

ASTRO MACHINE WORKS, INC.

TERMS AND CONDITIONS FOR PURCHASED GOODS AND SERVICES

1. Acceptance

Any Purchase Order originating from Astro Machine Works, Inc., hereafter referred to as "Buyer" (including any documents incorporated herein) is an offer to buy, and is expressly conditioned upon Seller's acceptance of these terms and conditions. An acknowledgment of a Purchase Order or the commencement of performance hereunder shall operate as an acceptance of this offer upon the terms and conditions herein, even though the acknowledgment or other communication states terms and conditions which are additional to or different from those stated herein. The Purchase Order shall become the entire contract between Buyer and Seller, and Seller's terms and conditions shall not be binding upon Buyer, except to the extent Buyer specifically accepts in writing such terms and conditions. Buyer objects to any terms in any proposal, quotation, acknowledgement or other communication by Seller which are additional to or different from those stated herein, and any reference herein to any such Seller communication shall, unless indicated to the contrary herein, be deemed to be limited to the description of the products or services.

2. Inspection, Access and Audit, Approvals

Seller shall provide Buyer and/or Buyer's customer or their representatives with access to plant, facilities and records of Seller and its subcontractors and suppliers for inspection and/or audit.

If inspections and tests are made on Seller's premises, Seller shall furnish, at no additional charge, facilities and assistance for safe and convenient inspections and tests. All shipments shall be subject to inspection and acceptance or rejection by Buyer after receipt at site or delivery destination. Buyer shall have the right to require the prompt correction of defective Work by Seller, at Seller's expense. Buyer may backcharge Seller for the cost of any corrections made by Buyer. If correction is impractical, Seller shall bear all risk after notice of rejection and shall, at Buyer's request, promptly make all necessary replacements at Seller's expense. If Seller fails to make prompt replacements, Buyer may make such replacements and backcharge Seller for excess costs incurred by Buyer. No substitutions of materials or accessories shall be made without prior written consent of Buyer.

Manufacturing records related to the production or processing of product supplied to the buyer will be maintained for a minimum of 10 years unless otherwise specified and available for review with reasonable notice.

3. Nonconforming Material

Seller will notify Buyer of nonconforming product. Seller, before shipment, will obtain authority to ship discrepant material and identify said material. Buyer will not accept discrepant material shipped without prior approval.

4. Delivery

Seller shall furnish all resources necessary to assure compliance with the established delivery dates. Seller shall be responsible for packaging, loading and tying-down of each shipment in accordance with the specifications and requirements of the Purchase Order or in the absence thereof, in a manner to ensure safe shipment of the materials or ordered items unless pickup arrangements are handled through Astro Machine Works, Inc.

5. Ownership

All information, including but not limited to data, drawings, designs, software and specifications and all innovations contained therein, to the extent generated or developed under this Purchase Order by Seller at Buyer's expense shall be the property of Buyer and shall not be used by Seller for any purpose other than the performance of Work under this Purchase Order without the express prior written consent of the Buyer.

6. Risk of Loss

Seller shall have risk of loss of the materials or ordered items furnished under this Purchase Order until arrival on board carrier at the destination designated in this Purchase Order.

7. Changes

This Purchase Order may not be changed or modified without prior authorization of Buyer. Buyer may, by written change notice, make changes in the work covered by this Purchase Order. Seller shall comply with such changes. If the change materially affects Seller's cost or time for performance, the Purchase Order will be equitably adjusted in writing. Any claim for adjustment must be asserted by Seller as promptly as possible, but in no event more than thirty (30) days after receipt of any such Change Notice. Seller shall, at Buyer's direction, proceed with the change pending resolution of any dispute.

8. Assignment and Status

Seller shall not assign this Purchase Order in whole or in part without Buyer's prior written consent. The seller shall not subcontract any portion of the Work without prior approval of the Buyer. Any applicable requirements of this order must flow down to the supply chain and be included in the Seller's purchasing documents. Seller shall promptly notify Buyer of any change in its status including, but not limited to bankruptcy, insolvency, change of ownership or control, strike or work stoppage.

