

**TERMS AND CONDITIONS FOR PURCHASE**

1. **Offer and Acceptance** - This purchase order constitutes Carpenter Technology Corporation's and/or its subsidiaries (hereinafter collectively "Carpenter") offer to Seller and becomes a binding contract on the terms set forth herein when it is accepted by Seller either by (i) acknowledgement (ii) the commencement of performance, (iii) delivery; or (iv) acceptance of payment. Acceptance of this purchase order is expressly limited to the terms of this offer. No revision to this purchase order shall be valid unless in writing and signed by an authorized representative of Carpenter and no condition stated by Seller in accepting or acknowledging this purchase order shall be binding upon Carpenter if in conflict with, inconsistent with or in addition to the terms and conditions contained herein unless expressly accepted in writing by Carpenter. If this purchase order is construed to be an acceptance of Seller's offer, such acceptance is expressly conditioned on Seller's assent to any additional or different terms (from Seller's offer) contained on the front or reverse side of this purchase order. Carpenter may revoke, amend or modify this offer at any time prior to Seller's acceptance. Acceptances or offers by Seller may be communicated orally, delivered in person or by telephone, or in writing, delivered by regular mail, hand delivery, overnight courier, facsimile or electronic mail. All purchases will be made in accordance with these terms and conditions (irrespective of whether Seller's accompanying documentation constitutes an acceptance of Carpenter's prior offer to Seller or an offer to Carpenter), and any questions arising relative thereto must be prior to shipment of goods or performance of services.  
  
"Purchase Order" as used herein shall mean this document, any Carpenter specifications, statement of work or other documents referenced therein together with all additional terms and conditions set forth therein by Carpenter.
2. **Shipment** - Goods shall be prepared, packed and shipped in a manner that will comply with all applicable laws and regulations and in a manner that will prevent damage in transit. Shipment shall be in accordance with Carpenter's shipping instructions. Where excess charges result from Seller's failure to ship as specified on this order, Carpenter reserves the right to bill Seller for the additional cost.
3. **Changes/Termination** - Carpenter may at any time, by a written order signed by an authorized representative, make changes in any one or more of the following: (a) place or time of delivery; (b) designs or specifications; (c) quantity of goods purchased; (d) scope or type of services provided and (e) method of shipment or packing. If any such change causes a material increase or decrease in the cost or time of performance, an equitable adjustment shall be made in the price or delivery schedule or both. No claim for an adjustment to the price by Seller shall be allowed unless made in writing in detail satisfactory to and accepted by Carpenter within 30 days from the date notice of the change is received by Seller. Nothing in this clause shall excuse Seller from proceeding with the performance of this purchase order as changed. Seller shall not change the specifications, manufacturing site, equipment, manufacturing process, manufacturing conditions, product composition or testing procedures for the manufacture of goods without the prior written consent of Carpenter. Carpenter may terminate this purchase order or withdraw any authorization granted hereunder, in whole or in part, for convenience or for any other reason, at any time upon written notice to the Seller. In such case, and unless such termination or withdrawal is due to Seller's breach, Carpenter shall be responsible for documented out-of-pocket materials and labor costs incurred in connection herewith up to the date of such notification.
4. **Delivery of Goods** - Should delivery of goods not be made or services not provided within the time promised, Carpenter may purchase such goods or services elsewhere and charge Seller with any resultant loss, unless the delay has been expressly authorized in writing by Carpenter. Time is of the essence of this agreement.
5. **Access, Audit and Inspection Rights** - Seller agrees to grant Carpenter's representatives and applicable regulatory authorities access to Seller's plant and records at all reasonable times to audit, inspect and observe the manufacture, storage, disposal and transportation of the goods, and all materials related thereto or used in connection therewith as may be necessary or desirable to monitor the Seller's compliance with the terms of this purchase order. Such representatives or authorities shall have no responsibility for supervision of Seller's employees performing such manufacture, storage, disposal or transportation operations. The foregoing access, audit and inspection rights set forth above are only for the purpose of determining Seller's compliance with the purchase order and applicable legal requirements.
6. **Conformity** - All goods and/or services will be subject to inspection and approval, and any goods and/or services which are not then in every way satisfactory to Carpenter may be rejected by Carpenter. Acceptance or rejection of the goods and/or services shall be made as promptly as practical after delivery, but failure to inspect and accept or

