



TERMS AND CONDITIONS OF SALE – MANUFACTURED PARTS

1. GENERAL

The Terms and Conditions outlined herein shall apply to the sales of parts by Concepts NREC, LLC, with principal facilities in Massachusetts and Vermont, commonly known as Concepts NREC (hereinafter referred to as Company) to the purchaser (hereinafter referred to as Purchaser). No additional or contrary terms, except those which relate to prices, quantities, delivery schedules, shipment, and descriptions of the parts, shall be binding upon the Company unless agreed to in a written agreement signed by the parties. Company hereby objects to and rejects any other terms or conditions appearing on, incorporated by reference in, or attached to a purchase order. Purchaser's acceptance of parts called for in said purchase order shall constitute its acceptance of the following terms and conditions.

2. SCHEDULE DATES & DELAYS

Schedule dates are approximate. Company shall not be liable for loss, damage, detention, or delay due to war, riots, civil insurrection, fire, flood, strike, or other labor difficulty, acts of civil or military authority including governmental laws, orders, priorities, or regulations, acts of the other party, embargo, car shortage, wrecks or delay in transportation, inability to obtain necessary labor, materials or manufacturing facilities from usual sources, faulty forgings or castings, or other causes beyond the reasonable control of Company.

3. SHIPPING

All prices are F.O.B. Company's plant. Company shall arrange for transportation of the parts ordered by an appropriate means of transportation. Purchaser agrees to pay all transportation charges incurred after the parts are delivered to the carrier.

Where Purchaser furnishes special transportation instructions, any special expense is to be borne by the Purchaser, including special handling, packaging, and additional freight charges.

When "export packing" is required, any extra charges such as export duties, licenses, fees, and the like shall be borne by Purchaser.

Risk of loss of or damage to the parts or any part of the parts shall pass to the Purchaser upon delivery to carrier at the point of shipment, and Purchaser shall have the responsibility of filling any damage claims with the carrier.

4. TAXES

The prices provided for herein do not include any present or future federal, state, municipal sales, use, excise, gross

receipts, property, or other similar type tax with respect to any material or equipment covered hereby. If the Company is required by applicable law or regulation to pay or collect any such type tax or taxes on account of this transaction or the material or equipment covered hereby, then such amount of tax shall be paid by the Purchaser in addition to the prices herein provided for.

5. WARRANTY

The Company warrants that parts manufactured by it will be free from defects in materials and workmanship for a period of six (6) months from the date of shipment. The Company's sole liability and Purchaser's exclusive remedy under this warranty shall be limited, at Company's option, to issuing a credit or rebate of the purchase price, or the repair or replacement of any part F.O.B. point of shipment, provided the part was defective at the time of shipment, and provided further that the Purchaser notifies the Company in writing of any such defect promptly upon discovery, but in no event later than six (6) months from the date of shipment of such part by the Company.

Warranties applicable to material and equipment supplied by the Company but wholly manufactured by others shall be limited to the warranties extended to the Company by the manufacturer that are able to be conveyed to the Purchaser.

The Company makes no performance warranty, and the effects of corrosion, erosion, and normal wear and tear are specifically excluded from the Company's warranty.

THE COMPANY MAKES NO OTHER WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER, EXPRESSED OR IMPLIED, EXCEPT THAT OF TITLE, AND ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED.

6. LIMITATION OF LIABILITY

THE SOLE AND TOTAL LIABILITY OF THE COMPANY WITH RESPECT TO ANY CAUSE OF ACTION ARISING OUT OF OR RELATED TO THIS ORDER SHALL NOT EXCEED THE PURCHASE PRICE OF THE PART UPON WHICH SUCH LIABILITY IS BASED.

