

# Reliable Silver Corporation

## TERMS AND CONDITIONS

1. **ACCEPTANCE.** The terms and conditions set forth herein (together with any applicable purchase order(s)) contain the sole, entire and exclusive agreement between Reliable Silver Corporation (herein referred to as Reliable Silver) and Buyer in this transaction, superseding all prior discussions, proposals, negotiations, representations and agreements. Any additional or conflicting terms, whether or not material (including, without limitation, any terms contained in any purchase order which are not accepted in writing by Reliable Silver), shall not, in any manner, by implication, by waiver, or otherwise, govern the relationship between Reliable Silver and Buyer. Any waiver, modification or amendment of these terms and conditions shall only be effective as against Reliable Silver if such waiver, modification or amendment is contained in a written instrument duly executed by or on behalf of Reliable Silver. Specification changes are subject to acceptance by Reliable Silver, to price revisions and to any adjustments necessary to cover material procured and processed and labor expended prior to receipt by Reliable Silver of revised specifications. These terms and conditions are subject to Reliable Silver's ability to obtain necessary materials, Reliable Silver's current schedules, government priorities and other government regulations, orders, directives and restrictions that may be in effect from time to time.
2. **APPLICABLE LAW.** This instrument and performance hereunder shall be governed by the laws of the State of Connecticut without giving effect to the principles of choice of law thereof. This instrument shall be considered a contract made in the State of Connecticut. Buyer agrees that it may bring suit against Reliable Silver only in the State of Connecticut, and for purposes of suit against Buyer, submits itself to the exclusive jurisdiction and proper venue of the State of Connecticut; the interpretation and enforcement of the provisions of these terms and conditions shall be resolved and determined exclusively by the state or federal courts sitting in Connecticut, and such courts are hereby granted exclusive jurisdiction for such purpose.
3. **PRICES. PRICES ARE SUBJECT TO CHANGE WITHOUT NOTICE.** Unless specifically set forth on a purchase order, prices will be those in effect on date of shipment. Verbal quotations are subject to daily changes, and expire the same day they are made. Written quotations automatically expire in ten (10) days, unless the terms of the quotation specifically provide otherwise, and are subject to termination by written notice at any time prior to their expiration. Reliable Silver may change prices for future deliveries without prior notice to Buyer whether or not any portion of any order has been delivered, but Reliable Silver shall notify Buyer of the price changes put into effect after the date of a purchase order, and Buyer shall have the right to cancel any order or portion thereof not delivered at the date of such changes in prices by giving notice to Reliable Silver within five (5) days of the date of Reliable Silver's notice. Failure to so notify Reliable Silver shall constitute acceptance of such changed price. Buyer herein warrants that every request Buyer makes of Reliable Silver for the provision of goods and/or services constitutes an express representation that Buyer both intends to pay for such goods and/or services in accordance with these terms and conditions and has the ability to do so.
4. **TERMS OF PAYMENT.** Net amounts of Reliable Silver's invoice are due upon receipt of invoice depending on the terms indicated on each individual sales invoice (except where approved open account credit is established in which case, terms will be specified on Reliable Silver's invoice and Reliable Silver reserves the right to revoke any credit so extended to Buyer at Reliable Silver's sole discretion). Amounts not paid within five (5) days of due date will incur an interest charge of the lower of 1% per month or the highest rate allowed under applicable law applied to the previous balance which is overdue after deducting current payments and/or credits received during the billing cycle. If Buyer defaults in payment, Reliable Silver can turn Buyer's account over to Reliable Silver's attorney or other agent for collection and Buyer agrees to pay any and all costs of collection of any nature incurred by Reliable Silver in pursuit of any delinquent obligation (whether or not suit is actually ever brought) of Buyer to Reliable Silver, including but not limited to interest charges, finance charges, attorney's fees and court costs of any nature.
5. **TAXES AND OTHER CHARGES.** Buyer shall provide Reliable Silver with a tax exemption or resale certificate acceptable to the authorities imposing sales, use or similar taxes. Notwithstanding the foregoing, in addition to the payments and penalties set forth herein, Buyer agrees to pay all municipal, state, federal and foreign taxes or similar governmental charges relating to the sale of goods or services hereunder, but exclusive of any statutory tax liability of Reliable Silver.
6. **SHIPMENT.** Except as otherwise provided in a purchase order, all prices are F.O.B. Reliable Silver's place of business. All shipments shall be insured by Reliable Silver at Buyer's expense and made at Buyer's risk unless Buyer provides Reliable Silver with proof of insurance acceptable to Reliable Silver. Method and route of shipment will be at the discretion of Reliable Silver unless Buyer specifies same. Buyer is responsible for, and assumes all

risk of loss or damage to, the goods from any cause, upon and after delivery by Reliable Silver to a shipment carrier at Reliable Silver's place of business. The risk of loss shall not be altered by conduct of either party that may constitute a default or breach hereunder.

