

Haynes International, Inc. ("Seller")
Terms and Conditions For the Sale of Goods and/or Services

1. **Applicability.** (a) These terms and conditions of sale (these "**Terms**") are the only terms that govern the sale of the goods ("**Goods**") and/or services ("**Services**") by Haynes International, Inc. ("**Seller**") to the buyer named in the customer acknowledgement accompanying these Terms ("**Buyer**"). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and/or Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.(b) The accompanying Customer Acknowledgement (the "**Customer Acknowledgement**") and these Terms (collectively, this "**Agreement**") comprise the entire agreement between the parties and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer's general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.
2. **Price.** Buyer shall purchase the Goods and/or Services from Seller at the prices (the "**Prices**") set forth on the Customer Acknowledgement. All Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges, costs, and taxes; provided, that, Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personal or real property, or other assets. Notwithstanding the foregoing, if any duty, tax, or tariff is imposed on the Goods prior to their shipment to Buyer, Seller may increase the Price to cover said duty, tax, or tariff.
3. **Payment Terms.** (a) Unless different terms of payment are approved by Seller's Credit Department and documented in the *Payment Cash discount Percentage* field on the Customer Acknowledgement, Buyer shall pay all invoiced amounts due to Seller within thirty (30) days from the date of Seller's invoice. Buyer shall make all payments hereunder in US dollars. (b) Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any delinquent payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller shall be entitled to suspend the delivery of any Goods or performance of any Services if Buyer fails to pay any amounts when due hereunder and such failure continues for ten (10) business days following written notice thereof. (c) Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Seller, whether relating to Seller's breach, bankruptcy, or otherwise. (d) If, in the reasonable opinion of the Seller, Buyer's financial condition changes, Seller may, at its sole election, (i) require Buyer to make full payment in advance, (ii) require Buyer to make partial payment in advance, or (iii) cancel the order.
4. **Weights and Quantities.** Due to the nature of the manufacturing process, production runs may result in weight fluctuations. As such, if Seller delivers to Buyer a weight of Goods of up to ten percent (10%) more or less than the weight set forth in the Customer Acknowledgement, Buyer shall not be entitled to object to or reject the Goods or any portion of them by reason of the surplus or shortfall and shall pay for such Goods the price set forth in the Customer Acknowledgement adjusted pro rata. Notwithstanding the foregoing, non-production Goods may fluctuate up to five percent (5%) more or less than the weight set forth in the Customer Acknowledgement, and Buyer shall not be entitled to object to or reject the Goods or any portion of them by reason of the surplus or shortfall and shall pay for such Goods the price set forth in the Customer Acknowledgement adjusted pro rata.
5. **Shipping Terms, Title, Risk of Loss, and Delivery Dates.** (a) Shipping Terms are indicated in the Customer Acknowledgement under the *Terms of Delivery* box. (b) Unless different terms (referred by *Mode of Delivery, Title Passage, and Transport Responsibility*) are documented on the Customer Acknowledgement, title and risk of loss pass to Buyer upon delivery of the Goods to the carrier. (c) As collateral and security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title, and interest of Buyer in, to, and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Indiana Uniform Commercial Code. (d) Unless documented otherwise in the Customer Acknowledgement, the *Request Date Ship Dt. Conf.* date is a good faith estimate and is not guaranteed. (e) If an order is submitted as a Rated Order under a national defense program, Buyer must accept delivery at the *Request Date Ship Dt. Conf.* as indicated on the Customer Acknowledgement. Seller will not hold Rated Orders beyond the documented delivery date.
6. **Inspection and Rejection.** (a) Buyer shall inspect the Goods upon receipt for nonconformance. Buyer will be deemed to have accepted the Goods unless it notifies Seller of Nonconforming Goods in writing within ninety (90) of receipt. "**Nonconforming Goods**" means only: (i) product shipped is different than identified in Buyer's purchase order; or (ii) product's label or packaging incorrectly identifies its contents. (b) If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in its sole discretion, (i) replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. (c) Buyer acknowledges and agrees that the remedies set forth herein are Buyer's exclusive remedies for the delivery of Nonconforming Goods. Except as provided under this section, all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased under this Agreement to Seller.
7. **Cancellation By Seller.** In addition to any remedies that may be provided under these Terms, Seller may cancel this Agreement with immediate effect upon written notice to Buyer, if Buyer: (a) fails to pay any amount when due under this Agreement and such failure continues for ten (10) business days after Buyer's receipt of written notice of nonpayment; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.
8. **Changes or Cancellation By Buyer.** (a) After receipt of the Customer Acknowledgement, Buyer may not change or cancel an order. If Buyer believes extenuating circumstances exist, Buyer may request a change or cancellation by sending a written request via registered, certified, or overnight mail, to: Sales Department-RFC, Haynes International, Inc., 1020 West Park Avenue, Kokomo, Indiana 46904-9013. (b) Seller may accept a request a change or cancellation, in Seller's sole discretion. (c) If Seller accepts Buyer's request, Seller will immediately suspend further processing and Buyer will be liable for the following cancellation charges, (less salvageable scrap value as determined by Seller), which shall be immediately due and payable by Buyer to Seller: (i) 10% of the Price of the cancelled Goods, of which, Seller has not yet melted; and (ii) 50% of the Price of the cancelled Goods, of which, Seller has melted but is still in ingot form; and (iii) 70% of the Price of the cancelled Goods, of which, Seller has in production beyond ingot form but has not yet sent to final routing; and (iv) 95% of the Price of the cancelled Goods, of which, are already in final routing, stocked in a service center, stocked in finished goods inventory, or otherwise finished Goods produced for (or purchased for) the Buyer; and (v) All costs associated with Goods that were shipped prior to Seller's acceptance of Buyer's request for cancellation.