THE COMPANY AND ITS SUPPLIERS SHALL IN NO EVENT BE LIABLE TO THE PURCHASER, ANY SUCCESSORS IN INTEREST OR ANY BENEFICIARY OF THIS ORDER FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS ORDER OR ANY BREACH THEREOF, WHETHER BASED UPON LOSS OF USE, LOST PROFITS OR REVENUE, INTEREST, LOST GOODWILL, WORK STOPPAGE, IMPAIRMENT OF OTHER PARTS, LOSS BY REASON OF SHUTDOWN OR NON-OPERATION,

INCREASED EXPENSES OF OPERATION, COST OF PURCHASE OF REPLACEMENT POWER, OR CLAIMS OF PURCHASER OR CUSTOMERS OF PURCHASER FOR SERVICE INTERRUPTION, WHETHER OR NOT SUCH LOSS OR DAMAGE IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY, OR OTHERWISE.

In the event Purchaser cancels all or any part of an order within thirty (30) days of the ship date, Purchaser shall nevertheless pay the quoted price for the part(s) that is the subject of the order. In the event Purchaser cancels all or any part of an order in excess of thirty (30) days prior to the ship date, Purchaser shall nevertheless pay to Company an amount equal to all monies expended, and all expenses incurred, by Company in anticipation of full satisfaction of this order, including but not limited to any and all amounts Company has paid to, or anticipates paying to, its suppliers for their parts or services under this order, as well as any and all monies Company has expended for its own internal personnel and supplies, up to and including the effective date of cancellation. Purchaser's liability shall not exceed the total purchase price of the order.

7. WARNING: PROPER USE

All Company products and parts must be operated and maintained with care to prevent harm to persons, damage to property, or degradation of efficiency of operation. Even when used properly, normal wear and tear of operation can cause degradation of the product or part. Such degradation can lead to substandard performance or damage.

The Company designs its products, or fabricates to another's design, to meet various operating conditions. In order for operation to be safe and effective, those conditions must be maintained. As examples, a harsh operating environment, overspeed rotation of rotating parts, or vibration of mechanical parts must be avoided. Regular inspection and/or testing are required.

The responsibility for safe and effective conditions of use belongs to the end user of the product or part. All users of our products or parts should be knowledgeable in the proper use of these highly specialized items. That knowledge must be maintained and applied to assure safe and proper use.

For its part, the Company stands ready to assist end users in understanding and interpreting the results of their inspections, tests, and maintenance regimes.

If the product or part being supplied by the Company is to be incorporated in a larger assembly, this warning should be transmitted to the end user of that larger assembly.

8. NUCLEAR LIABILITY

In the event that the parts sold hereunder are to be used in a nuclear facility, the Purchaser shall, prior to such use, arrange for insurance or governmental indemnity, protecting the Company against liability and hereby releases and agrees to

indemnify the Company and its suppliers for any nuclear damage, including loss of use, in any manner arising out of a nuclear incident, whether alleged to be due, in whole or in part, to the negligence or otherwise of the Company or its suppliers.

9. GENERAL INDEMNIFICATION

Purchaser agrees to defend, protect, indemnify, and hold Company harmless from and against all claims of any kind, whether based in contract, in tort (including negligence or strict liability), or otherwise for any losses, expenses, damages, and liabilities, direct, indirect, special, or consequential which may arise out of Purchaser's use, distribution, or sale of parts except those caused by the sole negligence of Company.

10. DEFAULT

Default due to work stoppage – in the event of a work stoppage called by or caused by the Purchaser lasting more than five (5) working days, the contract may be declared by the Company to be in default.

Default by late payments – in the event of late payments, a 10 day warning will be issued by the Company, and then the contract may be declared by the Company to be in default.

A contract in default concludes all work efforts.

Default remedies – in the event of a contract default, both parties shall negotiate in good faith to resume work as soon as possible. Work shall be resumed as soon as all issues are resolved, and an amended contract is put in place. It is understood that resumption is on a "time available basis", as other commitments may have been made in the interim.

11. DISPUTE RESOLUTION

Any action shall be brought in a court of general jurisdiction located in the State of Vermont. The parties irrevocably submit to the jurisdiction of such courts.

This contract shall be interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts without regard to its choice of law provisions.