reject the goods and/or services or failure to detect defects by inspection, shall neither relieve Seller from responsibility for all requirements relating to such goods and/or services nor impose liabilities on Carpenter for its failure to identify such defects. Goods furnished in lots are subject to rejection of entire lot based on sampling of lot. Carpenter may hold any rejected goods for the Seller's instructions and at Seller's risk or Carpenter at its option may return them to the Seller at Seller's expense. Inspection, failure to inspect and/or payment shall not relieve Seller of any liability under its warranties or any other term or condition of this order.

7. **Warranty** - Seller warrants that all goods and/or services supplied hereunder will conform to applicable specifications, drawings and samples, will be free from defects in material and workmanship, will be merchantable and fit for their intended use, and will be free of all foreign object debris where applicable. Further, Seller has an effective quality management system in place and all persons utilized by Seller to provide Goods or perform services have been properly trained and qualified to do so. Additionally, Seller's employees are aware of their contribution to product or service conformity and safety, and the importance of ethical behavior. In no event shall substitutions for the goods or services covered by this purchase order be acceptable absent the prior written consent of Carpenter. Supplier shall not deliver, rework or reprocess any nonconforming goods without the prior written approval of Carpenter. In the event Seller discovers that goods are nonconforming after shipment thereof, Seller shall immediately notify Carpenter in writing of such nonconformity. Aforesaid warranties, together with Seller's service warranties and guarantees, shall inure to the benefit of Carpenter, its successors, assigns and customers. Seller agrees to indemnify hold harmless and defend Carpenter, its successors, assigns and customers from all liability, loss, cost, damage or expense, including costs of suit and attorneys' fees, which any one or more of them may suffer or incur as the result of Seller's breach of any such warranty or any term or condition of this purchase order.
8. **Pay Discounts** - Seller shall mail invoices and other documents promptly to Carpenter. The time for any payment discount will be computed from the date of delivery of goods at the specified destination after final inspection and acceptance, from the date of completion of services, or from the date the correct invoice is received, whichever is later.
9. **Pricing** - If price is not stated in this purchase order, it is agreed that the goods and/or services shall be billed at the price last quoted, or the prevailing market rate, whichever is lower. In no event shall the prices exceed current selling prices to other customers for the same or substantially similar items in comparable quantities. Any excise, levies or taxes which the Seller is required to pay or collect, under any existing or future law or regulation (domestic or foreign), upon or with respect to the sale, purchase, delivery, storage, processing, use, consummation or transportation of any of the materials or services covered hereby, shall be included in any price quoted for the materials or services to be provided hereunder. Carpenter shall be entitled to set off any claims it may have against the Seller against any payments to be made hereunder.
10. **Alternative Goods Notice** - If at any time during the term of this purchase order, Carpenter can purchase goods which are the subject of this purchase order, or substantially similar goods of equal quality and performance (collectively, "Alternative Goods") from a third party(s) at a lower price, then Carpenter will notify Seller in writing (an "Alternative Goods Notice") and Seller will have the opportunity to provide Carpenter with a similarly reduced price for the goods on substantially the same terms as the third party(s). If Seller fails to notify Buyer in writing within thirty (30) days of Seller's receipt of the Alternative Goods Notice that it will provide Carpenter with a similarly reduced price for the goods, then Carpenter may purchase the Alternative Goods from the third party(s) at the lower price and the obligation of Carpenter to Seller hereunder for the purchase of the goods will be reduced accordingly.
11. **Patent Indemnification** - Seller agrees to indemnify, hold harmless and defend Carpenter, Carpenter's successors, assigns and customers from all claims, liability, damages, costs, expenses and lawsuits including attorneys' fees for the actual or alleged infringement of any patent, trademark, trade name, trade secret or copyright arising from the manufacture, delivery, sale or use of the goods and/or services supplied pursuant to this purchase order.
12. **General Indemnification/Insurance** - In the event Seller, its employees, agents or subcontractors enter premises occupied or under the control of Carpenter in the performance of this purchase order, Seller shall indemnify, hold harmless and defend Carpenter from and against all claims, liability, damages, costs and expenses arising on account of any personal injury or death or any property damages occurring as a result or during such entry. Seller shall comply with all applicable Carpenter Contractor Work Rules, safety rules and regulations and will restrict its employees and agents to Carpenter designated work areas and access roadways. Seller will maintain and carry

