FPD
SPECIALTY TITANIUM COMPONENTS
A Trigon Holding Inc. Company

FPD Company
124 Hidden Valley Road McMurray, PA 15317
724-941-5540
fpdcompany.com

INSTRUCTIONS TO VENDOR

1. Show our Order number on all invoices, shipping papers and packages.
2. Submit an itemized packing list with all shipments, showing our Order number, contents of containers, quantity and weight. If shipment is in multiple packages, indicate the package containing packing list.
3. Whenever two or more shipments must be made to complete an order, all invoices and shipping papers must be marked “Partial” or “Complete”.
4. Mark each shipment to indicate clearly the above “Deliver To” division or location.
5. Price all items separately.
6. This Purchase Order must be acknowledged.

TERMS AND CONDITIONS

1. **ACCEPTANCE AND MODIFICATION OF AGREEMENT.** This Purchase Order (“Order”) is an offer by FPD COMPANY (“Buyer”) to buy the goods and/or services described on the face hereof, and this is not an acceptance of any offer to sell of Seller. Any acceptance contained herein is expressly made conditional on Seller’s assent to the additional and/or different terms contained herein. Acceptance by Seller of this offer (which constitutes the agreement of Buyer to buy and Seller to sell) is expressly and exclusively limited to the terms, conditions and limitations herein and on the face hereof, such terms, conditions and limitations being the only terms, conditions and limitations to which Buyer will agree, which supersede all prior statements, proposals, negotiations, representations and agreements and shall constitute the entire agreement between Buyer and Seller and shall take precedence over all other terms, conditions and limitations on Seller’s acknowledgement form and other forms and documents of Seller or any other person or entity which are inconsistent herewith or in addition hereto. This serves as a written objection to all such inconsistent or additional terms, conditions and limitations. This Order may be accepted by shipping the goods ordered herein or by acknowledging receipt of this Order or by commencing any work hereunder and, in any event, shall be deemed to have been accepted in its entirety by Seller unless Buyer is notified in writing of Seller’s objection to any terms within seven (7) business days from the date of issue. Failure to so notify shall constitute automatic and unconditional acceptance of all terms and conditions set forth in this Order. The terms, conditions and limitations herein can be modified, altered or added to only by a subsequent written instrument signed by an officer of Buyer which shall set forth with particularity and not through incorporation by reference the precise terms, conditions and limitations modified, altered or added to with specific written reference to the terms, conditions and limitations of this offer which are modified, altered or added to. No prior inconsistent course of dealing, course of performance or usage of trade, if any, shall constitute a waiver of or serve to explain or interpret these terms, conditions and limitations.
2. **ERRORS.** Stenographic or clerical errors on the face hereof are subject to correction.
3. **PRICING AND ESCALATION.** The price fixed in or by this Order is not subject to change except as expressly provided herein or by amendment as provided herein. Seller warrants that the price will be the lowest prevailing market price at the time of issuance of this Order. Unless escalation terms are specifically stated on the face hereof, no escalation will be applicable to this Order.
4. **PAYMENT OF FREIGHT, TRANSPORTATION, TAXES AND OTHER GOVERNMENTAL CHARGES BY SELLER.** Unless otherwise specified by Buyer on the face hereof, or otherwise, all present or future freight and transportation charges shall be prepaid by Seller, and to the extent that such charges are not included in the purchase price, shall be added to the invoice as a separate charge. Unless otherwise agreed by Buyer, Seller will pay all federal, state and local transportation, sales, use, excise or any similar tax or other governmental charge upon or with

respect to the sale, purchase, manufacture, processing fabrication, delivery, storage, use and consumption of the goods ordered herein.

