

"WE HEREBY CERTIFY THAT THESE GOODS WERE PRODUCED IN COMPLIANCE WITH ALL APPLICABLE REQUIREMENTS OF SECTIONS 6, 7 AND 12 OF THE FAIR LABOR STANDARDS ACT, AS AMENDED, AND THE REGULATIONS AND ORDERS OF THE UNITED STATES DEPARTMENT OF LABOR ISSUED UNDER SECTION 14 THEREOF"

WIDIA GENERAL CONDITIONS OF SALE

"Seller" means Kennametal Inc., doing business as Widia, a Pennsylvania corporation. "Buyer" means the person, firm or entity which is purchasing goods or services from Seller.

1. AGREEMENT. These General Terms and Conditions, in combination with any quotation and any order acknowledgment which may have been supplied by Seller (collectively the "Agreement"), are intended by the parties as the final expression of their agreement and are the complete and exclusive statement of the terms and conditions of that Agreement for all transactions between the parties. In the event of any conflict of terms between any quotation, order acknowledgement, purchase order, or any other form provided by Buyer or Supplier and these terms and conditions, the terms and conditions contained herein shall govern. If a purchase order or any other form supplied by Buyer states terms or conditions which are additional to or different from those set forth herein, this writing shall be deemed notification of objection to such additional or different terms or conditions. Acceptance of the conditions contained herein shall be considered to have occurred: (i) upon signature by Buyer below; or (ii) unless written notice of objection is received by Seller prior to shipment of goods or delivery of services. No modification or rescission of this Agreement shall be effective unless made in writing and signed by both parties, nor shall this Agreement be waived, modified, rescinded or altered by any subsequent course of dealing or performance between the parties. Buyer agrees that this Agreement will apply to all Products and Services purchased from Seller.

2. PAYMENT. Invoices are due and payable in full within the prescribed period stated on the face thereof. Invoices for products or services delivered under this Agreement are payable only in U.S. funds, unless specifically stated differently on the face of the invoice. Time is of the essence with respect to each payment. A service charge on any past due amounts may be charged by Seller at the lower of (i) 1.5% per month; or (ii) the highest rate permitted by law. Buyer hereby grants to Seller a security interest in all products provided hereunder ("Products") and in all proceeds thereof, until the complete purchase price and all additional costs and charges are paid by Buyer. At the request of Seller, Buyer hereby agrees to execute such documents reasonably required to perfect Seller's security interest in the Products. Buyer shall not be entitled to set off, recoup or withhold any payment, or any portion thereof, which is due. Credit shall be subject to the approval of Seller who reserves the right to alter the payment and credit terms and set a limit of credit. Each shipment shall be treated as a separate and independent contract but if Buyer shall fail to fulfill the terms of payment under any contract, the Seller, at its option, may terminate this Agreement, seek any and all remedies to which Seller may be entitled, and terminate any further deliveries of products or services to Buyer under any agreement with Buyer, until payment shall have been made. Buyer agrees that Seller shall be entitled to recover from Buyer all of the reasonable costs and expenses of collection, including attorney's fees, which may be incurred by Seller in enforcing any obligation under this Agreement, including payment.

3. PRICES AND DELIVERY; CONFIDENTIALITY. Unless otherwise stated, prices are subject to change without notice, including, but not limited to, as a result of fluctuations in any applicable currency exchange rate. No cash discounts or other discounts for prompt payment are offered unless specifically stated on the face of the invoice issued for Products or services sold hereunder ("Services"). Delivery of the Products shall be F.C.A. point of shipment (Incoterms 2010). Buyer will pay or reimburse Seller for all freight. Seller shall not be responsible for storage, transportation, or similar charges incurred at destination. Title and all risks of loss and damages shall pass to Buyer upon delivery of the Products to the carrier. No claim for credit for alleged shipping, quality, freight, or pricing adjustment shall be valid unless presented to Seller in writing within thirty (30) days after receipt of Products or Services. Failure to file such a claim within thirty (30) days shall constitute unqualified acceptance of Products by Buyer. No Product shall be returned to Seller without prior written authorization of Seller. Buyer acknowledges and agrees that the pricing information under this Agreement is confidential and Buyer agrees not to disclose, directly or indirectly, to any third party any portion of the pricing without the prior written consent of Seller.

