

TERMS AND CONDITIONS

1. THIS ORDER SHALL BE SUBJECT ONLY TO THE TERMS AND CONDITIONS SET FORTH HEREIN. NOTWITHSTANDING ANY TERMS AND CONTIDIONS THAT MAY BE CONTAINED IN ANY ORDER, ACKNOWLEDGEMENT OR OTHER FORMS OF BUYER. ANY SUCH TERMS AND CONDITIONS OF BUYER SHALL NOT BIND SELLER UNLESS ACCEPTED BY IT IN WRITING, WHETHER OR NOT THEY MATERIALLY ALTER THIS ORDER. THIS ORDER SHALL BE GOVERNED IN ALL RESPECTS BY THE LAW OF THE COMMONWEALTH OF PENNSYLVANIA.

2. Unless otherwise specified by Seller, Seller's price for the Goods shall remain in effect for thirty (30) days after the date of Seller's quotation or acceptance of the order for the Goods, whichever is delivered first, provided and unconditional, complete authorization for the immediate manufacture and shipment of the Goods pursuant to Seller's standard order processing procedures is received and accepted by Seller within such time period. If such authorization is not received by Seller within such thirty (30) day period, Seller shall have the right to change the price for the Goods to the Seller's price in effect for the Goods at the time the order is released to final manufacture. Notwithstanding any of the foregoing to the contrary, the price for Goods sold by Seller, but manufactured by other, shall be Seller's price in effect at the time of shipment to Buyer. The prices quoted are predicated on the quantities as shown, and unless otherwise stated, are for the entire quantity being shipped at one time.

3. Our terms: net 30 Days, 1 ½ % interest per month on delinquent accounts unless otherwise stated in this quotation.

4. All merchandise is sold FOB Export, PA, or shipping point if other than Export, PA. Unless otherwise specified, transportation shall be paid by the Buyer. All shipments will be shipped on a collect basis except Parcel Post or UPS which will be prepaid by the Seller and invoiced to the Buyer.

5. Orders cannot be cancelled or amended except with the Seller's consent. Cancellation charges may be applied according to Seller's discretion.

6. The Seller shall not be liable for any failure to perform this agreement when such failure is due to circumstances beyond its control, occurring either at its factory or at its source of supply. Circumstances beyond the control of Seller shall be deemed to include but shall not be limited to acts of God, fire, flood, riots, war, Governmental action, accidents, labor trouble, and inability to obtain materials, equipment or transportation.

7. No statement or recommendations made or assistance given by any representative and/or distributor of the Seller to the Buyer or its representatives in connection with the use of any product by the Buyer shall constitute a waiver by the Seller of any of the provisions hereof, or affect the Seller's liability as herein defined.

8. No merchandise shall be returned to the Seller without the prior written authorization by the Seller to the Buyer to make such returns. Returned material is subject to a minimum of 20% handling charge.

9. THE SELLER'S TOTAL LIABILITY IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY), MISREPRESENTATION, RESTITUTION OR OTHERWISE, ARISING IN CONNECTION WITH THE PERFORMANCE OR COMTENPLATED PERFORMANCE OF THIS CONTRACT INCLUDING FAILURE TO DELIVER SHALL BE LIMITED TO THE CONTRACT PRICE OF MATERIALS. THE SELLER SHALL NOT BE LIABLE TO THE BUYER FOR ANY PURE ECONOMIC LOSS, LOSS OF PROFIT, LOSS OF BUSINESS, DEPLETION OF GOODWILL OR OTHERWISE, IN EACH CASE WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, OR ANY CLAIMS FOR CONSEQUENTIAL COMPENSATION WHATSOEVER (HOWSOEVER CAUSED) WHICH ARE OUT OF OR IN CONNECTION WITH THE CONTRACT.

10. The obligation of the Seller to deliver materials shall be deemed fulfilled when it has delivered same in good condition to carrier at shipping point, the carrier acting as agent for the Buyer. A clear receipt from the carrier places the responsibility for shortage and/or damage with the carrier.