5. **PACKAGING, LOADING AND BRACING.** Seller will comply with any packaging, loading or bracing requests made by Buyer. If no such requests are made by Buyer, shipment shall be packed, loaded and braced to conform with the requirements of the carriers, all applicable federal, state and local laws, and in a fashion appropriate to the method of transportation and the nature of the goods. No charge will be assessed against Buyer for packing, loading, crating, drayage or storage unless agreed upon in writing by Buyer.
6. **DELIVERY, RISK OF LOSS AND TITLE.**
Unless otherwise specified on the face hereof, all deliveries shall be F.O.B. Buyer's plant. Buyer retains the right to change shipping data specified for any portion of this Order. Packing list and shipping documents must accompany all shipments. Shipment shall be made by the least expensive method unless Buyer instructs otherwise. Risk of loss and title shall pass to Buyer when the goods come into the actual possession of Buyer at Buyer's plant and are accepted by Buyer, regardless of the delivery term specified in this Order. The shipping date stated on the face hereof is subject only to delay caused by modifications of specifications or other terms agreed to in writing as provided herein after acceptance of the Order; strikes; fire, flood, earthquake, tornado or other natural disaster or act of God; war, riot, or other emergency; compliance with orders of any governmental agency (or other cause beyond the reasonable control of the Seller). In the event of delay directly caused by one or more of the foregoing, the shipping date shall be delayed only by the number of days caused by such delay. In the event of delay not directly caused by one of the foregoing, Seller shall reimburse Buyer for all damages sustained which relate to such delay. Seller shall be responsible for filing and pursuing claims with carriers for damage in transit, unless this obligation has been otherwise assumed in writing by Buyer. Responsibility for obtaining necessary transportation permits, if any, shall be with Seller, unless otherwise assumed by Buyer. Seller shall not deliver any goods earlier than the shipping date authorized by Buyer, nor deliver any goods without Buyer's prior written authorization. Any such early or unauthorized delivery may be accepted by Buyer solely as accommodation and shall not constitute acceptance for purposes of this Order or a waiver of Buyer's rights. For any early or unauthorized delivery, Buyer may assess a charge equal to eighteen percent (18%) per annum, calculated on a pro-rated, per-day basis, applied to the value of the goods delivered early for the period beginning on the date of delivery and ending on the authorized delivery date (or such other date designated by Buyer). Buyer may invoice Seller for such charge or deduct it from any amounts otherwise due to Seller, in addition to any other rights or remedies available to Buyer under this Order or applicable law.
7. **QUANTITY.** Goods delivered in excess of amount called for in this Order may be refused by Buyer and returned at Seller's expense. In the event the quantity delivered is less than the quantity ordered, Buyer, at its option, may either accept the quantity as fulfillment of this Order or require the Seller to deliver the balance of the goods in accordance with the terms of this Order.
8. **PERFORMANCE OF SERVICES ON BUYER'S PROPERTY.** If this Order requires Seller to perform any services upon property (whether real, personal or mixed) owned or controlled by Buyer, Seller agrees: (a) RELEASE OF LIENS: to furnish Buyer, as a condition precedent to final payment, a complete release of all liens, together with a certificate by Seller that the release contains the signatures of all those who performed services or furnished materials under this Order. (b) HOLD HARMLESS: to indemnify Buyer and save it harmless against all liability, claims, loss, damage and expense, including counsel fees, on account of personal injury or damage to property arising out of or in any way connected with the performance of this Order whether or not the negligence of Buyer was a contributing cause of such personal injury or damage. The foregoing is in addition to Seller's obligations under Paragraph 17 hereof. (c) INSURANCE: (1) to provide at its sole expense: Workmen's Compensation and Employer's Liability Insurance protection for all of its employees engaged in the performance of this Order and (2) to procure and maintain in force at all times during the performance of this Order (i) Commercial General Liability (CGL) and, if necessary, Commercial Umbrella insurance with a limit of not less than $5,000,000 each occurrence and (ii) Business Automobile Liability and, if necessary, Commercial Umbrella Liability insurance with a limit of not less than $1,000,000 each accident. All insurance policies provided by Seller will be primary. At the request of Buyer, a certificate evidencing such insurance coverage shall be submitted to Buyer prior to the commencement of the work hereunder and will include the Buyer as an Additional Insured. In the event the insurance program required by the Buyer was to have any pending claims, either at the time the Certificate

of Insurance was produced or to later come to the attention of the Seller, which may limit or exhaust any aggregate limits by more than 20%, the Buyer shall be notified within 30 days. The Buyer may require additional insurance or a reinstatement of the limits of liability, as necessary, to protect the financial interest of the Buyer.