liability insurance which includes, but is not limited to, employer's liability, workers' compensation, general liability, public liability, property damage liability, products liability, completed operations liability and contractual liability in amounts set forth in Carpenter's Contractor Work Rules or otherwise acceptable to Carpenter and provide for at least ten (10) days' prior written notice to Carpenter prior to cancellation. Seller will, if requested by Carpenter, furnish certificates of insurance indicating the foregoing coverage.

13. **Indemnification for Liens** - Seller agrees to indemnify, hold harmless and defend Carpenter from and against all laborers', materialmen's, mechanics', or other claims, liens and encumbrances arising from the performance of Seller's obligations under this purchase order and shall keep the premises of Carpenter free from all such claims, liens, and encumbrances. To the full extent permitted by applicable law, Seller, for itself and all of its suppliers of any materials or services, waives all rights of lien against the property and premises of Carpenter for labor performed or for goods furnished for the work.
14. **Compliance to Applicable Laws, Rules and Regulations** - Seller warrants that (a) any and all services performed and any goods delivered under this purchase order shall comply with (i) all requirements of the Fair Labor Standards Act of 1938, as amended, (ii) all applicable federal standards prescribed by the Occupational Safety and Health Act of 1970, as amended, and (iii) all requirements of any applicable health or safety statute or regulation of any state or local government having jurisdiction in the location to which such equipment or material is to be shipped or such work is to be performed pursuant to this agreement, and (b) it will comply with applicable laws, rules and regulations of federal, state and local governments and agencies thereof including Executive Order 11246 (Equal Employment Opportunity), Executive Order 11625 (Minority Business Enterprise), The Rehabilitation Act of 1973 and The Vietnam Era Veteran's Readjustment Assistance Act and all amendments and/or rules and regulations adopted pursuant thereto, which are hereby incorporated herein by this reference, unless this purchase order is exempt pursuant to said Executive Orders or Acts and regulations issued thereunder.
15. **Compliance and Transport of Goods and Chemical Substances** - Seller warrants that the goods and any chemical solutions contained therein are not prohibited or restricted by, and are supplied in compliance with all laws and regulations, and that nothing prevents the sale or transport of the goods or chemical substances in the goods and that all such goods and chemical substances are appropriately labeled, if labeling is required, and have registered and/or authorized if required under applicable law or regulation.
16. **Material Safety Data Sheets** - Seller agrees to furnish promptly to Carpenter Material Safety Data Sheets as required by 29 CFR 1910.1200, state and local law and, upon written request, a list of all ingredients and their quantities which are contained in goods purchased hereunder.
17. **Confidentiality and Intellectual Property** - Carpenter shall have the full and unrestricted right to use or disclose for its business all drawings, data, designs, manuals or other technical information supplied by Seller hereunder. All drawings, data, designs, specifications or other information supplied by or on behalf of Carpenter, or prepared by Seller utilizing Carpenter's Confidential Information specifically in connection with the performance of this purchase order, shall be and remain the sole and exclusive property of Carpenter. Neither Seller nor any of its employees shall use or disclose said drawings, data, designs, specifications or other Confidential Information of Carpenter obtained as a result of the performance of this purchase order except in the performance of this purchase order for Carpenter and shall return all copies of same at Carpenter's request. Confidential Information shall include information that is or has been disclosed to Seller by Carpenter: (i) in writing or by email or other tangible electronic storage medium and is marked "Confidential" or "Proprietary"; or (ii) orally or visually, and then followed within thirty (30) working days thereafter with a summary or disclosure complying with the requirements of clause (i) above. Notwithstanding the foregoing, Confidential Information also includes, without limitation: (a) commercially valuable information of Carpenter and its successors and assigns, the design and development of which required considerable amounts of time and money; (b) any computer software product and related information (collectively "Software Product") developed by Carpenter and/or its successors and assigns and (c) any "Carpenter Property". In the event that Seller produces works of authorship for Carpenter under the Purchase Order ("Works"), the Works will be deemed "works made for hire" and Carpenter will receive all rights, title, and interest thereto. However, if any Works are not determined to be "works made for hire", Seller agrees to assign, and hereby assigns to Carpenter and its successors the entire right, title, and interest, in and to the Works. The Seller may not disclose that it is a supplier of Carpenter, or the terms and conditions of this purchase order, without the prior written consent of Carpenter.

