

Sheffield Platers, Incorporated Standard Terms and Conditions of Sale

1. Workmanship

Sheffield Platers, Inc. (here on out referred to as SPI, we, or us) warrant that processing and finishing shall meet customers specifications supplied in writing with the order and that such processing and finishing shall be free from defect in material or workmanship.

If the customer specifies methods and procedures to be followed, SPI 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, parts to be processed and finished, and other post plating operations and testing requirements, SPI assumes no liability for subsequent failures or defects.

2. Liability

SPI's liability for any cause is limited to: (a) the cost of direct labor and material of product lost or directly damaged by our processing, or (b) two times (2x) our processing charges on such material, whichever is lesser.

SPI shall not be liable, whether as a 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 the delivered materials or claims made against the customer for damages or penalties. SPI's charges are based on this policy-limiting liability.

No claim for shortage in weight or count will be allowed unless made in writing and presented or mailed within three (3) working days after receipt of material or merchandise by the customer or the customer's consignee to whom it was delivered. However, a reduction in quantity in processing of two percent (2%) or less shall be allowed without charge of liability.

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) we are given the opportunity to inspect the alleged defect in the material or merchandise prior to and upon its return, and
- c) materials or merchandise have not undergone any post plating assembly or operations that could have affected the plated surface finish

Processing or assembly of any such rejects by you or any other party shall constitute a waiver of any liability on our part. Such post plating assembly or operation shall be deemed customer acceptance in whole of SPI's delivery against its contractual obligations.

3. Loss and/or Damage

SPI assumes no liability for any loss of or damage to merchandise or material while in transit to or from our facility, whether in trucks or vehicles owned by us, the customer, or a third party common carrier acting in our or the customers behalf. The provisions of this section may be altered or modified by written separate agreement, and any liability we assume will be covered by separate charge for such coverage.

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

operation was not reasonably designed, and similar variables over which we have no control, the customer would be required to pay the contracted amount for the finishing operation performed.

We reserve the right, at our option, either to reject work or make an extra charge for finishing any base metal below our agreed upon standard and/or factory capability.

SPI assumes no liability for defective plating or other finish on materials or merchandise previously plated or finished by others.

SPI shall not, under any circumstances, be considered 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. The provisions of this section may be altered or modified by separate written agreement, and any liability SPI will assume will be covered by a separate charge for such coverage.

4. Effective Time

Quotations are open for acceptance thirty (30) days from issuance. After 30 days, prices and terms are subject to change without notice unless otherwise specified.

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 factory, your plant or factory of any supplier to either the customer or ourselves, or elsewhere), accidents, thefts, fires, war, shortage of materials or equipment, casualty or acts of God, and SPI shall not be liable for failure to perform any agreement for such causes.

For special or experimental processing and finishing, our charges are not contingent upon the success of the work or the benefit derived there from by the customer.

Deliveries made by us within ten (10) days of the time specified shall be deemed in full compliance with our agreement. SPI reserve the right to make partial or installment deliveries, for which the customer shall pay the contract price. Defective delivery or non-delivery with respect to any installment or partial delivery under this contract shall be a severable breach and shall not give the customer the right to treat the entire contract as breached.

5. Tooling

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 the time and/or material in connection therewith.

6. Cancellations

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.

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.

7. Storage and Transportation

During storage and transportation of customer material or merchandise, the 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

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desire other packaging or containers, we will charge for material and handling and will provide such service upon receipt of written order.

SPI reserves the right to use alternative packaging options to preserve the finish quality of said customer materials or merchandise.

The provisions of the Uniform Commercial Code shall govern unless these Terms and Conditions provide to the contrary. All interpretation of the terms of transaction between the parties shall be governed by the laws of our state of domicile.

8. Contract Review

Before acceptance of a contract, contract change notice or other required change, the customer (s) shall provide on their Purchase Order the following requirements.

- a. Specification number (s), applicable Type (s), Class (es), Grade (s), and items related to quality.
- b. Determine that we have the customer approvals necessary to meet all contract requirements.

9. International Traffic and Arms Regulations (ITAR) and Export Administration Regulation (EAR)

Certain materials or merchandise are subject to US export controls laws and regulations. Export controls may arise when (a) subject materials or merchandise have potential military applications or economic protection issues. (b) government concerns exist about destination country, organization, or individual, and (c) government concerns about the declared or suspected end use or end user of the export.

SPI reserves the right to solicit from its customers the applicability of US export control laws and regulations, such as ITAR and EAR, to their materials. Upon customer confirmation of such applicability, SPI will clearly mark the job routers and any other work paper related to the subject merchandise with "ITAR/EAR Restricted" stamp.

SPI will restrict the distribution of information regarding these "ITAR/EAR Restricted" materials only to designated recipient(s) authorized in writing by the customer.

10. Order Acknowledgement

SPI will acknowledge customer orders via phone, fax, or e-mail communication within seventy two to ninety six (72-96) hours of receipt of such material or merchandise. Such acknowledgement will contain the terms of the plating agreement including but not limited to finishing specification(s), pricing, quantity accepted, payment terms, delivery method, and other contracted requirements.

All quantities received by us for finishing are subject to incoming count verification. Any overage or shortage in quantity will be communicated to the customer at the time of discovery.

In the event of customer failure to notify SPI in writing of any discrepancies between our order acknowledgement and their purchase order, the terms of our order acknowledgement will take precedence.

All finishing work performed by SPI is subject to recovery charges for hazardous waste disposal.

11. Payment Terms

SPI's payment terms include account, Cash on Delivery (COD), purchasing card, and other acceptable means of payment.

Our standard account term is Net 30, unless a written agreement to the contrary is established.

New customers will be initially set up as Cash on Delivery (COD) accounts. Customers may establish credit account with SPI by submitting credit/trade information and reference sheet, subject to accounting approval.

12. Payment

A service charge maybe added to accounts not paid within thirty (30) days to cover additional processing and carrying costs. If any legal action is necessary to enforce the terms of this agreement, the prevailing party shall be entitled to reasonable attorney fees in addition to any other relief to which it may be entitled.

The provisions hereof constitute the entire agreement between the parties. Any changes, alterations, waivers or modifications with respect to either job performed or the terms of sale, or to any other matter set forth herein, must be in writing and signed by a duly sworn or authorized representative of our company. These terms and conditions shall apply to this and any future order or agreement for processing of any materials or merchandise.