

STANDARD TERMS AND CONDITIONS

All quotations are based upon the understanding that the work submitted will be one specific part number and consisting of one specific lot number. If the material must be processed or packaged separately due to multiple lot or part numbers or other reasons, additional charges and/or minimum billings will apply. Laboratory testing and certifications are required for most military, industrial, and automotive specifications. Some of the testing required for the specification indicated by you is listed on the initial PPAP addendum, attached and on the quote. The applicable testing fees are exclusive of processing or minimum lot charges. Each test will be performed on a per lot and/or per part basis. Due to the heavy influence of substrate physical characteristics on the quantity and quality conversion coating formation, it is our policy to test each lot to verify specification conformance. Testing other than that shown on the reverse may be required by the specification and is the responsibility of the customer.

- A. Quotations are open for acceptance sixty (60) days from issuance. After sixty (60) days, price and terms are subject to change without notice. Stenographical and clerical errors are subject to correction.
- B. 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 any other matter set forth herein must be in writing, signed by a duly authorized representative of the company. These terms and conditions shall apply to any order or agreement for the processing of any materials or merchandise.
- C. Special tools, racks and fixtures required for the performance of the work described herein designated and built by us shall be and remain the property whether or not customer is charged for time and/or material in connection herewith.
- D. We warrant the processing and finishing shall meet customer's specifications supplied in writing with the order and that such processing and finishing shall be free from defect in material or workmanship. When customer specifies methods and procedures to be followed, we shall comply whether or not the desired result is indicated. We assume no responsibility for the correctness for such methods and procedures or the result when they are followed. We do not warrant that material furnished by customer is suitable or fit for processing and finishing. (e.g., grade of steel, surface condition, hardness, incompatible oils and lubricants, graphite's, silicones, rust, etc.). We reserve the right, at our option, either to reject work or to make and extra charge for finishing any base metal below our required standard. Unplatable grades of steel, oxidized surface conditions, excessive hardness, grinding burns, brazing, paint, welds, carbon deposits, and the presence of incompatible oils and lubricants such as silicone, molybdenum, graphite, and paraffinic oils inhibit the application of a complete and uniform coating. Parker Rust-Proof will not be held responsible for the defective plating which may result from coating over such compounds.
- E. No claim for shortage in weight or count, or defect in quality, whether latent or patent, will be allowed unless made in writing and presented by certified mail, within three (3) working days after receipt of material by the customer or the customer's consignee to whom it is delivered, the customer hereby expressly assuming the risk of discovering such shortage or defect within such time, provided, however, a shrinkage of quantity in processing of two (2) percent shall be allowed without charge or liability.
- F. This warranty is expressly in lieu of all other warranties, expressed or implied. Our liability for any loss or damage of any nature, including, without limit, direct, indirect and consequential damage, is limited to the customer's cost of the material or merchandise or our processing and finishing price for such material, whichever amount is lesser.
- G. We assume no responsibility for defective phosphating or other finish on material or merchandise previously plated or finished by others. Such defective merchandise should be returned to the original supplier for refinishing.
- H. Any material or merchandise found, upon our inspections, to be improperly processed by us will be refinished without charge provided:
 - I. That notice of defect is given in writing within (3) working days from the date of delivery.
 - II. That we are given the opportunity to inspect the material or merchandise prior to return.
 - III. That materials or merchandise returned are in the same condition as when originally delivered by us.
- I. In special or experimental processing and finishing, our charges are not contingent upon the success of the work or the benefit derived therefrom by the customer.
- J. All quotations, orders or agreements, or any 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 factory, your plant or factory, the plant or factory of any supplier, either of the customer or of ourselves, or elsewhere), accidents, theft, fires, 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. Should we notify you of our inability to perform any agreement for such causes, you are required at your own risk and responsibility, and at your own cost and expense, to pick up at our factory the raw, finished or unfinished material which we have, belonging to you.
- K. Terms-net 15 days from date of invoice unless otherwise arranged. A 1-½ % monthly service charge will be added to invoices not paid within 30 days.
- L. Shipments are made F.O.B. our plant unless otherwise arranged. Material sent to us for additional processing must be prepaid. We assume no liability for any loss of or damage to merchandise or material while in transit to or from our factory, whether in trucks or vehicles owned by us, the customer, or any third person acting in our or the customer's behalf, or for any loss or damage to said merchandise or materials while the same are in our possession for any cause whatsoever, including, but not limited to theft, fire, casualty, or act of God.
- M. Deliveries made by us within ten (10) days of the time specified shall be deemed in full compliance with our agreement. It is agreed that we shall have the right to make partial or installment or partial delivery under this contract shall be severable breach and shall not give the purchaser the right to treat the entire contract as breached.
- N. No claim will be allowed for shrinkage, expansion, deformity, rupture or other alteration or material in finishing, nor for breakage in straightening. We assume no responsibility for material left in our possession for a period of five (5) working days after notification of process completion. If material needs to be reprocessed, we will do so at customers' discretion and expense.
- O. During storage and transportation of customer's material, customer's containers used for delivery to us shall be used and any damage resulting from such containers shall be at the customer's risk. Should customer desire other packaging or containers, we will charge for material and handling and will provide such service upon receipt of written order.
- P. All customer's 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 on connection with such merchandise.

Parker Rust-Proof of Cleveland assumes no responsibility for any customer manufacturing costs, loss of sales, freight, loss of profits, inspections or any other incurred costs. Because of the precision dimensional tolerances specified by industries such as nuclear, military, aircraft, automotive, etc., we cannot certify incoming material for dimensional accuracy thus, limiting our liability to the processing charges billed by Parker Rust-Proof of Cleveland.