4. EXPORT RESTRICTIONS; FOREIGN CORRUPT PRACTICES ACT. Buyer acknowledges that the Products are subject to the U.S. Export Administration Regulations, as amended, and other applicable laws and related regulations (collectively, "Regulations"). Buyer hereby gives assurance, with respect to the Products and any U.S. origin technical data provided by Seller, that Buyer shall comply with the Regulations, and Buyer agrees that it shall not sell, transfer or deliver, directly or indirectly, any part or portion of the Products or related documentation supplied by Seller pursuant to this Agreement to any person or organization in violation of such Regulations. Additionally, Buyer acknowledges that Seller does not participate in any activities that would violate the U.S. Foreign Corrupt Practices Act (the "Act") and Buyer agrees that, to the extent the Act applies to it, Buyer shall not violate the Act. Buyer shall indemnify and hold harmless Seller and its affiliates from and against any and all damages, liabilities, penalties, fines, costs and expenses, including attorney's fees, arising out of claims, suits, allegations or changes of Buyer's failure to comply with the provisions of this Paragraph 4. Any failure of Buyer to comply with the requirements of this Paragraph 4 shall be a material breach of this Agreement.

5. TAXES AND OTHER CHARGES. To the extent legally permissible, all present and future excise levies or taxes or any similar charges imposed by any federal, state, foreign or local authority which Seller may be required to pay or collect, upon or with reference to the sale, purchase, transportation, delivery, storage, use or consumption of Products or Services, including taxes upon or measured by the receipts therefrom (except net income and franchise taxes), shall be for the account of Buyer.

6. DELAY IN DELIVERY AND FORCE MAJEURE. Delivery dates are approximate and estimated, and are based on Seller's prompt receipt of all necessary information from the Buyer. Seller may make partial shipments of any one or more items covered by any quotation or acknowledgment and may ship from any location it may select. Seller shall not be liable for any loss, damage, detention, delay or failure to deliver resulting from causes beyond its reasonable control including (without limiting the generality of the foregoing) fire, explosion, flood, strike or other difference with workmen, accidents to Seller's facility, acts of sabotage, shortage of facility, material or labor, delay in transportation, delay of supply of product to Seller, breakdown or accident, riot, insurrection, civil or military authority, governmental controls, restrictions or regulations, whether legal or de facto, including but not limited to failure to obtain export or import licenses, a force majeure event occurring in respect to one of Seller's suppliers and any other cause beyond Seller's control. All delivery and performance periods shall be adjusted and extended as necessary due to any such occurrence.