9. **SECURITY INTEREST.** To the extent that Buyer makes or has made any deposit, advance or progress payment with respect to the goods which are subject to this Order and the goods have not yet been shipped to Buyer, Seller grants to Buyer a security interest under the Uniform Commercial Code in such goods and those items of Seller's inventory which will be used to produce such goods or which are identified in this Order. Seller shall sign and deliver to Buyer such financing statements or other documents evidencing such security interest as Buyer shall reasonably request.
10. **INSPECTION AND ACCEPTANCE.** Buyer shall have the right at all reasonable times to inspect and test all goods furnished or to be furnished by Seller and all work performed or furnished or to be furnished by Seller. Notwithstanding any prior inspection, the passage of title or any prior payment, all goods and/or services covered by this Order are subject to final inspection and acceptance by Buyer upon delivery to Buyer's plant. Payment for goods and/or services covered hereby shall not constitute an acceptance thereof, but all goods and/or services shall be received subject to Buyer's inspection and rejection. If after inspection Buyer rejects any goods furnished to Seller hereunder, such goods shall be held as Seller's property, at Seller's risk and subject to Seller's disposition for a reasonable time. Thereafter, such goods may be returned to Seller freight collect. Material returned as defective shall be returned for full credit and shall be replaced without a separate purchase order. By inspecting and not rejecting any goods and/or services furnished hereunder, Buyer shall not be precluded from subsequently revoking its acceptance thereof if the goods and/or services are later discovered to be nonconforming with this Order or if defects in design, materials or workmanship appear within the period of any applicable statute of limitations, even if the defect does not substantially impair the value of such goods and/or services to Buyer.
11. **WARRANTY.** In addition to any other warranties of Seller described herein, Seller expressly warrants that all goods and services covered by this Order will strictly conform to the description on the face hereof and to the specifications, drawings, plans, instructions, samples or other description furnished or adopted by Buyer, will be merchantable, fit and sufficient for the purpose intended, including any special requirements of Buyer which have been disclosed to Seller, and shall be free from defects, whether latent or patent, in material, workmanship or design. Unless otherwise specified, all goods furnished shall be new and of the highest quality and workmanship. Any exclusion of such warranties by the Seller shall be of no effect. Such warranties shall survive delivery, shall not be deemed waived by reason of either acceptance or payment, and shall be in addition to those implied by or available at law or in equity.
12. **TERMS OF PAYMENT.** Terms of payment are as specified on the face hereof. In the absence of such provisions on the face hereof, payment terms shall be Net 30 days from date of delivery to and acceptance by Buyer, unless otherwise agreed in writing by Buyer.
13. **TIME IS OF THE ESSENCE.** Time is of the essence on all delivery or deliveries hereunder.
14. **CHANGES, TERMINATION: LIMITATION OF REMEDIES.** (a) Buyer may make changes within the general scope of this Order by issuing a written Change Order Notice signed by an Officer of Buyer. If any such change causes an increase or decrease in the cost or the time required for performance of this Order, an equitable adjustment shall be made in the purchase price or delivery schedule or both. Any claim by Seller for an adjustment under this paragraph shall be waived unless Buyer is notified in writing within twenty (20) days from receipt by Seller of the change. No claim by Seller that any instruction from Buyer constitutes a change in Seller's performance hereunder, for which Seller should be paid additional compensation, shall be valid, unless prior to commencing such allegedly extra or changed performance Seller shall have received such a written Change Order Notice. Any charges for extra or changed performance will not be paid unless so authorized. (b) This Order may not be cancelled or terminated by Seller without Buyer's written consent. (c) Buyer may, by written notice to Seller, cancel the whole or any part of this Order (i) if Seller fails to perform in accordance with any of the requirements of this Order, including but not limited to, failure to ship in the quantity ordered or by the date specified; or (ii) if Seller so fails to make progress as to endanger performance hereunder; or (iii) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller under any state or federal law governing bankruptcy,

