

TERMS AND CONDITIONS FOR USE WITH PURCHASE ORDERS
FOR SERVICES AND RELATED MATERIALS

1. ACCEPTANCE AND CHANGES

A. Seller's acceptance of this order ("Order") is subject to, and limited by, these terms and conditions. Upon its acceptance by Seller, this Order shall be the entire agreement between the Buyer and Seller for the purchase and sale of services and related materials specified herein (the "Agreement"). No revision of, or addition to, this Order or any of its terms or conditions shall be effective (whether or not in Seller's acknowledgment or other form) unless agreed to in writing by Buyer.

B. SELLER MUST NOTIFY BUYER, IN WRITING, BY E-MAIL, OVERNIGHT LETTER OR FACSIMILE TRANSMISSION, OF ANY TERMS AND CONDITIONS ON BUYER'S ORDER THAT DO NOT AGREE WITH SELLER'S TERMS AND CONDITIONS. SELLER'S ACKNOWLEDGMENT IS NOT AN ACCEPTABLE NOTIFICATION OF DISAGREEMENT WITH BUYER'S TERMS AND CONDITIONS.

C. Performance of any of the services covered by this Order shall constitute acceptance of all terms and conditions hereof, whether or not Seller has acknowledged this Order.

2. PERFORMANCE

A. The dates of performance specified herein shall be of the essence of the Agreement. Buyer reserves the right to cancel the Agreement and place an order elsewhere if services are not performed as and when specified, unless performance is excused under Article 14 below.

B. Seller shall report promptly to Buyer in writing all information on performance status reasonably requested by Buyer. Such reports shall not relieve Seller of its performance obligations hereunder.

3. INSPECTION; REJECTION

A. Buyer's acceptance of all services and materials covered by this Agreement is subject to the inspection and approval of an authorized representative of Buyer. Approval or inspection by Buyer shall not relieve Seller of its warranty and indemnity obligations hereunder. Buyer may reject all services and materials not approved by its authorized representative.

B. Seller shall re-perform all services rejected at no additional cost to Buyer. Rejected materials may be returned and charged back to Seller. In case of rejection or charge back, Seller will reimburse the Buyer for all its inspection and handling costs.

4. EXCESS QUANTITIES

Buyer assumes no obligation for materials shipped in excess of the amount specified in this Order. Any or all of such excess may be returned at Seller's expense.

5. CASH DISCOUNTS

Discounts for prompt payment shall be calculated from the later of the date of Buyer's receipt of an accurate invoice in accordance with the terms hereof, or the date when all services covered by this Order have been performed.

6. WARRANTY

A. Seller warrants that all items purchased under this Agreement will conform to the specifications, drawings, samples or descriptions furnished by Buyer and/or Seller. Seller shall reimburse Buyer for all loss, cost, damage, or expense arising from failure of such items to meet specifications.

B. Seller warrants that every item of equipment purchased under this Agreement is of established commercial operability. Further, Seller warrants that any equipment purchased under this Agreement shall be free of defects, in material and workmanship for a period ending one year from date of successful start up, or eighteen (18) months from date of complete shipment, whichever comes sooner.

C. Seller warrants that all chemical substances purchased under this Agreement are on the list of chemical substances published by the administrator of the Environmental Protection Agency pursuant to the Toxic Substances Control Act (P L 94 469) and that Seller has informed Buyer of all restrictions under the Act which may limit the manufacture or use of any such chemical substance.

D. Seller warrants that all chemical and petroleum substances purchased under this Agreement are packaged, marked and documented in accordance with the provisions of the Hazard Communication standard published by the Occupational Safety and Health Administration at Title 29 Code of Federal Regulations 1910.1200. Seller also warrants that a Material Safety Data Sheet has been provided on or before the first shipment of a hazardous chemical or petroleum substance as defined and regulated in the above standard.

E. If Seller contracts hereunder to provide labor services to Buyer, Seller warrants that it has fully investigated and documented the authorization of any and all workers supplied to Buyer to render said services to

lawfully work in the United States pursuant to the requirements of the Immigration Reform and Control Act of 1986.

7. INDEMNITY; LIMITATION

A. Seller shall indemnify and save harmless Buyer, its successors, assigns, customers, and users from all loss, cost, damage, and expense, including attorney's fees, arising from any claim of death or injury to persons, or damage to property, arising out of, or attributable to any services performed or materials supplied hereunder, except where such loss, cost, damage or expense results solely from the negligence of Buyer.

B. Seller shall indemnify and save harmless Buyer, its successors, assigns, customers, and users from all loss, cost, damage and expense arising from any claim for infringement of any patent, trademark, or copyright, including any claim for infringement in the manufacture, sale or use of any materials supplied hereunder. Seller shall, at its own expense, defend all actions or suits alleging such infringement.

C. Notwithstanding paragraph 7A and 7B above, neither party will be liable to the other for lost profits, consequential, special, incidental, or punitive damages, however arising out of or related to this Agreement regardless of the basis of the claim.

8. SUSPENSION OR CANCELLATION

A. Buyer may suspend the work hereunder, or any part thereof, including delivery of materials, upon reasonable notice to Seller. Seller shall promptly comply with Buyer's instructions to minimize the cost to Buyer. During a suspension, Seller shall be entitled to recover Seller's reasonable resulting added cost, without allowance for overhead or profit.

