

## CUSTOMER TERMS AND CONDITIONS

1. We warrant that processing and finishing shall meet customer's specifications supplied in writing with the order that such processing and finishing shall be free from defect in material or workmanship. 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 allowed. 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.
2. Our liability for any cause is limited to the cost of processing for each part lost or directly damaged by our processing. Customer agrees to be bound by these terms with respect to all Purchase Orders issued by vendor, current and future.
3. We shall not be liable, whether as the result of breach of contract, warranty (merchantability, fitness or other) alleged negligence or otherwise, for special, consequential or incidental damages including, but not limited to, loss of profit or revenue, loss of use of delivered materials or claims made against the customer for damages or penalties. Our charges are based on this policy-limiting liability.
4. No claim for shortage in weight or count will be allowed unless made in writing and presented or mailed within ten (10) days after receipt of material or merchandise by the customer or the customer's consignee to whom it was delivered. Shrinkage of quantity in process of two percent (2%) shall be allowed without charge or liability.
5. Any material or merchandise found upon our inspection to be improperly processed by us will be refinished without charge provided that:
  - a) Notice of defect is given in writing within ten (10) working days from the date of delivery;
  - b) AAA is given the opportunity to inspect the material or merchandise prior to return; and
  - c) Materials or merchandise returned are in the same condition as when originally delivered.

Processing or assembly of any such rejects by you or any other party shall constitute a waiver of liability on AAA Plating & Inspection, Inc.

6. We assume no liability for any loss or damage to merchandise or material while in transit to or from our facility, whether in trucks or vehicles or vehicles owned by us, the customer, or a third party acting in our, the customer's or an agent acting on our or the customer's behalf. The provisions of this section may be altered or modified by separate written agreement, and any liability we assume will be covered by separate charge for such coverage.
7. In the event that result of metal finishing operations are unsatisfactory due to metal imperfections, changes in grade or composition of materials, manufacturing and/or fabricating imperfections, usages for which the plating or other finishing operations was not reasonably designed and similar variables over which we have no control, the customer shall be required to pay the contracted amount for the finishing operation performed.
8. We reserve the right, at our option, either to reject work or invoice for added charges for finishing any base metal below our agreed-upon standard.
9. We assume no responsibility for defective plating or other finish on materials on merchandise previously plated or finished by others.

10. We shall not, under any circumstances, be considered as an insured of customer's material or merchandise and shall not be liable, regardless of cause, for loss by fire, explosion, theft, pilferage, vandalism, casualty or acts of God while such material or merchandise is in our possession. The provisions of this section may be altered or modified by separate written agreement; any liability we assume will be covered by a separate charge for such coverage.
11. Estimates are open for acceptance ninety (90) days from issuance. After ninety (90) days, prices and terms are subject to change without notice unless otherwise specified.
12. All quotations, orders, 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 (whether occurring at our facility, your plant or factory, the plant or factory of any supplier to either the customer or ourselves, or elsewhere), accidents, theft, fire, war, shortage of materials or equipment, casualty or acts of God, and we shall not be liable for failure to perform any agreement for such causes.
13. Our charges are not contingent upon the success of work or the benefit derived by the customer for special or experimental processing and/or finishing.
14. Special tools, racks and fixtures required by the performance of the work herein described which have been designed and/or built by us shall be and remain our property whether or not the customer is charged with time and/or material in connection therewith.
15. In the event of customer cancellation of an order, the customer shall reimburse us for the work completed, the work in process and for tooling and engineering expenses incurred in connection with said order.
16. All customer merchandise in our possession shall be subject to a general lien for all monies owing by the customer to us, whether or not due or payable and whether or not such monies are owing to us for work, labor or services rendered or materials or equipment used in connection with such merchandise.
17. During storage and transportation of customer material or merchandise, the customer's containers used for delivery shall be used for reshipment, and any damage resulting from the use of such containers shall be at the customer's risk. Should the customer desire other packaging or containers, we will charge for material and handling and will provide such service upon receipt of a written order.
18. The provisions of the Uniform Commercial Code shall govern unless these Terms and Conditions provide to the contrary. The laws of the State of California shall govern all interpretation of the terms of the transaction between the parties.
19. A service charge may be added to accounts not paid within thirty (30) days to cover additional processing and carrying costs.
20. In accordance with the specific requirement of this Order, Seller shall maintain a quality control system acceptable to Buyer covering the goods and services supplied hereunder. Records of all certifications and inspection work by Seller and its suppliers shall be kept complete and available to Buyer at Seller's facilities, including, without limitation, all records, reports, data and other information necessary to insure compliance with applicable Federal Acquisition Regulations.

21. The provisions hereof constitute the entire Agreement between the parties. Any changes, alterations, waivers or modifications with respect to the job performed or the terms of sale, or to any other matter set forth herein, must be in writing and signed by a duly authorized representative of our company.

These Terms and Conditions shall apply to this and any further order or agreement for the processing of any materials or merchandise, irrespective of any future Purchase Orders.

## ACKNOWLEDGEMENT OF AAA PLATING & INSPECTION, INC. PURCHASE ORDER TERMS AND CONDITIONS

\_\_\_\_\_ acknowledges that it has read and understands the "AAA Plating & Inspection, Inc. Terms and Conditions." Customer agrees to be bound by these Terms and Conditions with respect to all Purchase Orders issued by vendor, current and future.

Vendor: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

