

MATERION TECHNICAL MATERIALS INC. (“Seller”)

TERMS AND CONDITIONS OF SALE

- 1. Entire Agreement.** The purchase order and order acknowledgement (including any drawings and specifications expressly referenced therein) and these Terms and Conditions of Sale shall constitute the entire contract between Seller and Buyer (collectively the “Agreement”), and shall supersede all prior communications or negotiations between the parties, whether written or oral, with the sole exception of any pre-existing non-disclosure or confidentiality agreement(s) in place between the parties, which shall remain in effect according to their terms. **NOTWITHSTANDING ANY ADDITIONAL OR DIFFERENT TERMS THAT MAY BE EMBODIED IN A PURCHASE ORDER, AN ORDER IS ACCEPTED BY SELLER ONLY UPON THE ISSUANCE OF AN ORDER ACKNOWLEDGEMENT, INCLUDING THESE TERMS AND CONDITIONS.** No statement, representation, covenant or warranty not contained in this Agreement shall be binding on Seller and no provisions of this Agreement may be changed or waived in any respect except in writing by an authorized representative of Seller. Buyer’s acceptance of the Goods listed on the bill of lading, and any packing or other list of materials attached hereto (collectively, the “Goods”) shall occur upon receipt of the Goods.
- 2. Pricing.** Seller reserves the right to change prices without notice at any time prior to acceptance of purchase order. Quoted prices are based on current or stated metal market prices. Since these market prices fluctuate, actual selling prices will be finally determined by prevailing market prices on date order is shipped.
- 3. Cash In Advance (“CIA”).** If Seller has advised Buyer that it will only fill an order on a Cash in Advance basis, with cash held as security, Buyer will be required to deliver to Seller, in advance of any acknowledgement or acceptance of the purchase order, a cash amount equal to the order quantity multiplied by a pro forma invoice price. That price will be determined by adding together the quoted fabrication price plus actual metal market adjustments based on market pricing for the date of receipt of order. On the day the order is ready to ship, this amount will then be adjusted to "current" metal market pricing to account for any +/- market fluctuations as well as any quantity changes that may have occurred. Standard shipping tolerances are +/- 10% of original order quantity, however, Buyer can choose to accept and offer payment for any quantity in excess of this range.
- 4. Shipping; Delivery; Risk of Loss.** Unless otherwise agreed in writing by the parties, delivery of the Goods shall be FCA shipping point and title and risk of loss shall pass to Buyer upon Seller’s delivery to the first carrier or shipper. Every commercially reasonable effort will be made to deliver the Goods in accordance with the shipping dates appearing on the sales acknowledgment. Delivery is based on the receipt by Seller of a purchase order or other communication containing the purchase order number. Seller will not be liable for damages in any event due to delays in delivery. All transportation and insurance charges relating to shipment shall be paid by Buyer, unless otherwise previously agreed to between the parties. Subject to Section 5 hereof, if Buyer refuses to accept delivery of the Goods, then Buyer shall be responsible for all transportation, insurance and storage charges relating to the shipment. If Seller has reason to doubt Buyer’s financial responsibility, Seller may decline to make further deliveries, except for cash or satisfactory security. Seller reserves the right of stoppage in transit. Seller reserves the right to ship ten (10) percent more or less than the quantity ordered. If the quantity ordered is less than 250 pounds, that amount shall be considered twenty-five (25) pounds. All shipments, unless otherwise expressly requested by Buyer in writing, are classified as metal alloys NOIBN Strip, released value not exceeding \$0.40/lb. Class 3.
- 5. Force Majeure.** Seller shall not be subject to any liability or damages for delay in performance or non-performance as a result of fire, flood, ice, natural catastrophe, strike, lockout, labor shortage, labor dispute or trouble, accident, riot, act of governmental authority, act of God, act of terrorism, or other contingencies and circumstances beyond its control interfering with the production, supply, transportation, or consumption of the Goods or with the supply of any raw materials used in connection therewith, or the inability of the Seller to purchase raw materials at a commercially reasonable price, or if performance would be contrary to, or constitute a violation of, any regulation, law, or requirement of a recognized government authority, and quantities so affected may be eliminated by Seller from the Agreement without liability or damages to Seller, but the Agreement shall otherwise remain unaffected. Seller may, during any period of shortage due to any cause, prorate and allocate its supply of such materials among itself for its own consumption, its subsidiaries, affiliated companies, its accepted orders, contract customers, and its regular customers not then under contract in such a manner as may be deemed fair and reasonable by Seller. In no event shall Seller be obligated to purchase any substitute Goods in the marketplace to satisfy its obligations hereunder. Buyer’s failure to pay for the Goods shall not constitute a force majeure event hereunder.
- 6. Taxes.** Buyer shall reimburse Seller for all taxes or other charges, except income and franchise taxes, which Seller may be required to pay to any government, whether foreign, national, state or local, upon the sale, production or transportation of the Goods, now in effect, or which may be imposed or increased subsequent to the effective date of this Agreement.
- 7. Warranty; Limitation of Liability.** Seller warrants only that the Goods shall be substantially in accordance with Buyer’s specifications for the Goods. **THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF**

MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND/OR NON-INFRINGEMENT, AND SELLER HEREBY EXPRESSLY DISCLAIMS ALL SUCH OTHER WARRANTIES. Seller's warranty extends only to Buyer and shall expire 60 days after the Goods are shipped. All claims in respect of the Goods must be made in writing to Seller within such 60 day period or shall be barred. This warranty shall not apply to any Goods which have been repaired or altered outside of Seller's facilities in any way or because of accident, negligence, abuse or misuse. All Goods, including those produced to meet Buyer's specifications, shall be subject to tolerances and variations consistent with usual and ordinary trade practices, or the parties' prior course of dealing, with respect to dimensions, composition, mechanical/optical properties, and surface and internal conditions, and shall also be subject to deviations from tolerances and variations consistent with practical testing and inspection methods. Returned Goods will not be accepted unless Seller is notified in writing and authorizes the return prior to shipment. Any suggestions made by Seller concerning uses or applications of the Goods reflect Seller's opinion, and Seller makes no warranty of results to be obtained. Buyer assumes all risks and responsibility for results in the use or handling of the Goods, whether used singly or in combination with other products.

- 8. Limitation of Remedies.** In the event that Buyer claims that any Goods shipped by Seller pursuant to this Agreement are non-compliant with any applicable specifications(s) or other terms of delivery in any material way, and in the event any such non-compliance cannot be cured by Seller after reasonable notice and an opportunity to cure, Buyer's recourse and remedy shall be limited to (a) replacement Goods at Seller's sole cost, including reasonable costs of shipment, or (b) if agreed to by the parties, a refund or credit equal in value to (but no more than) the price paid for any non-compliant Goods. **OTHER THAN THE LIMITED REMEDIES EXPRESSLY PROVIDED FOR HEREIN, BUYER SHALL NOT BE ENTITLED TO ANY ADDITIONAL, CONSEQUENTIAL, SUPPLEMENTARY, EXEMPLARY, OR PUNITIVE DAMAGES OF ANY KIND OR NATURE.**
- 9. Patent Infringement.** Buyer shall indemnify and hold Seller harmless from and against any and all liability for costs or damages awarded against Seller for infringement of any United States Patent claims covering the Goods manufactured to designs or specifications of Buyer.
- 10. Security Interest.** Buyer grants to Seller and to its successors and assigns a purchase money security interest in and to the Goods sold under this Agreement and all proceeds and products thereof, including the proceeds of any insurance related thereto. The security interest hereby created shall secure the payment of the purchase price for the Goods, together with all costs and expenses, including court costs and attorneys' fees incurred or expended in collecting the indebtedness secured hereby and in enforcing the security interest created hereby. Buyer agrees to execute, on request, and hereby authorizes Seller to file, financing statements deemed necessary or desirable by Seller to perfect its security interest in the Goods.
- 11. Cancellation.** In the event that Buyer cancels an order after Seller has issued its order acknowledgement and these Terms and Conditions, Buyer shall be held responsible for reasonable cancellations costs, including, but not limited to, raw material value, work in process, procurement and handling costs, carrying costs a rate no lower than 10% per annum, a credit for the scrap market value of the raw material, and any other actual costs incurred by Seller. However, cancellation charges do not grant the Buyer the right to purchase and/or take possession of any raw materials that the Seller may deem proprietary in nature. In addition, Seller cannot be forced to provide the financial information that was used in determining or calculating its cancellation charges.
- 12. Governing Law.** This Agreement has been made and entered into in the State of Rhode Island and shall be construed and interpreted in accordance with the laws of the State of Rhode Island, without regard to its conflict of law principles
- 13. Compliance with Laws.** Buyer agrees to comply with all applicable laws, including but not limited to, the provisions of the Export Administration Regulations of the United States Department of Commerce and the International Traffic in Arms Regulations of the United States Department of State, as they currently exist and as they may be amended from time to time.
- 14. Assignment.** Neither this Agreement nor any interest created herein nor obligation arising hereunder shall be transferred or assigned by Buyer, except upon the prior written consent of Seller.
- 15. Intellectual Property.** Seller reserves all rights with regard to the confidentiality, enforceability and ownership of its intellectual property rights, including but not limited to any and all trade secrets, proprietary processes, know-how, inventions and other proprietary business information of any kind, to the fullest extent permitted by law, and nothing contained herein or elsewhere in this Agreement shall be construed otherwise or shall entitle Buyer to any information or right of access with regard to Seller's facilities or intellectual property.