7. WARRANTIES. Seller warrants that the Products shall be free from defects in material and workmanship under normal use and service when correctly installed, used, and maintained. Seller also warrants that the Services will be performed in a workman like manner. These warranties shall terminate thirty (30) days after delivery of the Products, or provision of Services, to Buyer and shall not apply to Products which have been subjected to misuse, abuse, neglect or improper storage, handling, or maintenance. Should the Products not conform to such warranty, and upon confirmation by Seller that the Products have been delivered, stored, installed, operated and maintained in accordance with proper standards, Seller shall, upon prompt notice from Buyer, and at Seller's option, in the instance of Products manufactured by Seller, either repair or replace the defective part or parts and, in the instance of goods of Buyer which are processed by Seller, either reprocess the defective part or parts or adjust the price paid by Buyer in an amount attributable to the defective part or parts. Should the Services not conform to such warranty, Seller shall, upon prompt notice from Buyer, correct such defective Services in a workman like manner. Such remedies shall be Buyer's sole and exclusive remedies for breach of warranty. Notwithstanding the above, to the extent the Products provided by Seller include third party manufactured goods ("Third Party Components"), the warranty for such Third Party Components shall be limited to the warranty, if any, that Seller is authorized to pass through to Buyer for such Third Party Components. **THE FOREGOING WARRANTIES SHALL NOT APPLY TO DAMAGE OR DEFECTS CAUSED BY DELIVERY, STORAGE, INSTALLATION, OPERATION OR MAINTENANCE BY ANY PERSON OTHER THAN SELLER, OR BY ORDINARY WEAR AND TEAR, NOR SHALL IT APPLY TO CONSUMABLE TOOLING OR MATERIALS, OR NORMAL REPLACEMENT ITEMS, AND ARE THE SOLE AND EXCLUSIVE WARRANTIES BY SELLER IN LIEU OF ALL OTHER WARRANTIES WHETHER WRITTEN, ORAL OR IMPLIED. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS AND EXCLUDES ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTIES ARISING BY USAGE OF TRADE, COURSE OF PERFORMANCE OR COURSE OF DEALING. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING BUT NOT LIMITED TO STATEMENTS REGARDING PERFORMANCE OF THE GOODS OR SERVICES, WHICH ARE NOT CONTAINED IN THIS AGREEMENT WILL BE DEEMED TO BE A WARRANTY OR REPRESENTATION.** The parties expressly waive the Statute of Limitations and agree that any claim by Buyer with reference to the Products or Services for any cause, shall be deemed waived by the Buyer unless filed within one (1) year from accrual of the cause of action therefore.

8. RETURNS AND CANCELLATION. In the event that Buyer makes a warranty claim pursuant to Paragraph 7, Products may be returned, D.D.P. Destination (Incoterms 2010), only after Buyer receives written approval from Seller (including an RMA #) to return the Products and upon receipt by Buyer of shipping instructions from Seller. The following conditions shall also apply to Product returns: (1) all Products being returned must be in their original packaging and in new and saleable condition, (2) only complete package quantities may be returned, or as packaged as a partial shipment at time of delivery, and (3) all returns made after thirty (30) days of delivery shall be subject to a restocking charge of fifteen percent (15%) of the original purchase price of the returned Product. If Buyer cancels or changes an order for a custom solution under this Agreement, Buyer shall reimburse Seller for all reasonable costs incurred in connection with the order, including but not limited to any time and materials expended prior to the cancellation or change. Seller shall invoice the Buyer for the costs incurred upon a cancellation or change and Buyer shall pay that invoice upon the terms stated in this Agreement. Notwithstanding the foregoing, such invoice will not restrict any other legal or equitable rights Seller may have.

9. LIMITATION OF LIABILITY. In no event shall Seller be liable for any special, indirect, consequential, incidental, or punitive damages, whether arising under contract, warranty, tort, negligence, strict liability or any other theory of liability, including but not limited to loss of profits, loss of use of the Products or Services, or loss of goodwill. Notwithstanding whether any remedy fails of its essential purpose or otherwise, in no event shall Seller's liability for any Products or Services supplied hereunder exceed the purchase price paid by Buyer to Seller for the applicable Products or Services, regardless of whether the claim is based on contract, tort, warranty or any other theory of liability.

