

Barnes Aerospace

GENERAL TERMS & CONDITIONS OF SALE

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These terms and conditions of sale apply to the sale of components ("Components") offered by the Barnes Aerospace Group of Barnes Group Inc. ("Barnes Aerospace"). Any terms and conditions proposed in buyer's purchase order which vary, add to or conflict with these terms and conditions of sale are objected to and are not binding on Barnes Aerospace. Any modification or addition to these terms and conditions will only be effective if accepted in writing by Barnes Aerospace. In the event different terms are specifically agreed to in writing, those terms shall be exclusive as to the particular subject covered.

QUOTATIONS/PRICE LISTS/TERMS OF SALE

Quotations: Unless otherwise stated on the front of this Quotation, Price Quotations are valid for thirty (30) days from the date of issue. Prices exclude tooling charges unless otherwise indicated on the front of this Quotation.

FOB: Barnes Aerospace manufacturing facility designated on the front of this quotation.

Currency: US Dollars.

Payment Terms: Payment terms are net 30 days from the date of invoice. A monthly invoice carrying charge may be assessed for invoices not paid in net 30 days.

If, in the sole judgment of Barnes Aerospace, the financial condition of buyer does not support commencement or continuance of any manufacture of Components or shipment of completed Components, Barnes Aerospace may make a written demand for full or partial payment in advance. At Barnes Aerospace's sole option it may suspend performance until such payment is received and cancel if such payment is not received within 30 days of such demand.

Customer-Supplied Materials: For any customer-supplied material, parts or hardware, Barnes Aerospace will be held responsible only for the value-added labor and material content provided by Barnes Aerospace during manufacture of the Components. Buyer agrees to indemnify and hold Barnes Aerospace harmless for all claims, costs and damages incurred by Barnes Aerospace as a result of defective, inaccurate or incomplete customer-supplied material, parts or hardware. Scrap allowances, if any, are indicated on the front of this Quotation.

TAXES

United States Sales:

The price does not include any Federal, state or local property, license, privilege, sales, use, excise, gross receipts, value added or other like taxes which may be applicable to, or

imposed upon, the transaction, the goods, or the sale, transportation, delivery, value or use thereof, or any services performed in connection therewith. Such taxes are for the account of the buyer and the buyer agrees to pay or reimburse any such taxes which Barnes Aerospace or its contractors or suppliers are required to pay.

Sales Outside of the United States:

All present and future taxes (other than corporate income taxes imposed on Barnes Aerospace), duties, tariffs, fees and other charges, including, but not limited to excise, import, purchase, sales, use, turnover, added value, consular, gross receipts, gross wages, and similar assessment imposed by the United States or the buyer's government (or the government of any country through which the product must pass en route from the country of origin to the country of destination) or any subdivision thereof or any taxing authority or any agencies therein with respect to this order or the subject matter thereof, shall be the obligation of the buyer. Any such items paid by Barnes Aerospace shall be added to the price and buyer shall reimburse Barnes Aerospace for the amount of such taxes, duties, tariffs, fees and other charges and expenses incidental thereto upon presentation of an invoice therefore.

EXCUSABLE DELAY

Barnes Aerospace shall not be liable for failure to perform or for delay in performance due to any cause beyond its reasonable control including but not limited to fire, flood, strike or other labor difficulty, act of God, any legal proceeding, act of any governmental authority, act of the buyer, war, riot, sabotage, civil disturbance, embargo, fuel or energy shortage, wreck or delay in transportation, major equipment breakdown, inability to obtain necessary labor, materials or manufacturing facilities from usual sources, or any act, delay or failure to act of Barnes Aerospace's suppliers and subcontractors of any tier beyond Barnes Aerospace's or such supplier's or subcontractor's reasonable control. In the event of delay in performance due to any such cause, the date of shipment or time for completion will be extended by a period of time reasonably necessary to overcome the effect of such delay.

WARRANTY

Barnes Aerospace warrants that the designated Components furnished under any agreement, or under release orders placed under any agreement will conform to all contractual specifications and drawings, and be free of defects in workmanship and material.

Barnes Aerospace shall, at its election, either repair at its cost a Component which is returned to Barnes Aerospace for failure to comply with the foregoing warranty, or ship a

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replacement Component free of charge. Barnes Aerospace shall bear all costs of shipping a defective part. All breach of warranty claims must be made within twelve (12) months after a component is shipped. The foregoing is buyer's exclusive remedy for breach of warranty by Barnes Aerospace.

Exclusions:

The above warranty does not cover, and Barnes Aerospace will have no responsibility for any failure to meet any warranty caused by any failure of buyer or its agents to store, install, operate, inspect or maintain the Components covered by these terms and conditions in accordance with the recommendations of the OEM or its agent manufacturer or in the absence of such recommendations, in accordance with the generally accepted practices of the industry, including but not limited to applicable quality assurance procedures relating to the installation of the items covered by these terms and conditions or resulting from any defect in any casting, forging part or assembly delivered to Barnes Aerospace by buyer that did not occur as a result of any work performed by Barnes Aerospace. Buyer agrees to indemnify and save Barnes Aerospace and its affiliates and hold them harmless from any and all such liability.

Limitations:

Buyer expressly agrees that, notwithstanding any other provision of these terms and conditions, under no circumstances shall Barnes Aerospace's aggregate liability resulting from the performance, failure to perform or breach of Barnes Aerospace's obligations herein or from any activity undertaken by Barnes Aerospace with respect to the Components covered by this contract, whether based on negligence of any kind, strict liability or tort, on the part of Barnes Aerospace or its suppliers or subcontractors of any tier, or otherwise, exceed the value of the purchase order or delivery order which is applicable to the Components in question.

THE WARRANTIES SET FORTH ABOVE ARE THE ONLY WARRANTIES APPLICABLE TO COMPONENTS SUPPLIED BY BARNES AEROSPACE. THERE ARE NO OTHER EXPRESSED OR IMPLIED WARRANTIES OF ANY KIND INCLUDING BUT NOT LIMITED TO IMPLIED OR EXPRESS WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WHICH ARE HEREBY DISCLAIMED. THE REMEDIES FOR BREACH OF WARRANTIES SET FORTH ABOVE ARE EXCLUSIVE REMEDIES AND BARNES AEROSPACE SHALL NOT BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CHANGES

Any changes in orders requested by buyer, including without limitation, Component design, scope of work, delivery, or increase or decrease in quantities shall only be effective if accepted in writing by Barnes Aerospace. Such changes may require other terms and conditions to be modified, including price terms and Barnes Aerospace reserves the right to make such adjustments.

GENERAL

The contract arising pursuant to this order shall be governed by the laws of the State of Connecticut without giving effect to its conflict of law principles. The remedies provided herein shall be cumulative and in addition to any other remedies provided by law or equity. Either party's failure to insist on performance of any of the terms and conditions of this order or exercise any right shall not be deemed a waiver unless in writing signed by the party waiving performance. A waiver on one occasion shall not thereafter operate as a waiver of any other terms, conditions or rights, whether or the same or similar type.