

NGK METALS CORPORATION

Terms and Conditions for work on Buyer's Premises

If work specified in the purchase order (Contract) involves operations by the Seller (Contractor) on the premises of NGK Metals Corporation (Buyer), then the following are in addition to the Purchase Order Terms and Conditions.

Indemnification

The Contractor shall take all necessary precautions to prevent any damage to person or property during the progress of such work and shall indemnify and save harmless the Buyer against and from all loss, damage and liability, claims and demands on account of personal injury including death, which may result in any way either to the person or property of the public generally, the Contractor, the Buyer, the Buyer's employees, agents or employees of subcontractors, or of Contractor's employees, Contractor's agents or subcontractors arising out of or in any manner connected with the performance of this Contract. This holds true whether such injuries, loss or damages shall be caused by the activities of the Contractor or any of its subcontractors. The Contractor shall maintain such insurance as will protect the Buyer from these risks while the work is in progress and from any claims under any applicable Worker's Compensation or Occupational Disease Acts.

Insurance

Contractor shall secure and supply certificates of insurance having coverage with the minimum limits specified below before commencing work or arrival on NGK premises. The insurance carrier shall be rated A or better by A.M. Best Co. The insurer shall provide: 30 days notice of cancellation, non-renewal or material change; NGK named as additional insured for all coverage except Worker Compensation; and waiver of surrogation in favor of NGK. At all times the contractor shall maintain coverage and limits of liability for Workers Compensation (coverage A) at statutory limits; Employer Liability (coverage B) at \$500,000; comprehensive general liability at \$1,000,000 per occurrence; \$2,000,000 general aggregate per project; and \$1,000,000 products and completed operations aggregate; excess umbrella liability at \$5,000,000 per occurrence; and automobile liability at \$1,000,000 per occurrence. All limits are combined bodily injury and property damage. Contractor shall secure and maintain property insurance for protection against loss of owned, borrowed or rented equipment, tool and other personnel property including property of employees. Such property insurance is for the sole benefit of the contractor. Failure to secure and maintain such property insurance shall not obligate NGK, their agents, or employees for any losses.

Site Condition

The Contractor hereby accepts the premises in its present condition and agrees to take due care and protective measures during performance of the Work. The Contractor shall inspect the premises to see that the premises are safe for the Work to be performed and shall save Buyer harmless for all injuries or damages arising to any worker upon Buyer's premises in the performance of the Contract or to any other person or property, whether such injuries, loss or damage shall be caused by the activities of the Contractor or any of its subcontractors hereunder. The Contractor shall at its own expense defend any and all actions based thereon.

Compliance with Laws

Contractor shall fully comply with all applicable provisions of federal, state, and local laws, rules and regulations and agrees to hold NGK, its agents, officers and employees harmless from any and all liability, costs, including but not limited to attorney fees, and damages resulting from lack of compliance. The Contractor shall procure all permits and licenses, pay all charges and fees and give all notices as necessary to the proper and lawful fulfillment of the contract.

Safety

The Contractor guarantees that in the performance of any Work done on Buyer's premises, the Contractor and any of its subcontractors shall conduct all activities on said premises in accordance with the provisions of the **Occupational Safety and Health Act** and the standards and regulations issued thereunder. The Contractor agrees that it and any of its subcontractors will comply fully with the safety requirements of Buyer as described in the attached, "Occupational Safety and Health Information and Instructions for Contractors." Additional copies are available upon request by Contractor to any of its employees and to the employees of any subcontractor. Contractor agrees to save harmless, defend and indemnify Buyer for all injuries, damages and claims arising there from, whether or not such injuries, loss or damage shall be caused by activities of the Contractor or any of its subcontractors hereunder. The Contractor shall at its own expense defend any and all actions based thereon.

Hazard Warning

NGK Metals manufactures beryllium containing alloys. Beryllium is a recognized health hazard and listed carcinogen. Exposure to beryllium may lead to beryllium sensitization and chronic beryllium disease, a chronic lung disease for which there is no cure. NGK requires all contractors performing work on buyers premises study the attached "Occupational Safety and Health Information and Instructions for Contractors," along with the appropriate Material Safety Data Sheets, and NGK's publication "Speaking Out". If any of these are not in your possession contact NGK Metals Environmental Health 917 US Highway 11 South Sweetwater, TN 37874 (423)351-0435, or visit www.ngkmetals.com. Refer to NGK's MSDS for the latest mandatory exposures levels established by the Occupational Safety and Health Administration and recommended exposure limits established by the ACGIH. Appropriate precautionary measures for protection of workers and exposed individuals must be enforced when there is potential for exposure to particulate, dust, fume or vapor. Contractor must bring this notice to the attention of its employees and its subcontractors.

Environmental Management

NGK Metals Corporation has established the following policy and requires contractors to adhere to NGK's policy and relevant procedures including the Emergency Prevention and Contingency Response Plan which are available upon request. NGK will comply with all Federal, State, local, and NGK environmental standards and strive to go beyond compliance. NGK will accomplish prevention of pollution through continuous improvement in minimizing, reusing, and recycling waste generated by product manufacturing. The management of NGK is committed to environmental protection and will dedicate the necessary resources to carry out this policy.