10. PATENTS, COPYRIGHTS AND TRADEMARKS. No license or other rights under any patents, copyrights or trademarks owned or controlled by Seller or under which Seller is licensed are granted to Buyer or implied by the sale of Products or Services hereunder. Seller's drawings, blueprints, computer codes, technical information, intellectual property and know-how shall be the exclusive property of Seller, and Buyer shall have no right, title or interest therein. Buyer shall maintain in confidence, and shall not disclose to any third party, or use for any purpose other than that for which it was supplied, any information or property of Seller which is designated by Seller as confidential, secret or proprietary information of Seller. Buyer shall not identify as genuine products of Seller, products purchased hereunder which Buyer has treated, modified or altered in any way, nor shall Buyer use Seller's trademarks to identify such products; provided, however, that Buyer may identify such products as utilizing, containing or having been manufactured from genuine products of Seller as treated, modified or altered by Buyer or Buyer's representative. Seller shall be entitled to rely upon any information, specifications, designs, formulas or other information supplied to Seller by Buyer or Buyer's representatives, and Seller shall not be responsible for any damages or loss arising out of the use or incorporation by Seller of the same. Buyer warrants to Seller that neither any design, specification, drawing or pattern provided to Seller by Buyer or Buyer's representatives, nor any use contemplated by Buyer of the Products, infringes any patent, copyright, trade secret or other intellectual property rights.

11. INDEMNIFICATION. Buyer agrees to indemnify, defend and hold Seller harmless from and against any and all claims, demands, actions, costs, liabilities, losses and damages of any kind (including attorneys' fees), regardless of the theory of liability, incurred by or threatened to Seller in connection with any modifications by Buyer to the Products or Services supplied hereunder, the incorporation of the Products into any product, the extension of any warranties beyond those provided herein, or any other acts or omissions of Buyer related to the sale or distribution of the Products or Services provided by Seller.

12. OVER OR UNDER-SHIPMENT. Unless Seller is otherwise instructed, the allowance for over-shipment and under-shipment shown below will prevail on all orders for Seller manufactured, non-stock or blueprint products.

| | | | | | |
|-------------------------|-----|------|-------|-------|------------|
| No. of Pieces Ordered | 1-4 | 5-9 | 10-24 | 25-49 | 50 or over |
| Plus or Minus Allowance | 0 | 1 pc | 2 pcs | 3 pcs | 10% |

Non-stock industrial supply Products will be billed in accordance with the quantity shipped to Buyer. For all Products, over or under-shipments will not change the unit price. Buyer's claims for shortages, including proof of delivery requests, shall be made in writing no more than thirty (30) days after receipt of the products or date of invoice, whichever event occurs first.

13. TECHNICAL DATA, ADVICE. Any technical data and advice furnished by Seller with respect to Products and Services and the use of such Products and Services is given without charge, and Seller assumes no obligation or liability for such information. All of such data, advice, drawings and specifications shall be given and accepted at Buyer's risk. Catalogs, circulars and similar pamphlets of the Seller are issued for general information purposes only and shall not be deemed to modify the provisions hereof or create any warranties.

14. GENERAL. This order may be performed and all rights hereunder against Buyer may be enforced by Seller or by any one or more of the corporations subsidiary to or affiliated with Seller or in part by Seller and in part by one or more of such subsidiary or affiliated corporations. No rights arising under this Agreement may be assigned by the Buyer unless expressly agreed to in writing by the Seller. Buyer agrees, at its own expense, promptly to take such steps and execute such documents as may be required to satisfy any law or requirements in Buyer's country to render this Agreement valid. Failure of Seller to enforce any of the terms, conditions and limitations contained in this Agreement shall not be construed as a waiver thereof or a waiver of any other terms, conditions or limitations herein, and the failure of Seller to exercise any rights arising from default of Buyer or otherwise shall not be deemed to be a waiver of such right or any other right. The invalidity or unenforceability of any provision or term hereof shall not affect in any way the remainder of the provisions or terms of this Agreement. This agreement shall be governed by the laws of the Commonwealth of Pennsylvania excluding the application of its conflicts of laws provisions and excluding the United Nations Convention on the International Sale of Goods. Unless Seller, in its sole discretion, brings a claim against Buyer in a different court of competent jurisdiction, and all claims, actions or proceedings arising out of this Agreement shall be brought only in a court having a situs within, or jurisdiction over, Westmoreland County, Pennsylvania, and Buyer hereby irrevocably submits to the jurisdiction and venue of any such court, and waives all objections to venue and convenience therein.