11. Changes made for special tools, dies, gauges, jigs, fixtures or equipment made or acquired by Seller in connection with the work covered by this quotation do not convey title to or any proprietary interest in such tools. All such tools will remain the exclusive property of the Seller.

12.1 Buyer has, and will maintain until the decommissioning of any Nuclear Regulatory Commission ("NRC") licensed facility where Seller's Goods and Services are used or performed, without cost to Seller, the following financial protection against liability arising out of a Nuclear Incident or a Precautionary Evacuation (as the terms "Nuclear Incident" and "Precautionary Evacuation" are defined in the Atomic Energy Act of 1954, as amended, and applicable NRC regulations) for Buyer, Seller (including without limitation Seller's parents, affiliates, subsidiaries, and their respective employees, officers and directors), subcontractors and any other person or organization that may have a legal responsibility for damages resulting from the Nuclear Incident or a Precautionary Evacuation:

- An Indemnification Agreement with the NRC, as provided under the Atomic Energy Act of 1954, as amended, or 10 C.F.R. Part 140;
- Nuclear Energy Liability Insurance in such form and in such amount as required by the Atomic Energy Act of 1954, as amended, or 10 C.F.R. Part 140; and
- Participation in the Reactor Owner's Secondary Financial Protection Plan, as required by the Atomic Energy Act of 1954, as amended, or 10 C.F.R. Part 140.

Buyer will provide nuclear property damage insurance in such form and in such amount as is consistent with customary practice in the U.S. electric utility industry for plants of similar size and character. Such nuclear property damage insurance will require Buyer's insurer to waive any and all rights of recovery and/or subrogation and remedies against Seller (including without limitation Seller's parents, affiliates and subsidiaries), its subcontractors, and their respective agents, representatives, employees, officers or directors. Buyer will continue to provide such insurance and indemnities against the foregoing risks with coverage in such amount and form as may be required by the NRC, provided, however, that if the nuclear liability protection system in effect on the date of the Purchase Order expires or is repealed, changed or modified, Buyer will, without charge to Seller, maintain, to the extent available and consistent with customary industry practices for plants of similar size and character in the U.S., liability protection through government indemnity, limitation of liability, and/or liability insurance which will not result in a material impairment of the protection afforded Seller (including without limitation Seller's parents, affiliates and subsidiaries), its subcontractors, and their respective agents, representatives, employees, officers or directors by such nuclear protection system which is in effect as of the date of the Purchase Order. In any event, the protection provided pursuant to this provision shall remain in effect until the decommissioning of any NRC licensed facility where Seller's Goods are used and/or Seller's Services are performed. The expense of insurance and indemnity premiums for Buyer insurances required in this section as well as all deductibles and all legal and other defense costs relating in any way to a Nuclear Incident or Precautionary Evacuation shall be borne solely by Buyer. Upon Seller's request, Buyer will provide written documentation of the financial protection described in this section.

12.2 Buyer agrees to indemnify and hold harmless Seller (including without limitation Seller's parents, affiliates and subsidiaries), its subcontractors, and their respective agents, representatives, employees, officers or directors against all claims, losses, damages, costs and expenses (including attorneys' fees and other professionals' fees), including any arising from any injury of or death to persons, damage to or destruction of property, contamination of the environment or injury to natural resources, whether contractual, in tort, or as a matter of strict liability or liability imposed by statute, regulations, or ordinances, to the extent any of the foregoing result from a Nuclear Incident or Precautionary Evacuation occurring at the location, the installation site, or at any facility where the

Services are performed or where the Goods are delivered. For the avoidance of doubt, the indemnity under clause 12 shall cover transportation between the reactor site and the Seller's premises and the Seller's sub-contractors' premises.

13. Buyer agrees to defend, protect and save harmless Seller against all suits and from all damages, claims and demands for actual or alleged infringement of any patent by reason of Seller's execution of the design, prints, directions, requirement or specifications of Buyer.

14. Dates for delivery are estimates and not guaranteed and are determined from date of receipt of written purchase order. Overtime and other direct expense incurred to hasten delivery at Buyer's request shall be added to the quoted prices and paid by the Buyer. Shipment of goods ready for delivery can be deferred beyond date for delivery only with Seller's consent.