9. **Limited Warranty.** (a) Seller warrants to Buyer that at the time of delivery, Goods will conform to the specifications set forth in Seller's published specifications in effect as of the date of manufacture and will be free from material defects in material and workmanship. **EXCEPT FOR THE PRODUCT WARRANTIES SET FORTH HEREIN, SELLER MAKES NO WARRANTIES WITH RESPECT TO WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.** (b) Seller warrants to Buyer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement. **EXCEPT FOR THE SERVICES WARRANTIES SET FORTH HEREIN, SELLER MAKES NO WARRANTIES WHATSOEVER WITH RESPECT TO THE SERVICES. ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, ARE EXPRESSLY DISCLAIMED.** (c) Seller shall not be liable for a breach of the warranties set forth herein unless: (i) Buyer gives written notice of the defective or non-conforming Goods or Services, as the case may be, reasonably described, to Seller; (ii) Seller is given a reasonable opportunity after receiving the notice of breach of the warranty to examine such Goods and Buyer (if requested to do so by Seller) returns such Goods to Seller's place of business at Seller's cost for the examination to take place there; and (iii) Seller reasonably verifies Buyer's claim that the Goods or Services are defective or non-conforming. (d) Seller shall not be liable for a breach of the warranty if: (i) Buyer makes any further use of such Goods after giving such notice; or (ii) Buyer has altered, modified, transformed, or amended the Goods from their condition at delivery. (e) With respect to any such Goods during the Warranty Period, Seller shall, in its sole discretion, either: (i) replace such Goods or (ii) credit or refund the price of such Goods at the pro rata contract rate provided that, if Seller so requests, Buyer shall, at Seller's expense, return such Goods to Seller.(f) With respect to any Services subject to a claim under the warranty set forth herein, Seller shall, in its sole discretion, (i) repair or re-perform the applicable Services or (ii) credit or refund the price of such Services at the pro rata contract rate. **(g) SAMPLES ARE SOLELY FOR THE PURPOSE OF EVALUATING THE GOODS AND DO NOT CONSTITUTE OR CREATE WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED. (h) THE REMEDIES SET FORTH HEREIN ARE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTIES SET FORTH HEREIN.**
10. **Limitation of Liability.** (a) **WITH RESPECT TO ANY TOLL PROCESSING PROVIDED TO BUYER BY SELLER, SELLER ASSUMES NO RESPONSIBILITY FOR THE COST OF THE MATERIAL BEING PROCESSED.** (b) **IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.** (c) **IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS AND/OR SERVICES SOLD HEREUNDER.** (d) Notwithstanding the foregoing, the limitation of liability set forth herein shall not apply to (i) liability resulting from Seller's gross negligence or willful misconduct and (ii) death or bodily injury resulting from Seller's acts or omissions.
11. **Intellectual Property.** (a) Buyer's Specifications. If the Goods are manufactured according to Buyer's specifications, Buyer shall indemnify and hold harmless Seller against any claims or liability for violation of intellectual property rights contained in those specifications. (b) The sale of Goods shall not expressly or impliedly grant to Buyer any right or license in the intellectual property owned or controlled by Seller. Buyer may use the Goods, and Seller warrants that the Goods do not infringe on the intellectual property rights of any third party.
12. **Buyer's Acts or Omissions.** If Seller's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Buyer or its agents, subcontractors, consultants, or employees, including but not limited to Buyer's failure to disclose requirement related to NIST, DFARS, FAR, or the like, Seller shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Buyer, in each case, to the extent arising directly or indirectly from such prevention or delay.
13. **Compliance with Law.** Buyer shall comply with all applicable laws, regulations, and ordinances. Buyer shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to conduct its obligations under this Agreement. Buyer shall comply with all export and import laws of all countries involved in the sale of the Goods under this Agreement or any resale of the Goods by Buyer. Buyer assumes all responsibility for shipments of Goods requiring any government import clearance.
14. **Confidential Information.** All non-public, confidential or proprietary information of Seller, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Seller shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.
15. **Force Majeure.** No party shall be liable or responsible to the other party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of Buyer to make payments to Seller hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") reasonable control, including, without limitation, the following force majeure events ("Force Majeure Event(s)"): (a) acts of God; (b) flood, fire, earthquake, epidemics, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or actions; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; (h) telecommunication breakdowns, power outages or shortages, inadequate transportation services, or inability or delay in obtaining supplies of adequate or suitable materials; and (i) other similar events beyond the reasonable control of the Impacted Party. The Impacted Party shall give notice within thirty (30) days of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party's failure or delay remains uncured for a period of sixty (60) consecutive days following written notice given by it under this Section
16. either party may thereafter terminate this Agreement upon five (5) business days' written notice.
17. **Waiver.** No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement operates or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
18. **Assignment.** Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller.
19. **Governing Law and Submission to Jurisdiction.** All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Indiana without giving effect to any choice or conflict of law provision or rule (whether of the State of Indiana or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Indiana. Any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Indiana in each case located in the City of Indianapolis and County of Marion, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.
20. **Notices.** All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth on the face of the Customer Acknowledgement or to such other address that may be designated by the receiving party in writing.
21. **Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
22. **Survival.** Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Insurance, Compliance with Laws, Confidential Information, Governing Law, Submission to Jurisdiction, and Survival.
23. **Amendment and Modification.** These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party.