B. The Agreement may be cancelled with or without cause by Buyer in whole or in part on the following terms and conditions. As used herein, the word "cause" shall mean Seller's failure to deliver goods as specified herein, Seller's failure to deliver goods on time, Seller's failure to comply with any of these terms and conditions, Seller's insolvency, or the commencement of voluntary or involuntary bankruptcy proceedings by or against Seller.

(1) Buyer shall notify Seller, in writing by e-mail, facsimile transmission or overnight delivery, of Buyer's intention to cancel, the reasons, the effective date, and the extent thereof.

(2) Immediately upon receiving notice of cancellation, Seller shall cease all work under this Agreement and shall take all possible steps to cancel all orders which Seller may have placed for the purchase of materials and supplies to be used by Seller in the provision of services covered by this Agreement. Failure of Seller to use due diligence in canceling such orders shall deprive Seller of the benefits of paragraph 8B(3) below as they may apply to such orders.

(3) If Buyer cancels without cause, Buyer shall pay Seller for those materials in Seller's possession or covered by uncancellable orders placed by Seller to the extent (a) that such materials have been ordered specially by Seller in reliance on this Agreement, and (b) that such materials are useful solely in the provision of services covered by this Agreement. The price of such materials shall be Seller's actual cost plus handling charges as determined by accepted accounting practices, exclusive of fees for overhead and profit.

(4) As a condition precedent to payment by Buyer of cancellation costs herein, Seller shall execute and deliver all documents and papers and take all action required to effectuate the above as directed by Buyer and

to provide proof that Seller has no liens or claims against Buyer or its property.

(5) In no event shall Buyer pay Seller cancellation costs in excess of the price for all of the services set forth in this Agreement.

(6) Upon any cancellation of the Agreement, all of the terms and conditions of the Agreement shall remain in full force and effect as to all services performed and materials delivered thereunder to Buyer prior to or in connection with such cancellation.

9. ASSIGNMENT

Performance hereunder may not be assigned or subcontracted by Seller without the written consent of Buyer.

10. LIENS AND ENCUMBRANCES

Seller shall deliver all materials to be supplied hereunder, if any, free of all liens or encumbrances. Buyer may withhold payment pending receipt of evidence, satisfactory to Buyer, of the absence of such liens or encumbrances.

11. BUYER'S DESIGN

Buyer shall be deemed to own any design furnished by Buyer for equipment to be made pursuant to this Agreement. Seller may not use, or furnish to others, the design (or any part thereof) without Buyer's prior written consent.

12. MATERIALS LENT BY BUYER

Buyer shall remain the owner of all materials which it furnishes to Seller, free of charge, in connection with this Order. Seller shall pay for all such materials which are not returned or satisfactorily accounted for. Tools, dies, jigs, molds, and other similar materials paid for by Buyer shall remain Buyer's

property and shall be surrendered to Buyer on demand.

13. INSURANCE

Seller shall insure Buyer's property in Seller's possession against all insurable risks to which this property may be subjected, with an insurance company licensed to operate in Pennsylvania. The proceeds of such insurance shall be made payable to Buyer, as its interest may appear.

14. EXCUSE OF PERFORMANCE

Neither Buyer nor Seller shall be liable for a failure to perform which is caused by fire, labor dispute, or accident at its works, or by any other contingency that is beyond its control. Such failure shall be excused only to the extent of, and during the pendency of, such interference.

15. WORK ON BUYER'S PREMISES

Whether or not a separate charge is made for their services, no agent or employee of Seller who is on Buyer's premises shall be deemed an agent or employee of Buyer. While on Buyer's premises each agent or employee of Seller shall be subject to such of Buyer's General Safety Order No. 1, plant safety rules and fire regulations, and Buyer's "GENERAL CONDITIONS" form as are attached to, and hereby made part of, this Order.

16. GOVERNING LAW

Pennsylvania law shall govern the validity and interpretation of this Order, Seller's acceptance, and the Agreement.

17. COMPLIANCE WITH LAWS.

A. Seller warrants that it has complied and shall comply with all governmental laws, regulations and orders covering provision of services and materials under this Agreement

from which, because of non compliance by the Seller, liability may accrue to Buyer

B. Seller warrants that all materials covered by this Agreement have been produced in compliance with the requirements of the Fair Labor Standard Act of 1938, as amended, and Executive Order 11246 and the rules, regulations and relevant orders of the Secretary of Labor, if applicable. Section 202 of Executive Order 11246 is incorporated herein by specific reference.

C. All federal equal opportunity and affirmative action requirements in regard to race, sex, religion, color, national origin, handicap and Vietnam era veteran or disabled veteran status, as set forth in 41 CFR 60-1, 41 CFR 60-250, and 41 CFR 741, are herein specifically incorporated by reference.

18. NOTICE OF PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATION OF NON-SEGREGATED FACILITIES

A certification of non-segregated facilities, as required by Section 60-1 of Chapter 60 title 41, Code of Federal Regulations, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity Clause. The certification may be submitted either for each subcontract or for all subcontractors during a period (i.e., quarterly, semi-annually or annually). If this Order is for \$50,000 or more and the Seller employs 50 or more persons, Seller is required under Executive Order 11246 to develop an affirmative action program for each of Seller's facilities within 120 days after the award of this contract and to file standard form 100(EEO-1) within 30 days after the award of this contract if Seller has not previously filed compliance reports.