15. ITEMS MANUFACTURED BY THE SELLER ARE WARRANTED TO BE FREE FROM DEFECTS IN MATERIALS AND WORKMANSHIP FOR A PERIOD OF ONE YEAR FROM THE DATE OF INVOICE WHEN USED ACCORDING TO MANUFACTURER'S SPECIFICATIONS AND RECOMMENDED USAGES. ITEMS SOLD BY THE SELLER BUT MANUFACTURED BY OTHERS ARE WARRANTED ONLY AS PROVIDED BY THE MANUFACTURER. SELLER WILL TRANSFER TO BUYER THE BENEFIT OF ANY TRANSFERABLE WARRANTY, WHICH IT RECEIVES ON SUCH ITEM.

16. SELLER'S LIABILITY IS LIMITED TO THE REPAIR OF OR REPLACEMENT IN KIND, AT THE SELLER'S OPTION, OF ANY ITEMS PROVED DEFECTIVE, PROVIDED THE ALLEGEDLY DEFECTIVE ITEMS ARE RETURNED TO THE SELLER PREPAID. THIS WARRANTY IS IN LIEU OF ALL OTHER REPRESENTATIONS, GUARANTEES AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND THE SELLER'S LIABILITY FOR BREACH OF WARRANTY AS HEREIN STATED IS THE EXCLUSIVE REMEDY. FOR THE AVOIDANCE OF DOUBT FOLLOWING REPAIR OR REPLACEMENT OF ANY SUCH ITEMS PURSUANT TO THIS CLAUSE 16, THE SELLER SHALL HAVE NO FURTHER LIABILITY WHATSOEVER TO THE BUYER.

17. IN NO EVENT SHALL THE SELLER BE LIABLE OR RESPONSIBLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR FOR ANY AMOUNT IN EXCESS OF THE PURCHASE PRICE FOR ANY MATTER RELATED TO THIS AGREEMENT, OR THE ITEMS SOLD, WHETHER SUCH CLAIM IS PLEADED IN CONTRACT OR IN TORT, INCLUDING STRICT LIABILITY IN TORT.

18. INSTALLATION - Buyer shall be responsible for receiving, storing, installing, starting up and maintaining all Fluids. Seller shall provide a quotation for services to assist Buyer in these functions if requested.

19. TAXES - Any tax or governmental charge or increase in same hereafter becoming effective increasing the cost to Seller of producing, selling, or delivering the Goods or of procuring material used therein, and any tax now in effect or increase in the same payable by the Seller because of the manufacture, sale or delivery of the Goods, may at the Seller's option, be added to the price herein specified.

20. MILESTONE PAYMENTS - Unless otherwise provided in Seller's written quotation, periodic milestone payments shall be made by Buyer when the price of the Goods exceeds \$100,000. In such cases, invoices shall be issued by Seller and paid by Buyer based on the following milestones: Milestone 1: 30% of price upon acceptance of order by Seller. Milestone 2: 30% of price upon release of Seller of approved bills of material to manufacturing for assembly. Milestone 3: 40% of price upon shipment of the Goods by Seller. Seller reserves the right to designate additional Milestones where the Agreement provides for engineering services in excess of \$50,000.

21. BUYER SUPPLIED DATA - To the extent that Seller has relied upon any specifications, information, representation of operating conditions or other data supplied in writing by Buyer to Seller in the selection or design of the Goods and the preparation of the Seller's quotation, and in the event that actual operating conditions or other conditions differ from those represented by Buyer and relied upon by Seller, any warranties or other provisions contained herein which are affected by such conditions shall be null and void, unless otherwise mutually agreed upon in writing.

22. It is the policy of Ralph A. Hiller Company that we do not sell to countries or entities that are under sanctions by the U. S. Government. For a complete list of those countries and entities that are sanctioned or otherwise ineligible per United States regulations, please refer to the following website: <http://www.bis.doc.gov/complianceandenforcement/liststocheck.htm>. It is the responsibility of our customers to comply with the U. S. Government policy.

23. Stenographic and clerical errors are subject to correction.