

STANDARD TERMS AND CONDITIONS

General

The terms and conditions of sale set forth herein constitute the entire contract between Buyer and Met Weld International ("MWI") and supersede all prior oral or written agreements. Any additional or different terms contained on Buyer's order or any other communications from Buyer are deemed material alterations and hereby rejected unless specifically accepted in writing and signed by an officer of MWI. Signing of Buyer's purchase order is only an acknowledgment of Buyer's order in accordance with the terms herein and not an acceptance of Buyer's terms. In the case of government contracts, additional FAR clauses may apply.

Prices and Specifications

MWI Prices and specifications are subject to change without notice.

Taxes and Duties

All taxes, import, export or any other duties are the responsibility of the Buyer. Buyer shall provide MWI any applicable tax exemption certificates acceptable to the taxing authorities.

Change of Scope

MWI price quotes are valid for sixty (60) days unless otherwise noted. Any change in terms invalidates MWI's quoted price and requires a new quotation. Once a purchase order is accepted, Buyer shall be responsible for costs of any changes in performance or specification requested by Buyer and agreed to by MWI. No change or waiver of the terms hereof shall be binding upon MWI unless in writing and signed by an authorized representative of MWI. Buyer may not assign this agreement, or of any of its rights or obligations hereunder, without the prior written consent of MWI.

Delivery

Delivery dates are approximate and are not guaranteed. Unless agreed to otherwise MWI shall not be liable for delay in performance or non-performance of the contract caused by events beyond reasonable control of MWI.

Export License

For any item that requires an individual, validated U.S. Government Export License, order fulfillment is contingent upon receipt of an Export License. It is Buyer's obligation to inform MWI of Buyer's intent to export items and to provide MWI with all information and documentation required in support of the Export License application including end user and end use. All costs associated with obtaining an Export License are to Buyer's account. Failure to obtain an Export License, through no fault of MWI, shall not nullify Buyer's obligations to MWI.

Cancellation

All cancellations, in whole or part, must be written. Cancellations are subject to cancellation fees. MWI will evaluate and quote cancellation fees within 10 business days of receipt of the written notice to cancel. MWI may determine that the purchase of any item specifically purchased or manufactured for

Buyer may not be cancelled. Minimum cancellation fees of 20% of purchase order value are to be anticipated.

F.O.B. Point and Title

Unless MWI has specified otherwise, all items are sold F.O.B. factory, with title and risk of loss passing to Buyer at MWI's dock. Transportation expenses are paid by the Buyer, and risk of loss or damage to products in transit shall fall upon the Buyer, whose responsibility it shall be to file claims with the carrier.

Packing and Shipment

All articles shall be packed in accordance with sound commercial practices to obtain the lowest transportation rates unless otherwise specified in this order. A complete packing list, referencing this order number shall be enclosed with all shipments.

Security Title

Security title and right of possession to the products sold hereunder shall remain with MWI until all payments hereunder (including deferred payments whether evidenced by notes or otherwise) shall have been made in full in cash, and the Buyer agrees to do all acts necessary to perfect and maintain such security right and title in MWI.

Acceptance

All items are deemed accepted in full on delivery unless Buyer notifies MWI in writing within ten days of receipt.

Payment

Net 30 days to U.S. companies with established credit rating acceptable to MWI. For all others, wire transfer or cash-on-delivery is required. Orders of more than \$100,000 require incremental/progress payments. If an order is shipped in installments, pro rata payments shall become due as shipments are made. If shipments are delayed by the Buyer, payments shall become due on the date when MWI is prepared to make shipment. If the financial condition of the Buyer at any time is such as to give MWI, in its judgment, reasonable grounds for insecurity concerning the Buyer's ability to perform its obligations, MWI may require a wire transfer, letter of credit or full or partial payment in advance, and MWI may suspend any further deliveries or continuance of the work to be performed by MWI until such payment has been received.

Late Payments

If any payment is not received by in full by MWI within 30 days after the date of shipment, Buyer shall pay MWI, without demand, 1% per month interest on the unpaid balance (but not to exceed the highest rate allowed by law). Buyer further agrees to pay all costs incurred by MWI (including attorneys' fees) as a result of, or in connection with any attempt to collect, any late payment. The provisions contained in this paragraph are in addition to and do not diminish or represent a substitute for any or all of MWI 's rights at law or otherwise under these terms and conditions.

Warranty

MWI, as Seller, warrants that all products manufactured by it are free from any defect in material and/or workmanship, and will remain so for a period of one (1) year from the date of shipment by the Seller. Defects arising from damage in shipment, installation into an inappropriate application, misuse, or negligence of the Buyer is not covered in this warranty.

Should any failure to conform to this warranty arise within a one (1) year period, the Seller shall, upon notification within this time period, correct such non-conformity, at the Seller's option by repairing any defective item(s), or by replacing the item(s). Correction of non-conformity, in the manner and time frame provided above, shall constitute the fulfillment of all liabilities of the Seller to the Buyer.

SUCH WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, ALL OF WHICH ARE DISCLAIMED BY MWI, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND INFRINGEMENT.

Buyer's Remedies

Buyer's exclusive and sole remedy on account of or in respect to the furnishing of non-conforming or defective material shall be to secure replacement or repair thereof under the terms of MWI's standard published warranty.

Limitation of Liability; Statute of Limitations

IN NO EVENT SHALL MET WELD INTERNATIONAL BE LIABLE FOR ANY LOSS OF USE, LOSS OF GOOD WILL, INTERRUPTION OF BUSINESS, OR FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING LOST REVENUES OR LOST PROFITS) OR SIMILAR DAMAGES, WHETHER BASED IN TORT (INCLUDING WITHOUT LIMITATION, NEGLIGENCE OR STRICT LIABILITY), CONTRACT, OR OTHER LEGAL OR EQUITABLE GROUNDS, UNDER OR ARISING OUT OF THIS AGREEMENT EVEN IF MET WELD INTERNATIONAL HAS BEEN ADVISED OR HAD REASON TO KNOW OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IN THE EVENT OF FAILURE OF EXCLUSIVE REMEDIES. Any action resulting from any breach on the part of Met Weld International as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

Dispute Resolution

Any dispute arising out of or relating to this agreement (including both contract claims and tort claims) shall be settled by binding arbitration to be held in Albany, New York before a single neutral arbitrator. Such arbitration shall be in accordance with the then-applicable rules of the American Arbitration Association or any successor thereto. If the parties shall not have agreed on a mutually satisfactory arbitrator within ten (10) days of the request of any party for arbitration hereunder, the President of the American Arbitration Association shall forthwith appoint an arbitrator. The arbitrator may grant injunctions or other relief in such dispute. The decision of the arbitrator shall be final, conclusive and binding on the parties to the arbitration. The arbitrator shall award to the prevailing party on each material issue that party's reasonable attorneys' fees and costs. The term "prevailing party" shall mean the party that shall have substantially prevailed on a material issue in dispute. The actual cost of the arbitration itself shall be borne by the losing party or shall be allocated between the parties in such

proportions as the arbitrator decides if there are distinct, severable issues in dispute and the arbitrator determines that each of the parties has, to some extent, been a losing party.

Governing Law

Buyer's purchase, these terms and conditions, and all matters connected with the performance thereof shall be governed in all respects by the laws of the State of New York applicable to contracts made and performed in such states, excluding any laws that direct the application of another jurisdiction's laws. Under no circumstance shall the United Nations Convention on International Sale of Goods apply to this transaction.