9. Intellectual Property

Seller represents and warrants that all products delivered, and services performed, pursuant to this Purchase Order and the sale or use thereof do not infringe any third-party intellectual property rights, including but not limited to patent, trade secret, copyright or trademark rights, and that Seller will at Seller's expense, defend, indemnify and hold harmless Buyer and Buyer's customers from and against all claims, demands, actions and liability based on alleged or actual infringement thereof. Buyer, at its option, may require Seller to deliver non-infringing goods or services, to modify Seller's goods and services so as to become non-infringing, to procure for Purchaser the right to continue using Seller's infringing goods and services, or in the case of goods to refund the purchase price thereof upon the return by Buyer of the infringing goods.

10. Compliance with Laws, Standards and Site Rules

Seller warrants that it has and will maintain any permits, licenses, registrations or other governmental approvals which may be required for its performance under this Purchase Order. Seller shall comply with all such permits and with all applicable executive orders and federal, state, municipal and local laws of the location in which the equipment, materials or Product will be produced or services performed. While upon the premises of Buyer or Buyer's customer, Seller shall comply with all applicable site rules and policies. Seller shall indemnify and defend Buyer and its customer from all loss, liability, fines and expenses incurred as a result of Seller's failure to comply with the requirements of this Article.

11. Termination and Suspension

Buyer may terminate or suspend this Purchase Order for its convenience, in whole or in part, at any time by written notice. In such event, Seller shall promptly comply with the directions contained in such notice and shall, subject to such direction, (1) take all necessary action to terminate or suspend the Work as provided by notice given, minimizing costs and liabilities, (2) protect, preserve and deliver any property related to this Purchase Order which is in Seller's possession pursuant to Buyer's direction; and (3) continue the performance of such part of the Work, if any, as may not have been terminated or suspended by the notice. If Seller at the time of such termination or suspension has in stock or on firm order any completed or uncompleted items or any raw, semi-processed or completed materials for use in fulfilling this Purchase Order, then: (1) in the case of completed items or materials, Buyer may either require delivery of all or part of the completed items or materials and make payment thereof at the purchase price or, without taking delivery thereof, pay Seller the difference, if any, of the purchase price over the market price at the time of termination, and (2) in the case of uncompleted items or raw or semi-processed materials, Buyer shall, at its option, either require Seller to deliver all or part of such items or materials at the portion of the purchase price representing their stage of completion or, without taking delivery thereof, pay Seller with respect to such items or materials as are properly allocable to this Purchase Order, a portion of the purchase price representing the state of completion of such items or materials, reduced by the higher of the market or scrap value of such items or materials at such stage of completion; and (3) in the case of items or materials which Seller has on firm order, Buyer shall, at its option, either take an assignment of Seller's right under such order or pay the costs, if any, of settling or discharging Seller's obligation under such Purchase Order.

Buyer shall have the right, by written notice to Seller, to terminate the whole or any part of this Purchase Order for default: (1) if Seller fails to deliver items and materials or to perform the services within the time or in the manner provided under this Purchase Order, (2) if reasonable grounds for insecurity arise with respect to Seller's performance and Seller fails to furnish adequate assurances within ten (10) days after a written demand by Buyer for such assurance or (3) if Seller becomes insolvent or makes an assignment for the benefit of creditors, commits an act of bankruptcy or files or has filed against it a petition in bankruptcy or reorganization proceedings. In the event Buyer terminates this Purchase Order, in whole or in part, for default, Buyer shall be entitled to all rights and remedies provided by law.