7. DELAYS. Reliable Silver shall attempt to meet any shipment or delivery date specified, but in no event shall Reliable Silver be responsible or liable for failure to ship or deliver by such date. **RELIABLE SILVER SHALL NOT BE LIABLE TO BUYER OR ANY THIRD PARTY FOR INDIRECT OR CONSEQUENTIAL DAMAGES DUE TO DELAYS IN THE SHIPMENT OR DELIVERY OF GOODS.** Shipments made within a reasonable time after a specific date of delivery shall constitute a good delivery. Reliable Silver shall not be liable in any way for any delay due to strikes, accidents to equipment, delays of carriers, fires, acts of God or a public enemy, or other causes of delay beyond Reliable Silver's control, whether or not foreseeable or similar to those causes enumerated above.
8. ACCEPTANCE OF GOODS. Buyer shall examine all goods immediately upon receipt and shall be deemed to have accepted such goods as conforming unless Reliable Silver is notified to the contrary within ten (10) days after receipt.
9. LIMITED WARRANTY. **EXCEPT AS STATED BELOW, RELIABLE SILVER EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED CONDITIONS, REPRESENTATIONS AND WARRANTIES ON PRODUCTS OR SERVICES FURNISHED HEREUNDER, INCLUDING WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, NON-INTERFERENCE, FREEDOM FROM DEFECTS IN MATERIAL OR WORKMANSHIP OR ARISING FROM A COURSE OF DEALING, LAW, USAGE OR TRADE PRACTICE.** Reliable Silver warrants only that goods delivered to Buyer shall meet Reliable Silver's standard specification or standard of operation. **ORAL STATEMENTS DO NOT CONSTITUTE WARRANTIES.** Reliable Silver's sales representatives are not authorized to make warranties about the merchandise, products or services sold by Reliable Silver. **RELIABLE SILVER'S SALES REPRESENTATIVE'S ORAL STATEMENTS DO NOT CONSTITUTE WARRANTIES,** shall not be relied upon by the Buyer, and are not part of the contract for sale. The entire agreement between parties is embodied in this writing (and any applicable purchase order(s)) and **NO OTHER WARRANTIES** are given beyond those set forth in these terms and conditions for sale.

(To the extent Reliable Silver provides analysis or information to assist Buyer in the application of Reliable Silver's products, **SUCH ANALYSIS OR INFORMATION SHALL NOT CONSTITUTE A WARRANTY OF ANY KIND WITH RESPECT TO THAT APPLICATION.** The advice of Reliable Silver's technical staff may be available to Buyer, but because Reliable Silver does not control or supervise the subsequent manufacture, fabrication or installation of its products for their use after sale, Reliable Silver does not guarantee such advice, and such advice does not constitute a warranty.)

10. LIMITATION OF LIABILITY. **BUYER'S SOLE AND EXCLUSIVE REMEDY FOR CLAIMS ARISING HEREUNDER SHALL BE FOR ACTUAL DAMAGES, PROVIDED THAT RELIABLE SILVER'S LIABILITY FOR ALL LOSSES AND DAMAGES, WHETHER ON ACCOUNT OF NEGLIGENCE, BREACH OF WARRANTY OR OTHERWISE, SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE PURCHASE ORDER WITH RESPECT TO WHICH SUCH LOSSES OR DAMAGES OCCUR, OR AT THE OPTION OF RELIABLE SILVER, THE REPAIR OR REPLACEMENT OF SUCH ITEM. IN NO EVENT WILL RELIABLE SILVER BE LIABLE TO THE BUYER OR ANY OTHER PARTIES FOR LOST PROFITS OR PRODUCTION OR OTHER PUNITIVE, SPECIAL, EXEMPLARY, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, HOWEVER CAUSED, ON ANY THEORY OF LIABILITY, WHETHER OR NOT SELLER HAS BEEN ADVISED OF SUCH DAMAGES, OR REASONABLY COULD HAVE FORSEEN THE POSSIBILITY OF SUCH DAMAGES, OR OF ANY CLAIM AGAINST BUYER OR ANY OTHER PARTY,** such as, but not limited to, damage or loss of other property or equipment, loss of profits or revenue, cost capital, cost of purchased or replacement goods, or claims of customers of Buyer for service interruptions. Buyer's remedies as set forth herein are exclusive. In the event Reliable Silver undertakes processing work on property or materials owned by Buyer pursuant to the terms hereunder and the Buyer fails to deliver to Reliable Silver evidence of insurance policies or certificates of insurance covering such property against loss in an amount equal to the full replacement value of such property (as determined by Reliable Silver in its sole discretion), upon prior written notice to Buyer, Reliable Silver may procure such insurance at Buyer's sole cost and expense before commencing any such processing work hereunder.
11. RETURN OF GOODS. Prior to returning any goods, Buyer shall obtain written authorization by submitting to Reliable Silver a written request for authorization and a statement of its claim including full particulars in support thereof. All costs associated with returning any goods must be prepaid by Buyer. Reliable Silver may refuse goods shipped collect and reserves the right to charge back and set off all transportation costs. Returned goods found by Reliable Silver to meet its warranty requirements may be subject to reasonable service charges for examination, testing, and re-stocking. All transportation costs for the reshipment of returned goods (whether or not repaired) to

