

SANTA CLARA PLATING CO., INC.
STANDARD TERMS AND CONDITIONS OF SALE AND STATEMENT OF POLICY

Santa Clara Plating Co., Inc. hereby advises Customer that there are certain risks of damage to materials from standard metal finishing processes and risks of failure to achieve standard metal finishing quality. To avoid misunderstandings, Customer agrees to the following Terms and Conditions and acknowledges that this Agreement cannot be modified, except in writing and signed by both of the parties. Santa Clara Plating Co., Inc. is hereinafter referred to as Company. Services provided by Company are hereinafter referred to as processing and/or finishing.

1. Company warrants that finishing shall meet customer specifications supplied in writing with order. If Customer specifies methods/procedures to be followed, Company assumes no responsibility for correctness of such methods/procedures or the result obtained when they are followed. In absence of written disclosure by Customer of: the composition/use of parts to be processed/finished, prior use of water-soluble oils, heat treating, presence of unusual substances such as adhesives or paint, masking instructions, and other pertinent information, Company assumes no responsibility for subsequent failures or defects. Company does not guarantee results from verbal instructions. All instructions as to treatment, materials, tolerances, and specifications for processing shall be in writing and delivered to Company at time of placing order by Customer. No other warranty, including the warranty of merchantability and fitness for a particular purpose shall apply.
2. Company liability for any cause is limited to cost of direct labor and material of product lost or directly damaged by Company processing *OR* two times our processing charges on such material, whichever is less. Company's prices are based on this policy limiting liability. Liability greater than described here is assumed by Company only if agreed in writing. In such event, a higher charge may be made for services. As to loss/damage to any item, the dollar cost of which is not specifically identified on Customer purchase order, Company liability shall be limited to refinishing at no charge, parts on which it performed finishing of less than standard quality, or which were damaged while in Company control, or Company, at its option, will reverse the unit charges for any part which it cannot restore to original condition. No claim for shortage will be allowed unless made in writing and presented/mailed within five (5) working days after receipt of parts by Customer/consignee to whom delivered, provided, however, a shrinkage of quantity of two percent (2%) shall be allowed without charge or liability. Company will be liable for loss in excess of two percent (2%) only if the cost of parts was stated in writing on Customer purchase order. Company reserves the right to hand count a shipment and advise Customer of any error. Parts found upon Company inspection to be improperly processed by Company will be refinished at no charge or cost adjustment will be made provided that: a) notice of defect is provided in writing within five (5) working days from date of delivery; and b) parts are in same condition and as carefully packed as when originally delivered by Company. Processing or assembly of such rejects by Customer/other party shall constitute a waiver of liability on Company's part.
3. Company assumes no liability for loss/damage to parts while in transit to/from Company factory, whether in trucks or in other Company vehicles, or in the possession of any third party acting in the Company's or Customer's behalf.
4. If results of finishing operations are unsatisfactory due to metal imperfections, changes in grade/composition of materials, manufacturing imperfections, usages for which the plating/finishing operation was not designed, or other variables beyond Company control, Customer is required to pay the contracted amount for the finishing performed. Company may assume that parts sent for plating were inspected by Customer. Defects in parts may not be detected by Company until partial processing has been performed thereon. If defective parts are found, Customer shall be billed for work performed and defective parts shall be returned to Customer. Company reserves the right, at Company option, either to reject work or charge extra for finishing any base metal not fully identified in writing. Company assumes no responsibility for defective finishing on parts previously finished by others.
5. Company shall not under any circumstances be considered an insurer of customer parts and shall not be liable, regardless of cause for loss by fire, explosion, vandalism, casualty, or acts of God while parts are in Company possession. The provisions of these sections may be modified by separate written agreement and any liability Company assumes will be covered by a separate charge for such coverage.
6. Quotations are valid for ninety (90) days from issuance. After ninety (90) days, prices/terms are subject to change without notice, unless otherwise specified. Prices estimated from a blueprint or verbal description are subject to revision on the basis of actual sample or trial run. All quotations, orders, agreements or modifications thereof, are contingent on/subject to any and all occurrences beyond the Company's control, including but not limited to: strikes/boycotts (whether occurring at Company's plant, Customer's plant, the plant or factory of any supplier, either of the Customer or of the Company, or elsewhere), accidents, thefts, fires, war, shortage of materials/equipment, casualty, or acts of God, and Company shall not be liable for failure to perform any agreement for such causes.
7. For special/experimental finishing Company charges are not contingent on success of the work or the benefit derived therefrom by Customer. If work performed by Company is in the nature of salvaging parts, work is accepted by Customer on a best-effort basis and no liability whatsoever the kind or nature shall attach to Company.
8. Company does not perform tests (even when required by specification) that are destructive in nature and/or that require completion by a third party (i.e. laboratory) unless these tests are indicated in writing on order/contract. If such testing is indicated in writing by Customer, Customer agrees to provide extra parts or specimens made from the same material for such testing.
9. Company reserves the right to make partial or installment deliveries, for which Customer shall pay at the contract price. Defective delivery or nondelivery with respect to any installment/partial delivery under this contract shall be a severable breach and shall not give Customer the right to treat the entire contract as breached. Company shall not be liable for deterioration of finishing while in storage. Storage charges may be made for work held over one week after Customer is notified of completion.
10. Special tooling required for performance of work herein described which has been designed/built by Company shall be and remain Company property whether or not Customer is charged for time/material in connection therewith.
11. Orders may be cancelled by Customer only upon condition that Customer pays to Company the amount of labor and material expended together with a reasonable amount of profit to date of cancellation.
12. All Customer parts in Company possession shall be subject to a general lien for all monies owing by Customer to Company whether or not such monies are owing to Company for work, labor or services rendered, or materials or equipment used in connection with such parts.
13. During storage and transportation of Customer parts, Customer containers used for delivery to Company may be used for reshipment and any damage resulting from the use of such containers shall be at Customer risk. Should Customer desire other packaging/containers, Company will charge material and handling and will provide such service upon receipt of written order.
14. Invoices unpaid on due date shall be considered delinquent and thereafter subject to a finance charge computed by a single monthly periodic rate of 1.5%, being an annual percentage rate of 18%.
15. If action is necessary to enforce any Terms and Conditions of this agreement, or monies due Company, Customer agrees to pay reasonable attorney's fees and costs of suit. Customer agrees that proper venue for any action under this agreement shall be Santa Clara County, California.
16. Nothing to the contrary notwithstanding, it is specifically agreed/understood that if there is any ambiguity or conflict between customer order, instructions, and this Standard Terms and Conditions of Sale and Statement of Policy, then the Standard Terms and Conditions of Sale and Statement of Policy shall control and prevail.
17. These Terms and Conditions shall apply to this, and any future order/Agreement for finishing of any parts. The person who signs the front of this form, on behalf of Customer, acknowledges that he has read and understands Standard Terms and Conditions of Sale and Statement of Policy as set out herein, and each and every term thereof, and agrees to be bound by the Terms and Conditions. Customer's person further warrants he is authorized to enter into this agreement on behalf of Customer, and that this agreement is an integral part of the invoice and purchase order, and governs the matter.