12. Equal Employment Opportunity

Seller shall comply with all applicable provisions of Executive Order 11246 of September 24, 1965, as amended, the terms of which are incorporated herein by this reference and made a part hereof. It is the policy of Buyer to provide equal employment opportunity and to adhere to federal, state and local laws pertaining thereto. Appropriate action shall be taken by Seller, with respect to itself and any of its subcontractors, vendors and suppliers to insure compliance with such laws.

All federal, state and local equal opportunity and affirmative action requirements with regard to race, sex, religion, national origin, handicap and Vietnam Veterans or Disabled Veteran status, including such federal requirements found in 41 CFR 60-1.4, 41 CFR 60-250.3 and 41 CFR 741.3 are herein incorporated by reference.

13. Warranty

Seller warrants that the equipment and materials delivered hereunder shall be free from defects in workmanship and materials; shall be of the kind and quality described in this Purchase Order; shall be fit for the purpose intended; shall perform in the manner specified and shall comply with all requirements of this Purchase Order. Seller shall correct any nonconformance at its sole expense, as directed by Buyer, by promptly: (1) repairing or replacing the non-conforming equipment/materials (and correcting any plans, specifications or drawings affected) in a timely manner; (2) furnishing Buyer any materials, parts and instructions necessary to enable Buyer or its customer to correct or have corrected the nonconformity, or (3) refunding the purchase price, or an appropriate portion thereof, to Buyer.

Seller warrants that Services furnished by it shall reflect the highest standards of professional knowledge and judgment, shall be free from defects in workmanship and shall be in compliance with all requirements of this Purchase Order. Seller shall correct any nonconformity with this warranty at its sole expense, as directed by Buyer, by promptly: (1) re-performing the non-conforming services or (2) refunding the purchase price or appropriate portion thereof to Buyer.

14. Buyer Information

All information including, but not limited to, software, data, drawings, designs, specifications, photographs and sketches relating to Work hereunder furnished by Buyer to Seller or developed by Seller in the performance of the Work shall (except to the extent such information has been independently developed prior to this Purchase Order by Seller, or is received by Seller from a third party without restriction, or is information in the public domain) be treated by Seller as Buyer's proprietary information and shall not be used or disclosed except as may be necessary in the performance of Work and then only on a confidential basis with the prior written consent of Buyer.

All information, including but not limited to, data, photographs, sketches, software and advertising related to Work, which Seller desires to release or publish, shall be submitted to Buyer for written approval prior to such release or publication.

15. Resolution of Conflicts or Inconsistencies

Seller shall clarify with Buyer any inconsistencies or conflicts in this Purchase Order. Should Seller fail to contact Buyer to resolve any such conflicts or inconsistencies, Seller will be solely responsible for any errors resulting from any conflicts or inconsistencies occurring in this Purchase Order. Where documents are referenced, the issue date in effect at the time of Purchase Order or Change Notice placement shall be applicable, unless another issue date is specified in the Purchase Order or Change Notice. In the event of any conflict or inconsistency between those terms set forth on the face of this Purchase Order and these Terms and Conditions, the terms set forth on the face of this Purchase Order shall prevail.

16. Taxes

The purchase price shall not include sales or use taxes imposed upon the sale or use of tangible personal property or services contemplated by this Purchase Order, and such taxes, if applicable, are for Buyer's account. If Seller is registered to collect applicable sales or use taxes, it shall do so as an addition to the purchase price, unless Buyer furnishes an exemption certificate. All other taxes imposed prior to delivery at the destination point are for the account of Seller, including property taxes imposed with respect to equipment/materials for which title has passed to Buyer pursuant to this Purchase Order, including but not limited to, inventory taxes that may be levied while equipment/materials are being stored by Seller or are otherwise in Seller's custody.

17. Buyer-Furnished Property

The following terms apply to any tools, patterns, equipment, material or other property which is supplied to Seller by Buyer (hereinafter "Buyer-Furnished Property"):

Seller shall not use Buyer-Furnished Property on any other work without the prior written consent of Buyer.

