

CAPRON MANUFACTURING Co.
STANDARD TERMS & CONDITIONS OF SALE

1. It is generally recognized that even after employing all the science known to us, there remain variables in the electroplating processes and metal finishing industries. Therefore, to avoid misunderstandings, *Capron Manufacturing Company* is stating the following Terms and Conditions as the custom and usage of the trade. These terms and conditions apply to all sales.
2. We warrant that processing and finishing shall meet customer's specifications supplied in writing with the order and that such processing and finishing shall be free from defects in material or workmanship at time of delivery. If the customer specifies methods and procedures to be followed, we will assume no responsibility for the correctness of such methods and procedures or the result when they are followed. In the absence of full disclosure by the customer of the use of material or parts to be processed and finished, we assume no liability for subsequent failures or defects.
3. We make no warranties or representations, expressed or implied, as to workmanship, performance, quality, durability, fitness for purpose or merchantability for any of the articles we process. This disclaimer is for all liability including, among other, liability for consequential, incidental and special damages. The only warranties applying to such articles are those which are written and are specifically provided by us. Seller makes no warranties concerning the manufacturer's warranties. THE WARRANTY EXPRESSED IN THIS PARAGRAPH IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.
4. All finishing work will be inspected in conformance with Capron Manufacturing's established inspection procedure and/or to the customer's specifications based on predetermined agreement. When we are asked to "plate per" or "certify to" a published metal finishing specification, we will plate to and certify, if required, to the thickness requirements only, unless otherwise specified. Other tests/requirements are the responsibility of the customer.
5. We assume no responsibility for defective plating or other finish on materials previously plated or finished by others. We assume no responsibility for incorrectly or improperly manufactured parts, defective welds, unsecured or misaligned joints, etc. (otherwise construed as fabrication defects). Parts delivered to our plant for finishing must be inspected by the customer or customer's agent and be in a condition ready for the contracted processes. Specified thicknesses are assumed to be minimums on significant or agreed upon surfaces. When a plating thickness is expressed as a range, the lower number will be used as a minimum with tolerances or special considerations to replace the upper number. In some cases, these may take priority over the minimum. Variations in thickness may occur in low or high current density areas. Bleed-out of seams or joints will not be cause for rejection. Additional charges may apply if customer parts require extra cleaning, additional pre-plating processes or special appearance requirements which were not stated before order acceptance. We also reserve the right to reject work or make an extra charge for

finishing any base metal below our standard. Touch-up paint may be necessary to provide full coverage in recesses for certain finishes.

6. In the event that results of metal finishing operations are unsatisfactory due to metal imperfections, changes in grade or composition of materials, manufacturing and/or fabrication imperfections, usages for which the plating or other finishing operation was not reasonably designed, and similar variables over which we have no control, the customer will be required to pay the contracted amount for the finishing operation performed.
7. Our liability for any cause is limited to the cost of direct labor and material of the product loss or directly damaged by our processing or two times our processing charges on such material, whichever is the lesser. Our charges are based on this policy limiting liability. By accepting our quote and placing your order, you expressly agree to this limitation.
8. No claim for shortage in weight, defect or count will be allowed unless made within ten (10) working days after receipt of material or merchandise by the customer or the customer's consignee to whom it was delivered. Our counts shall govern, except in case of proven error. We will, in no event be responsible for weight counts or other inspection functions for merchandise received from third parties on behalf of the customer. Discrepancies in shipped quantities compared to purchase order counts may be the result of inaccurate incoming counts, scrap, or loss.
9. To satisfy a claim, we will have the right, but not the obligation, to refinish the material at our facility, or may be refinished without charge provided:
 - (a) that notice of a defect is given within ten (10) working days from the date of delivery;
 - (b) that we are given the opportunity to inspect the material or merchandise prior to return;
 - (c) that materials or merchandise returned are in the same condition as when leaving our dock.

We assume no expense or liability for any loss or damage to merchandise or material while in transit to or from our factory, whether in vehicles owned by us, the customer, or any third person acting in our or the customer's behalf. All goods are shipped F.O.B. Star Manufacturing Company. Customer assumes full responsibility for and liability arising out of loading and unloading their materials at our plant, whether using their equipment and employees or

their agents'. In the event that we assist in arranging transportation, any shipping charges billed directly to Capron Manufacturing will be added to the customer's invoice.