18. **Delegation** - Seller may not assign its rights or delegate its performance hereunder without the prior written consent of Carpenter and any attempted assignment or delegation without such consent shall be void. In the event of any permitted assignment or delegation, Seller (a) shall require the third party involved to (i) grant the access, audit and inspection rights in Paragraph 5 above to Carpenter and applicable regulatory authorities and (ii) comply with the confidentiality and other obligations in Paragraph 17 above, (b) shall make such third parties aware of, and shall require compliance with, the terms of this purchase order, Carpenter's Contractor Work Rules and other key characteristics of the purchase arrangement identified by Carpenter and (c) shall remain liable for the performance of such third party.
19. **Jurisdiction** - These terms and conditions and purchase documentation of Carpenter accompanying them shall be governed by, construed and enforced solely in accordance with the laws of the Commonwealth of Pennsylvania, without application of the conflict of law principles thereof. Seller understands and acknowledges that any disclosure or misappropriation of the confidential information referenced in Paragraph 17 above, or failure to return the Carpenter Materials as provided in Paragraph 28 below, in violation of this agreement may cause irreparable harm to Carpenter, the value of which may be difficult to ascertain, and therefore, Seller agrees that Carpenter shall under those circumstances have the right to immediately apply to the court of competent jurisdiction for appropriate equitable remedies as well as any other relief as may be appropriate.
20. **Force Majeure** - Seller shall not be responsible for any prohibition, failure, interruption or delay in manufacture or delivery which may be caused by sabotage, fire, flood, explosion, labor dispute, strike, work stoppage, riot, insurrection, war, act of God, or any similar cause beyond Seller's control. Seller shall provide notice to Carpenter as soon as possible upon the occurrence of any such event. Further, in the event of any such prohibition, failure, interruption or delay, Carpenter may, at its option, extend the delivery time or, upon written notice to Seller by Carpenter after determining the sole delay indicated by Seller is inconsistent with Carpenter's needs, cancel the order, in whole or in part.
21. **Title and risk of loss** - Title and risk of loss shall pass to Carpenter only upon delivery of the goods to, and acceptance by, Carpenter.
22. **Services – Independent Contractor** - To the extent this purchase order relates to services to be provided to Carpenter, the Seller hereby acknowledges and agrees that the Seller is an independent contractor of Carpenter for all purposes and that nothing contained herein shall be construed to create or establish any relationship of employer and employee or to deem the Seller to be an agent, partner or joint venture of or with Carpenter. Nothing herein is intended or shall be construed as granting the Seller the right, privilege or authority to make or execute any agreement on behalf of or otherwise bind or obligate Carpenter in any way.
23. **No Co-Employment** - No employees of the Seller shall be deemed employees of Carpenter and the Seller shall be responsible for all of the wages and benefits of its employees, shall maintain all payroll records as it deems necessary for its employees which are employed by the Seller to provide goods and services to Carpenter and shall withhold and pay over all federal and state withholding taxes as appropriate and provide workers' compensation insurance for such employees.
24. **Complete Agreement** - These terms and conditions together with any additional terms and conditions set forth in any purchase order or statement of work agreed to between the parties constitute the entire contract between Seller and Carpenter. To the extent any of these terms conflict with any additional terms contained in any purchase order or statement of work, these terms shall prevail unless otherwise agreed to by both parties. No modification hereof shall be of any force and effect unless in writing and signed by the party claimed to be bound thereby. A waiver of any of the terms or conditions hereof shall not be deemed a continuing waiver, but shall apply solely to the instance to which the waiver is directed.
25. **Improper Payments** - The Seller shall not offer or pay employees of Carpenter any kickbacks, gratuities, rebates or any form of improper payments, or any other services or things of value which may be intended to influence the actions of any employee of Carpenter or perceived by others to have influenced any such employee, either directly or indirectly.

