

SURTRONICS, INC

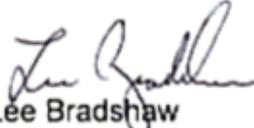
ELECTROPLATING & ANODIZING

Standard Terms and Conditions of Sale

The National Association of Surface Finishers wish to remind you of the established practices of the metal finishing industry in processing your materials. It is generally recognized that even after employing all the science known to our industry and using capable people with years of training, there still remain variables in the electroplating, anodizing and metal finishing fields.

These practices have been formalized and unanimously adopted by the members of this Association and Surtronics, Inc. As a consequence, in order to avoid misunderstandings, we are hereby setting forth the below conditions under which your material will be accepted for processing:

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 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 followed. The warranties of merchantability and fitness for a particular purpose are hereby expressly made non-applicable. Compensation will only be given in the form of credit towards future processing unless agreed otherwise in writing prior to processing the job.
2. No claim for shortage in weight or count will be allowed unless made in writing and presented or mailed within ten (10) working days after receipt of materials by the customer or the customer's consignee, provided however, shrinkage of quantity in processing of five percent (5%) shall be allowed without charge or liability.
3. Any material found, upon our inspection, to be improperly processed by us will be furnished without charge provided:
 - a) That notice of defect is given in writing within ten (10) days from the date of delivery, b) That we are given the opportunity to inspect the material or merchandise prior to return, c) That materials returned are in the same condition as when originally delivered by us.
 - d) That the base material furnished for processing is designated on the customer's PO.Processing or assembly of any such rejects by you or any other party shall constitute a waiver of any liability on our part.
4. We assume no liability for any loss or damage to material while in transit to our factory, whether in vehicles owned by the customer or any third person acting in our or the customer's behalf.
5. 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, usage 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.
6. We reserve the right, at our opinion, to reject work or to make an extra charge for finishing any base metal below our agreed standard. Due to the high risk of damage from differential heating of alloy constituents in high copper aluminum alloys, all 2000 series aluminum alloys will only be hard anodized (type III) on a "best effort" basis and Surtronics shall have no liability for parts damaged during the process.
7. We assume no responsibility for defective plating, anodizing, or other finish on materials previously plated or finished by others.
8. We shall not under any circumstances be considered as an insurer of customer's material and shall not be liable, regardless of cause, for loss by fire, explosion, theft, pilferage, vandalism, casualty or acts of God while such material is in our possession. The provisions of this section may be altered or modified by separate written agreement and any liability we assume will be covered by a separate charge for such coverage.
9. Quotations 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.
10. 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), accident, 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.
11. For special or experimental processing and finishing, our charges are not contingent upon the success of the work or the benefit derived by the customer.
12. We reserve the right to make partial or installment deliveries, for which the customer shall pay at the contract price. Defective delivery or non-delivery under this contract shall be a severable breach and shall not give the customer the right to treat the entire contract as breached.
13. Special tools, racks, and fixtures required for the performance of the work herein described which have been designed and/or built by Surtronics Inc. shall remain our property whether or not the customer is charged with time and/or material in connection therewith.
14. The customer agrees not to use or disclose any information to a third party that it now has or may acquire concerning racking, fixturing, chemical processes or procedures we use in our metal finishing. If the customer violates any of the terms herein provided, the customer shall pay the seller damages.
15. Rack marks will be permissible and unless specifically directed otherwise are left up to Surtronics Inc. discretion as to the number, size and location. Customers will be notified regarding specific processing issues, such as bleed-out from threaded blind holes. Surtronics will make recommendations regarding masking, but will not be held liable for non-conforming product.
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.
17. All customer's materials in our possession shall be subject to a general lien for all monies owed us by the customer, whether or not due or payable, and whether or not such monies are owed us for work, labor or services rendered, or materials or equipment used in connection with such material.
18. During storage and transportation of customer's material, customer's containers used for delivery to Surtronics Inc, shall be used for reshipment and any damage resulting from the use of such containers shall be at the customer's risk. Should customer desire other packaging, we will charge for material and handling and will provide such service upon receipt of a written order.
19. 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%.
20. The provisions of the Uniform Commercial Code shall govern unless these Terms and Conditions provide to the contrary. All interpretation of the terms of the transaction between the parties shall be governed and construed in accordance with the laws of the State of North Carolina.
21. The provisions hereof constitute the entire agreement between the parties. Any changes, alterations, waivers, or modifications with respect either 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 our company. These terms and conditions shall apply to this and any future order or agreement for the processing of any materials.



Lee Bradshaw
General Manager