10. Customer assumes full responsibility for maintenance and scheduled calibrations of its gauges. Gauges sent to us with goods for processing will be considered calibrated and ready for use.
11. We shall not, under any circumstances, be considered as an insurer of customer's material or merchandise and shall not be liable, regardless of cause, for loss by fire, explosion, theft, pilferage, vandalism, casualty of acts of God while such material or merchandise is in our possession.
12. Quotations are open for acceptance thirty (30) days from issuance. After thirty (30) days, prices and terms are subject to change without notice unless otherwise specified. Orders or

packing slips that do not specify finishing instructions will be processed according to the existing plan on file.

13. All quotations, orders or agreements, or modifications thereof, are contingent upon and subject to any and all occurrences beyond our control, including, but not limited to, strikes or boycotts, accidents, thefts, fires, wars, shortage of materials or equipment, casualty, or acts of God. We shall not be liable for failure to perform any agreement for such causes, whether occurring at our plant, your plant(s), or any supplier to these locations.
14. Delivery dates are given or agreed upon based on *Capron Manufacturing's* knowledge of conditions existing at the time of order acceptance. We will use our best efforts to ship or notify completion within ten (10) days of the specified due date. We reserve the right to make partial orders available. If orders are not delivered to us with adequate time for completion, the specified completion date will be adjusted accordingly. Failure to make a shipment as scheduled does not constitute a cause for cancellation and/or breach of contract.
15. Capron Manufacturing Company shall have the right to subcontract all or any part of the work required by the customer's order.
16. Special tools, racks and fixtures required for the performance of the work herein described which have been designed and /or built by or for us shall be and remain our property, (unless otherwise contracted), whether or not the customer is charged with time and/or material in connection therewith.
17. During storage and transportation of customer's material, customer's containers used for delivery to us shall be used for reshipment, with parts packaged as received. Any damage resulting from the use of such containers shall be at the customer's risk. Additional charges may be incurred by the customer for repackaging goods to other specifications.
18. Additional charges may apply if 24-hour/rush services or special inspection/certifications are requested. We reserve the right to apply metal surcharges to our invoices when customer prices have not been adjusted for significant increases in the market price of metals. Minimum charges apply to all orders unless otherwise contracted. Where goods are delivered in multiple deliveries, Capron Manufacturing may deem each delivery to be a separate order/contract and minimum charges will apply to each delivery, if applicable.
19. Buyer must respond to Capron's confirmation of order within twenty-four (24) hours of receipt of confirmation or Buyer will have waived its right to cancel the order. In the event of the customer's cancellation of order, the customer shall reimburse us for the work completed, work in process, and for tooling and engineering expenses incurred in connection with such order.
20. All customers' materials and merchandise in our custody or control shall be subject to a general lien for all monies owing by the customer to us, whether or not due or payable. We may at any time, upon giving notice to the customer, decline to make delivery except for cash.
21. Payment terms are established with each customer and all orders are subject to credit approval. A service charge in the amount of the lesser of 1½% per month (18% per annum), or the maximum allowed by law, will be added to all invoices that are thirty (30) days past due. If payment terms include a cash discount for early payment, this discount is not allowed on transportation charges or taxes. Cash discounts are also not allowed if any portion of the customer's account is past due.

22. The provisions of the Uniform Commercial Code shall govern, except as provided in these Terms and Conditions to the contrary. All interpretation of the terms of the transaction between the parties shall be governed by the laws of the State of Illinois. If any provision or part of this instrument shall be declared invalid by a court of competent jurisdiction, such invalidation shall not affect the valid provisions hereof.
23. Customer shall pay and discharge all costs, expenses and attorney's fees which shall be incurred and extended by us in enforcing the covenants and agreements of this contract, whether by the institution of litigation or in taking the advice of counsel, or otherwise.
24. The provisions of this agreement may be altered or modified by separate written agreement and any liability we assume will be covered by a separate charge for such coverage.
25. The provisions hereof constitute the entire agreement between the parties. Any changes, alterations, waivers or modifications with respect either as to the job performed or the terms of sale, or any other matter set forth herein must be in writing and signed by a duly authorized representative of Capron Manufacturing Company. These terms and conditions shall apply to any existing or future order or agreement for the processing of any materials or merchandise.
26. The minimum line charge on all orders is \$250 minimum line charge: Any part, regardless of amount which is processed, is subject to a minimum line/lot charge. The price for finishing carries a per pound or piece value, and when the calculated cost is less than the minimum charge, the minimum charge shall apply.