26. **U.S. Government Contacts** - If Carpenter's order is for a U.S. government contract and goods or services ordered from the Seller are to be used in the performance of said contract, all flowdown clauses of applicable U.S. government regulations required by federal statute to be included in U.S. government subcontracts shall be incorporated herein by reference.
27. **Language (English)** - The parties hereby confirm their express wish that this agreement and all documents, agreements or notices directly or indirectly related hereto be drawn up in the English language.
28. **Carpenter Materials** - The parties acknowledge that Carpenter may permit Seller to maintain possession of Carpenter's tooling or other materials (the "Carpenter Materials"). Title to the Carpenter Materials shall remain solely in Carpenter and Seller shall not have the right to use the Carpenter Materials to produce products for other customers of Seller. Seller shall give, execute, deliver and file or record, or allow Carpenter to file or record, with the proper governmental offices, any instrument, paper or document, including but not limited to, one or more financing statements under the Uniform Commercial Code, satisfactory to Carpenter, or take any action, which Carpenter may deem necessary or desirable in order to create, preserve, perfect, extend, continue, modify, terminate or otherwise evidence Carpenter's ownership in the Carpenter Materials. Seller, at its expense, shall keep and maintain the Carpenter Materials in good condition and shall be responsible for routine maintenance and insure the Carpenter Materials in an amount equal to the greater of the original cost or its replacement value. Seller will furnish Carpenter with certificates of insurance which name Carpenter as an additional insured and which evidences coverage reasonably acceptable to Carpenter and which shall provide that coverage shall not be cancelled or materially changed without thirty (30) days prior written notice to Carpenter. The Carpenter Materials can be located at one or more of Seller's facilities provided the Seller gives notice of any location in writing to Carpenter. Carpenter and its agents shall be permitted access at reasonable times to inspect the Carpenter Materials. Upon request of Carpenter, immediately upon termination of this agreement or, upon reasonable prior notice, at any other time requested by Carpenter, all tangible and intangible Carpenter Material, as well as all copies or summaries made thereof, shall immediately be returned by Seller to Carpenter, without fee, expense, or cost of any kind. Any claimed outstanding bills or other charges against Carpenter will not be a basis for Seller's delay in its obligation to return Carpenter Materials.
29. **Importer of Record** - Unless specifically agreed to in writing by Carpenter, Carpenter will not be a party to the importation of the Goods, the transaction(s) represented by the purchase order will be consummated subsequent to importation, and Seller will neither cause nor permit Carpenter's name to be shown as "Importer of Record" on any customs declaration. Seller is responsible for compliance with all legal requirements associated with the importation and exportation of Goods, including any required licenses or approvals and, unless otherwise agreed between the parties in writing, the payment of all associated duties, taxes and fees.
30. **Dodd-Frank Compliance / Conflict Minerals** - Seller shall comply with the Conflict Minerals Law adopted by the Securities Exchange Commission as mandated by section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Seller shall provide Carpenter with an accurate list of all of its smelters, documentation that all of its smelters have been audited for compliance with the Conflict Minerals Law. Seller shall notify Carpenter immediately if it changes any of its smelters.
31. **Counterfeit** - Counterfeit Goods are not permitted. Counterfeit Goods are defined as goods or components of goods that are an unauthorized or unapproved copy or substitute. If Seller becomes aware that it has furnished Counterfeit Goods to Carpenter, Seller shall within thirty (30) days from discovery, notify Carpenter and replace, at Seller's expense, such Counterfeit Goods with Carpenter-approved goods that conform to the requirements of this purchase order and Seller is responsible for all related cost.