arrangement, reorganization, receivership or assignment for the benefit of creditors. Any such termination shall be without liability to Seller except for completed items delivered and accepted by Buyer and shall be in addition to all other remedies of Buyer hereunder. (d) Buyer, by written notice to Seller, may cancel the whole or any part of this Order when it is in the best interest of Buyer, and, if this Order is so cancelled, Seller shall be compensated for such cancelled portion only as follows: (i) for goods not identified to this Order and services not performed, no compensation; (ii) for goods, except specially manufactured goods, which have been identified but not accepted in writing, 15% of the purchase price for handling and overhead, plus Seller's reasonable transportation costs incurred, if any; (iii) for specially manufactured goods, the lesser of (A) a percentage of the purchase price equal to the percentage of the special manufacturing completed on the date of cancellation and (B) Seller's actual direct out-of-pocket costs to the date of cancellation, including Seller's reasonable expense in connection with the termination of any subcontracts, all as approved by Buyer, plus in either case 6% of such amount for handling and overhead, provided in either case that the goods or uncompleted portions thereof shall be the property of Buyer, and Seller shall safely hold the same for a reasonable time, subject to receipt of Buyer's shipping or other disposition orders; and (iv) for Seller's lost profits, no compensation. THE FOREGOING REMEDIES ARE SELLER'S SOLE AND EXCLUSIVE REMEDIES FOR CANCELLATION.

15. **BUYER'S REMEDIES.** If any goods or work furnished or performed by Seller hereunder shall be found at any time to be nonconforming within the period of any applicable statute of limitations, (i) Buyer shall have the right to reject and return such goods at Seller's sole expense, such goods not to be replaced without suitable written authorization from Buyer; and (ii) at the discretion of Buyer and at the expense of the Seller. Seller shall replace, repair and insure such nonconforming goods or work, and if Seller fails to do so, Buyer may furnish or perform the same and recover from Seller the cost and expense directly or indirectly resulting there from, including consequential damages, plus 15% of such damages for overhead. Buyer shall be entitled at all times to set off any amount owing at any time from Seller against any amount payable at any time by Buyer in connection with this Order. The foregoing remedies shall survive delivery, shall not be deemed waived by reason of either acceptance of payment and shall be in addition to all other remedies (including consequential damages) available to Buyer hereunder or at law or equity, including the Uniform Commercial Code.
16. **PATENTS**. Seller warrants that goods furnished hereunder, and the sale and use thereof, will not infringe or interfere with any valid patent or trademark or pending application thereof. Seller will, at Seller's expense, defend any suit threatened or instituted against Buyer or its agents or customers charging infringement of or interference with any patent or trademark or pending application thereof by virtue of the possession, use or sale of any goods furnished hereunder, and Seller will indemnify Buyer and its agents and customers from and against all damages, claims, demands, costs, expenses and attorneys' fees arising from any such suit or in any way connected with the possession, use or sale of any infringing or allegedly infringing goods furnished hereunder. In addition to other remedies set forth in this Order, Seller agrees that should the use or sale of the goods sold hereunder be held to constitute infringement, Seller, at its own expense shall either (a) procure for Buyer the right to continue using or selling said goods or (b) replace the same with non-infringing goods or modify such goods in a manner to avoid infringement, providing that such modification does not materially reduce the beneficial aspects of such goods to Buyer. Notwithstanding the foregoing, Seller shall not be responsible for infringement of or interference with any patent or trademark if such infringement or interference arises solely from specifications furnished by Buyer to Seller.
17. **INDEMNIFICATION.** Seller hereby insures the performance of any goods and services sold or furnished hereunder and agrees to indemnify Buyer against any loss, expense, recovery or settlement, including counsel fees, sustained or incurred by Buyer in the investigation, settlement, attempted settlement or defense of any claim (whether frivolous or not) asserted or brought against Seller, Buyer or Buyer's purchaser as a result of any personal injury or damage to property arising or alleged to have arisen out of the performance or non-performance of any services or the breach of any terms contained herein or out of the furnishing of the goods hereunder or the use, performance, non-performance, sale or resale of such goods, including but not limited to any claim based on negligence and/or strict liability for injury caused by any defect in materials, workmanship or design, or failure of the Seller to comply with all applicable federal, state and local safety and health laws and all orders, rules, regulations and standards issued

