kinds above referred to, and other insurance as appropriate for carrying on its business.

7. PRICE. If no price is stipulated herein, the goods or services shall be charged at prices not exceeding those last previously quoted or charged to Buyer for goods or services of like kind or quality. Seller warrants that the prices named herein are as low as any net price now given by Seller to any other customer of the same class for goods or services of like kind or quality. Seller agrees that if at any time on or before the actual shipping date or the last shipping date specified hereon, whichever occurs last, lower net prices are quoted to any other such customer said lower net prices shall be applied to this purchase order and shall be substituted for the prices contained herein.

8. TOOLS. Unless otherwise specified in writing, all necessary material and/or tools including dies, gauges, jigs or fixtures required to execute this order are to be supplied by Seller. Any material or tools paid for or provided by Buyer shall be and remain the sole property of Buyer and shall be used exclusively for Buyer. Seller will mark and segregate said items and keep them fully covered by insurance at all times without expense to Buyer. Buyer may remove said items at any time. Seller will maintain said tools and similar equipment in good working condition and will return them to Buyer upon request or upon completion.

9. NON-DISCLOSURE. Seller shall not make any public announcement nor disclose the existence of this order or any of its terms, including the Buyer's name and trademark, specifications, designs, processes or other information received from Buyer, to a third party without Buyer's prior express written consent.

10. CHANGES. Buyer reserves the right at any time prior to shipment to make changes as to: (i) specifications of any goods to be specifically manufactured for Buyer; (ii) methods of shipment or packing; (iii) place of delivery; (iv) schedule of delivery; and (v) reduce, increase or cancel the quantities ordered.

If any such change causes an increase or decrease in the cost of or the time required for performance of this purchase order, an equitable adjustment shall be made in the contract price or delivery schedule or both. Any claim by Seller for adjustment under this clause shall be deemed waived unless asserted in writing within ten (10) days from receipt by Seller of the change.

11. CANCELLATION AND REMEDIES. In addition to any other rights or remedies available to it by law, by contract, or at equity, Buyer may (a) cancel this order in whole or in part if, (i) the goods and/or services furnished do not conform to warranties;

(ii) Seller fails to make deliveries as provided herein; (iii) Seller breaches any other term or condition herein; (iv) any representation by Seller proves to have been false or misleading when made; or (v) Seller becomes insolvent, enters into bankruptcy or similar proceedings, or cannot promptly present to Buyer adequate assurances to the contrary if requested. In the event of any such cancellation, Buyer may (i) refuse delivery of goods and/or performance of services; (ii) within one year after delivery, return at Seller's expense any goods already delivered and at Buyer's option, either recover any payments made and expenses incident thereto or, at Seller's expense, require Seller to replace or re-perform; (iii) recover any advance payments to Seller for undelivered goods and/or services not fully performed; and/or (iv) purchase elsewhere and charge Seller with any loss incurred.

(b) Upon cancellation as aforesaid, Buyer shall not have any liability to Seller except for the allocable part of the price for conforming goods delivered, and not returned, and for services performed to the extent that Buyer materially benefitted. In addition, Buyer may, at its option, pay Seller's actual costs for undelivered goods and raw materials, whether in process or finished, in which event such goods and materials shall be promptly delivered or made available to Buyer. In no event shall Buyer be obligated to pay to Seller an amount greater than the prices herein for said delivered and undelivered goods in total.

12. NONASSIGNABILITY. Seller may not assign any right or interest in this order nor delegate performance of any of its obligations without Buyer's prior written consent.

13. COMPLIANCE WITH LAWS AND CODE OF CONDUCT. In accepting this order, Seller warrants that it shall comply with all laws, regulations or government orders concerning the goods and/or services to be provided under this order, including any national, international, state or local laws dealing with the environment, health and safety, labor and employment, transportation or storage of hazardous materials, and import/export or customs requirements, including without limitation and if applicable, the manufacture and shipment of goods purchased or returned hereunder. In particular, Seller covenants that it shall comply with the rules and regulations applicable to the Fair Labor Standards Act of 1938, the Occupational Safety and Health Act of 1970, and the Toxic Substances Control Act. Further, Seller agrees to adhere to and act in a manner consistent with the principles and expectations set forth in Buyer's Code of Conduct and Supplier Policy, both of which are available at [www.globaltungsten.com](http://www.globaltungsten.com) under "Legal." Upon request, Seller shall provide Buyer with written assurances of compliance and cooperate with any efforts to verify the

integrity of Seller's supply chain. Seller shall indemnify, defend and hold Buyer harmless from any liability, losses, damages, penalties or claims arising from Seller's actual or alleged failure to comply with any of the above.

14. GOVERNMENT SUBCONTRACT. In the event that this order bears a government contract number or reference, Seller agrees to comply with all pertinent provisions or flow-down clauses of said contract and any applicable Presidential directives and executive orders. All said provisions, flow-down clauses, and directives and executive orders as amended are herein incorporated by reference, which include inter alia the rules, regulations, and orders applicable to (a) Equal Employment Opportunity (E.O. 11246); (b) Affirmative Action for Workers with Disabilities (the Vocational Rehabilitation Act of 1973, 29 U.S.C. 793); and (c) Equal Opportunity for Disabled or Eligible Veterans (the Vietnam Era Veteran's Readjustment Assistance Act of 1974, 38 U.S.C. 4212a).

15. PRODUCT SAFETY NOTIFICATIONS. Seller will immediately notify Buyer by telephone and written communication within twenty-four (24) hours if any product sold hereunder fails to comply with an applicable safety rule or standard or which contains a defect which could create or present a substantial risk to the health of or injury to the public or to the environment by itself or when used by Buyer within the scope of its intended purpose.

16. MISCELLANEOUS. Buyer shall have the right to inspect any work in progress and to inspect Seller's equipment and facilities at any time during business hours in order to assess work quality and compliance with this order.

Whenever Buyer has the right to demand of Seller adequate assurance of due performance, Buyer shall be the sole judge of the adequacy of assurance given by Seller.

Except as otherwise specifically provided in this order, Seller shall be liable for and shall pay any sales, use, excise or other tax which may be imposed upon any of the goods or their sale, use or delivery.

No delay or omission by Buyer in exercising any right or remedy hereunder shall be a waiver, nor shall any single or partial waiver signed by Buyer in writing preclude its ability to exercise any other right or remedy. All rights and remedies of Buyer hereunder are cumulative and in addition to any other remedies available to Buyer by law, by contract or at equity.

Headings of paragraphs are for convenience only and shall not be used in the construction or interpretation of this order.

No course or prior dealings between Buyer and Seller and no usage of the trade shall be relevant to supplement or explain this order.

This order constitutes the entire agreement among the parties and cannot be modified or amended without the written consent of Buyer.

This order shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania excluding its conflict of law rules and excluding the UN Convention on Contracts for the International Sale of Goods.

December 2010