



SELECTIVE PLATING INC. STANDARD TERMS & CONDITIONS OF SALE

It is generally recognized that even after employing all the science known to us, and capable men with years of training, there still remain variables in the electroplating and metal finishing industries. Therefore, in order to avoid misunderstandings, Selective Plating Inc. is restating the following Terms and Conditions as the custom and usage of the trade. These Terms and Conditions apply to all sales.

1. 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.
2. For continuous strip coil plating, our liability for any cause is limited to, at the option of Selective Plating, either rework of the customer-supplied material or reimbursement for the value of the out of specification material including plating charges and minus any scrap value. For piece part plating, 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 placing your order, you expressly agree to this limitation.
3. No claim for shortage in weight or count will be allowed unless made within three (3) working days after receipt of material or merchandise by the customer or the customer's consignee to whom it was delivered, provided, however, a shrinkage or defective quantity in bulk processing of two (2%) percent and in case of reel-to-reel plating/coil-to-coil plating, five (5%) percent shall be allowed without charge or liability. 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.
4. In order to assert a claim against us, the customer must return any material or merchandise processed by us for our inspection. No claim shall be allowed until such inspection is performed by us.
5. To satisfy a claim of defect, we will have the right, but not the obligation, to refinish the material at our cost. Any material or merchandise found, upon our inspection, to be improperly processed by us may be refinished without charge provided: (a) Notice of defect is given verbally within ninety (90) working days and in writing within ninety-five (95) working days from the date of delivery; (b) Materials or merchandise returned has not been altered structurally or chemically since processed by us. Processing or assembly of any such rejects by you or any other party shall constitute a waiver of any liability on our part.
6. We assume no liability for any loss 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.



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7. 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.
8. We reserve the right, at our option, either to reject work or to make an extra charge for finishing any base metal below our agreed standard.
9. We assume no responsibility for defective plating or other finish on materials or merchandise previously plated or finished by others.
10. 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 or acts of God while such material or merchandise is in our possession.
11. Quotations are open for acceptance during the period shown up to the Expiration Date. After that, prices and terms are subject to change. Selective Plating reserves the right to adjust pricing before the stated expiration date if there are significant changes in costs of material and labor used to process customer orders. For small orders, a minimum lot charge may apply. This amount charged may be adjusted from time to time based on economic conditions and costs of manufacturing.
12. 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 (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, thefts, 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.
13. For special or experimental processing and finishing, our charges are not contingent upon success of the work or benefit derived there from by the customer. Abnormal pre-plating processes such as de-scaling, de-rusting, sandblasting, etc. will necessitate additional charges unless noted in a quotation.
14. Normal delivery lead time is ten (10) working days. Business conditions and/or order size may result in longer lead time. If needed, we can make partial or installment deliveries, for which the customer shall pay at the contract price. Large orders may take longer to complete. Customer is responsible to communicate critical delivery dates to Selective Plating and whenever possible, we will notify customer of any inability to meet those dates or changes to the schedule that may affect our ability to meet a delivery date. Defective delivery or non-delivery with respect to any installment or partial delivery under this contract shall be severable breach and shall not give the customer the right to treat the entire contract as breached.



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15. Special tools, racks and fixtures required for 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.
16. In the event of customer's cancellation of order, the customer shall reimburse us for the work completed and work in process and for tooling and engineering expenses incurred in connection with such order and any lost profit.
17. 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.
18. During storage and transportation of customer's material or merchandise, customer's containers used for delivery to us 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. Additional charges may be incurred by the customer for repackaging goods to other specifications. Material that arrives on with damaged packaging may be repackaged to insure safe transport of finished goods to customer. Additional charges may apply depending on the nature of the packaging provided.
19. A service charge in the amount of the lesser of 1 1/2% per month (18% per annum), or the maximum allowed by law, will be added to all invoices that are thirty (30) days past due as of the tenth of the following month.
20. The provisions of the Uniform Commercial Code shall govern, except as provided in these Terms and Conditions to the contrary and all interpretation of the terms of the transaction between the parties shall be governed by the laws of the State of Illinois.
21. 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.
22. 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.
23. We make no warranties or representations, express 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 23 IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.



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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 Selective Plating Inc. These terms and conditions shall apply to any existing or future order or agreement for the processing of any materials or merchandise. Our acceptance of your order is expressly made conditional on customer acceptance of these Terms and Conditions.