

ADMIRAL METALS SERVICENTER COMPANY, INC.
TERMS AND CONDITIONS OF SALE

The supply of goods (a "Product" or collectively, "Products") by Admiral Metals Servicenter Company, Inc. ("Seller") to the purchaser ("Purchaser") shall be in accordance with the terms and conditions stated herein (the "Agreement"), and Seller hereby objects to any additional or different terms. Seller shall not be bound by any modification of this Agreement that is not approved in writing by an officer of Seller.

1. Payment. Terms of payment are net 30 days from date of invoice unless otherwise agreed by Seller in writing. If Seller agrees to accept payment in installments, failure by Purchaser to pay any installment when due shall, at Seller's sole option, (i) render the total purchase price at once due and payable or (ii) entitle Seller to withhold or stop shipment of all Products, to take immediate possession of all Products, wherever located, without legal process, and to retain as liquidated damages, and not as a penalty, all money paid by Purchaser therefor. Purchaser hereby agrees that retention of such payments by Seller is reasonable in light of the anticipated or actual harm caused by such failure to pay, the difficulties of proof of loss, and the inconvenience or nonfeasibility of Seller otherwise obtaining an adequate remedy.

2. Taxes. The price of Products does not include any present or future federal, state, or local property, sales, use, excise, gross receipts or other like taxes or assessments that may be applicable to, measured by, imposed upon or result from this transaction or any services performed in connection therewith.

3. Interest Charges; Costs of Collection. On accounts not paid within 30 days from date of invoice, interest will be charged at the rate of 1.5% per month (18% per annum) beginning on the first of the month following the date on which the payment is due. If Purchaser fails to pay Seller any amount when due under this Agreement, in addition to any other remedy available to Seller, Purchaser shall pay Seller all costs of collection, including without limitation attorneys' fees and costs, incurred by Seller in collecting such unpaid amounts.

4. Inspection and Fitting-Up Charges. If Purchaser requires tests or inspection not regularly provided by Seller or Seller's suppliers, Seller may charge and Purchaser shall pay the actual cost of such tests or inspection. Seller may charge Purchaser any fitting-up, tooling or die charges established by Seller or Seller's suppliers, and Purchaser shall pay all such charges in cash upon receipt of invoice. Tools and dies shall remain the sole property of Seller or its suppliers, and neither Seller nor its suppliers shall be accountable to Purchaser for any use or disposition of such tools and dies or for the proceeds thereof.

5. Shipment and delays. Shipment dates shall be interpreted as estimated and in no event shall such dates be construed as falling within the meaning of "time is of the essence". Seller shall not be liable, in damages or otherwise, for performance or for deliveries delayed or prevented by fire, storm, flood, war, rebellion, insurrection, acts of terrorism, riot, strike, labor difficulties, or for delay in or failure to ship Products when supplies of Seller or the facilities of production, manufacture, transportation and distribution that otherwise would be available to Seller are impaired by order, requisition, or necessity of any governmental or acting authority, or for any delay or failure due to any cause whatsoever beyond the control of Seller.

6. Limits as to Size, Tolerances, etc. Unless otherwise stated by Seller or its suppliers, Products will be within limits as to size, gauge, temper, finish, and standard tolerances for variations established by Seller or its suppliers. Shipping tolerance is plus or minus ten percent (10%) of the ordered quantity unless otherwise specified and agreed upon as of the date of this Agreement.

7. WARRANTY AND DISCLAIMER. Seller warrants that, for a period of ninety (90) days from date of shipment, Products supplied hereunder will conform to ASTM International specifications identified in writing by Seller's suppliers and any specifications jointly agreed to by Seller and Purchaser in writing for this Agreement. Purchaser shall promptly report any failure to conform to this warranty in writing to Seller within such ninety (90) day period, whereupon Seller shall, at Seller's sole option: (a) repair such Product in place at Purchaser's facility, provided that Purchaser provides Seller with reasonable access to Purchaser's premises during normal business hours, (b) instruct Purchaser to return such Product to Seller, freight prepaid, and correct such nonconformity by suitable repair or replacement at Seller's premises during Seller's normal business hours, (c) replace such Product F.O.B. point of shipment, and/or (d) refund the purchase price of such Product. Purchaser shall, at its expense, store and maintain Products in accordance with good industry practices, replace wearing parts, make minor adjustments as needed, perform standard operating checks, and comply with all specific recommendations by Seller (if any) regarding such Products. Seller shall have no obligation with respect to a Product that has been subject to abuse, misuse, negligence or accident, or if Purchaser fails to perform any of the duties stated in this Agreement with respect to such Product. Seller shall have the right to test, inspect or take samples of Products claimed by Purchaser to be defective and if, upon such inspection, a Product is found not to be defective, or otherwise not to fall within the scope of this warranty, all costs expended by Seller in connection with such testing, inspection and sampling shall be charged to and borne by Purchaser at Seller's standard rates then in effect.

SELLER MAKES NO OTHER WARRANTY OR REPRESENTATION WHATSOEVER AS TO THE PRODUCTS, EXPRESS OR IMPLIED, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE SPECIFICALLY EXCLUDED.

8. LIMITATION OF LIABILITY. THE REMEDIES OF PURCHASER STATED HEREIN ARE EXCLUSIVE. IN NO EVENT (INCLUDING WITHOUT LIMITATION BREACH OF CONTRACT, STRICT LIABILITY AND NEGLIGENCE) SHALL SELLER OR ITS SUPPLIERS BE LIABLE FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES HOWSOEVER ARISING, AND WHETHER BASED UPON LOSS OF USE, LOST PROFITS OR REVENUE, INTEREST, LOST GOODWILL, OR LOSS BY REASON OF NON-OPERATION, AND SELLER'S LIABILITY OTHERWISE SHALL BE LIMITED TO THE PURCHASE PRICE OF THE PRODUCT UPON WHICH SUCH LIABILITY IS BASED.

9. Non-performance or Default of Purchaser. Purchaser shall have no right to claim compensation or to set off against any amounts which become payable to Seller under this Agreement or otherwise. Seller shall not be required to proceed with the performance of its obligations under this Agreement if Purchaser is in default in its performance of any obligation to Seller under any contract between Purchaser and Seller. If Seller has reasonable grounds for insecurity as to Purchaser's ability to perform its obligations to Seller under any such contract, Seller may withhold shipment until Purchaser provides Seller with a letter of credit or other adequate assurance of performance reasonably acceptable to Seller.

10. Termination. In the event of cancellation or termination of this Agreement prior to its completion, Purchaser shall pay to Seller, promptly upon receipt of invoice: (a) the purchase price for all Products completed by Seller or Seller's suppliers prior to the date of cancellation or termination; (b) all costs incurred by Seller and Seller's suppliers in connection with the uncompleted portion of the Agreement, including costs of labor, material, overhead and a reasonable profit thereon (provided that such profit shall not be payable in the event of a cancellation arising from Seller's material breach of this Agreement); and (c) cancellation charges (if any) charged by Seller or Seller's suppliers.

11. Governing Law; Jurisdiction. This Agreement shall be construed, interpreted and governed in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to any laws or rules relating to conflicts of laws that would cause the application of the laws of any other jurisdiction. Purchaser hereby submits to the exclusive jurisdiction of the courts of the Commonwealth of Massachusetts with respect to all actions arising from or related to this Agreement.

12. Limitation of Action. No action, regardless of form, arising from or in connection with this Agreement may be brought by Purchaser more than one (1) year after the cause of action has accrued.