Title to Buyer-Furnished Property shall remain with Buyer. Seller shall segregate and clearly mark Buyer-Furnished Property to show Buyer's ownership and shall preserve Buyer's title thereto free and clear of all encumbrances. Buyer shall have the right to enter Seller's premises to inspect Buyer-Furnished Property. Should Seller fail to perform the duties imposed upon it by this section or should Buyer at any time have reason to believe that its title to, or right to the possession of, any Buyer-Furnished Property is threatened, Buyer shall have the right to enter upon Seller's premises and remove such property. Upon completion or termination of this Purchase Order, Seller shall segregate all Buyer-Furnished Property and shall dispose of the same as Buyer may direct.

Seller shall, at its expense, perform all maintenance, repairs and replacements necessary with respect to Buyer-Furnished Property so that the same may remain suitable for the use contemplated hereby and may be returned to Buyer in as good condition as when received, except for reasonable wear and tear or consumption of materials necessarily resulting from their use.

Seller shall give Buyer prompt written notice of any Buyer-Furnished Property which upon delivery is found to be defective. The correction or replacement of such defective property shall be accomplished at Buyer's written direction.

Upon delivery to Seller, the risk of loss or damage to Buyer-Furnished Property shall be upon Seller. Risk of loss or damage shall transfer to Buyer when such property is returned to Buyer.

Seller waives any and all claims relating to loss, damage, injury or delay arising out of or related to Buyer-Furnished Property and Seller shall indemnify Buyer against any and all liability for damage to property or injury to or death of persons arising from or incidental to the presence or use of Buyer-Furnished Property, whether such damage, injury or death be caused by defects in such property, negligence in the use thereof, strict liability or otherwise.

18. Toxic Substances and EPA Requirements

Seller warrants that each and every chemical substance delivered under this Purchase Order shall, at the time of sale, transfer or delivery, be on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Agency pursuant to Section 8(b) of the Toxic Substance Control Act (Public Law 94-469), as may be amended.

Seller shall submit to Buyer Material Safety Data Sheets prepared in accordance with OSHA Hazardous Communication Standard, 29 CFR 1910.1200, as required.

Seller shall be responsible for all chemical substances or mixtures which it or its subcontractors or suppliers of any tier bring upon premises of Buyer or Buyer's customer. Seller shall be responsible for removing and disposing all such substances and/or mixtures, containers, materials and residue from their use, in accordance with all applicable federal, state and/or local statutes, laws, regulations, rules, orders and ordinances.

19. Governing Law and Dispute Resolution

This Purchase Order shall be governed by the laws of the Commonwealth of Pennsylvania, USA. All disputes connected with, arising out of or relating to the subject matter of this Purchase Order shall be subject to the procedure described herein, except that the Parties shall not be obligated to follow such procedure with regard to disputes relating to confidentiality obligations, restrictions on use of information or property, ownership of or rights in information, tangible property, or intellectual property, or compliance with laws, standards or site rules. If a dispute arises, a Party shall provide the other Party written notice thereof, asking for mediation. During the thirty (30) day period following receipt of such notice, management level representatives of each Party shall meet at a mutually-acceptable time(s) and place(s) as often as they reasonably deem necessary to exchange relevant information and to attempt to resolve the dispute. If the dispute has not been resolved within thirty (30) days after receipt of the notice, or if the Party receiving said notice will not meet within such thirty (30) days, either Party may initiate mediation of the dispute in accordance with the American Arbitration Association ("AAA") Commercial Mediation Rules, as may be amended by the AAA. Both Parties shall participate in good faith. If the Parties agree to forego mediation or if the dispute has not been resolved pursuant to the aforesaid mediation procedures within sixty (60) days of the initiation of such procedures, either Party may pursue such rights and remedies as are available to it at law or equity. The Parties shall bear their own costs in the aforesaid dispute resolution and mediation procedures, except that the mediator's fee shall be shared equally by the Parties.