Buyer and for the shipment of replacement goods, if any, shall be the responsibility of Buyer. Risk of loss for all goods returned to Reliable Silver shall at all times be upon Buyer and if any replacement goods are shipped to Buyer, risk of loss for such goods during shipment shall be upon Buyer. UNDER NO CIRCUMSTANCES MAY GOODS BE RETURNED TO RELIABLE SILVER PRIOR TO RELIABLE SILVER'S WRITTEN CONSENT.

12. BUYER'S WARRANTIES. Buyer warrants that shipment of the goods to it will not violate any law, regulation, rule, order or restriction of the United States or any state or government, and Reliable Silver will furnish goods only upon such representation.
13. CANCELLATION, SUSPENSION, OR MODIFICATION BY BUYER. These terms and conditions can be cancelled, suspended or modified only with Reliable Silver's written consent and upon terms that will indemnify Reliable Silver against loss arising from such cancellation, suspension or modification.
14. CUMULATIVE RIGHTS AND REMEDIES OF RELIABLE SILVER. All rights and remedies available to Reliable Silver hereunder shall be cumulative and in addition to all rights and remedies available to Reliable Silver under all applicable laws including without limitation, the Uniform Commercial Code in effect in the State of Connecticut. No waiver of any right or remedy available to Reliable Silver in any instance shall constitute a waiver of any right or remedy subsequently. Buyer herein agrees that Reliable Silver may offset any credits or monies otherwise due to Reliable Silver on any of Buyer's (or any of Buyer's (or any of its affiliated companies or entities) other jobs or general account as to amounts due to Reliable Silver as to any particular invoice(s).
15. SEVERABILITY. If any provision or clause of these terms and conditions of sale or any application thereof to any person or circumstances is held invalid or unconscionable, such invalidity or unconscionability shall not affect other provisions or application of the terms and conditions of sale which can be given effect without the invalid or unconscionable provision or application, and to this end the provisions of this agreement are declared to be severable.
16. COLLATERAL/SECURITY INTEREST. Buyer herein acknowledges and agrees that if: (i) Buyer's account becomes delinquent and remains so for thirty (30) days, or (ii) to the extent approved open credit is established by Reliable Silver for Buyer, to the greatest extent allowable under applicable law, these terms and conditions and the following provisions shall serve as a security agreement for all purposes recognized under and by the Uniform Commercial Code. To secure payment and performance of its obligations, Buyer hereby grants Reliable Silver a security interest in the following "Collateral": (a) any and all material, equipment or goods sold by Reliable Silver to Buyer, together with all replacements or substitutions therefore and all proceeds thereof; and (b) any and all proceeds, accounts, contract rights, bond rights, lien rights, instruments, and general intangibles of Buyer, and all other rights of Buyer to the payment of money, arising from any sale or other disposition of the items described in (a) above. Buyer authorizes Reliable Silver to file financing statements or other documentation covering the Collateral as Reliable Silver shall deem necessary or desirable to protect its interest in the Collateral.
17. ASSIGNMENT. Buyer shall not assign or transfer its rights or obligations hereunder. Any attempted assignment in violation of this provision shall be null and void.
18. NOTICE. All notices hereunder shall be in writing, except as provided herein. Notices in writing shall be sufficient (and shall be deemed to have been duly given or made upon receipt) if delivered in person, by courier service, or registered or certified mail (postage prepaid, return receipt requested) to, in the case of Buyer, the billing address provided by Buyer to Reliable Silver, and in the case of Reliable Silver, 302 Platts Mill Road, P.O. Box 1303, Naugatuck, Connecticut 06770, or at such other address, or to the attention of such other person, as such party shall have designated for such purpose in a written notice complying as to delivery with the terms hereof.