thereunder. Seller also agrees to assume responsibility for and indemnify Buyer for the payment of any expenses, costs, damages, penalties, taxes or assessments, including counsel fees and costs of defense, which may be imposed or incurred under or with respect to (i) any compensation of any person employed by Seller or (ii) discrimination in employment on the basis of race, color, religion, sex or national origin against any individual employed by Seller.

18. **UNPATENTED INFORMATION.** Any unpatented knowledge or information concerning Seller's products, methods or manufacturing processes which Seller may disclose to Buyer incident to the manufacture or sale of the goods and/or performance of the services covered by this Order shall, unless otherwise specifically agreed to in writing, be deemed to have been disclosed as a part of the consideration hereunder, and Seller agrees not to assert any claim (other than a claim for patent infringement) against Buyer by reason of Buyer's use or alleged use thereof.
19. **NO WAIVER.** Failure of Buyer to enforce any of the terms, conditions and limitations of this Order shall not be construed as a waiver thereof or a waiver of any other terms, conditions or limitations herein or on the face hereof, and the failure of Buyer to exercise any rights arising from default of Seller or otherwise shall not be deemed to be a waiver of such right or any other right. The terms, conditions and limitations herein and on the face hereof and the rights of Buyer hereunder may be enforced at any time in whole or in part.
20. **ASSIGNMENT.** Seller shall not assign its obligations under this Order or any part thereof to any other person or entity without written approval of Buyer.
21. **COMPLIANCE WITH LAWS.** Seller warrants that all goods or services furnished hereunder will comply with all applicable federal, state and local laws (and with the regulations, guidelines, orders and standards thereunder) including where applicable, but not limited to, the Fair Labor Standards Act, the Civil Rights Act of 1964, as amended, the Equal Employment Opportunity clauses enumerated in 41 C.F.R. §80-1.4, 41 C.F.R. §60-250.5 and 41 C.F.R. §60-741.5, the Occupational Safety and Health Act of 1970, and the Toxic Substance Control Act, and any amendments thereto, and Seller agrees to give Buyer all such compliance certificates, notices and reports as may be either required or otherwise necessary in such connection and to appropriately label all goods supplied under this Order in the manner required by any such applicable legislation, regulations, guidelines, orders or standards.
22. **ADDITIONAL CLAUSES.** Any clause required to be included in an agreement of this type by any applicable law or administrative regulation having the effect of law shall be deemed to be incorporated herein.
23. **SUBSIDIARIES.** Buyer's duties under this Order may be performed, and all rights hereunder against Seller may be enforced, in whole or in part, by Buyer or by any one or more of Buyer's subsidiaries.
24. **DEFINITIONS.** When any item defined by the Pennsylvania Uniform Commercial Code is used in this Order, the definition contained in said Code shall control. Unless the context clearly indicates otherwise, the words "herein", "hereunder" and the like shall refer to this Order as a whole and not to any paragraph or subparagraph thereof.
25. **APPLICABLE LAW.** The law of the Commonwealth of Pennsylvania shall apply in interpreting the terms, conditions and limitations of this Order without regard to which party drafted the language herein, prior course of dealing, course of performance or usage of trade, and such law is hereby incorporated into and made a part of this Order. If any clause or provision of these terms and conditions shall be held to be in violation of applicable law, this Order, when accepted, shall be interpreted as if such provisions were limited to the extent legally permitted or, if such clause or provision is prohibited in its entirety, it shall be null and void, and this order as so modified shall remain in full force and effect.