



Customer Terms & Conditions

Our terms are Net 30; Interest will be charged at the rate of 18% per annum on all balances not paid in full within 30 days of invoice date. All customers are considered COD until a credit application is received and approved. We accept cash, check, Visa and Mastercard.

Customer grants to SPI a lien in all of its parts and orders. Customer authorizes SPI to retain any of its parts or orders pending payment of amounts due SPI or to sell the parts or orders and apply the proceeds to amounts due as allowed by Colorado law.

SPI must be notified in writing within 15 days of the packing list date of any claim or discrepancies with completed parts and the claim must be accompanied by the packing list and invoice. If not so notified, acceptance is deemed to have occurred and the customer thereby waives any complaint as to the condition of the parts or the content of such shipment.

Any discrepancies regarding dimensions will not be considered unless accompanied with an inspection report showing the dimensions of all the parts that were processed at SPI.

SPI will not be liable to customer for any indirect, incidental, special, punitive, or consequential damages, including, but not limited to, loss of profits, revenue, or use, incurred or suffered by the customer SPI's entire liability shall in no event exceed the lesser of the total of all payments made by Customer to SPI for the specific job, three times the plating cost (this does not include masking costs) or the customer's cost of the part.

SPI relies solely on the specifications set forth in the customer's purchase order for processing the order, not any drawings from customer.

Any parts requiring masking must be delivered with a drawing that is legible and not altered. Parts with no prints will be processed at the customer's risk and no claims will be accepted by SPI.

SPI will not accept any claim where a drawing has been altered in anyway.

Customer is responsible for properly packing its parts when shipping them to SPI. SPI shall not be responsible for any damage claims arising from parts that are not packed correctly by the customer.

We assume no liability for any loss of or damage to merchandise or material while in transit to of from our facility whether on the customer's truck or any third person acting on our or the customer's behalf.

Parts that have not been picked up within 20 days after notice of completion will be subject to a storage fee of \$5 per day. Parts not picked up by customer after three months will be sold to pay for SPI's services and storage fees.

Customer shall disclose the hardness of the material, the tensile strength, type of material, and identify the parts require baking on its purchase order. SPI is not responsible for hydrogen embrittlement claims or cracked parts if customer fails to provide this information.

The customer is responsible for a minimum charge if it terminates the order before processing is complete. This fee will be assessed based on the stage of production and is payable before the job will be released.

Pricing is subject to change and quotes are valid for 30 days.

Any dispute or claim shall be resolved exclusively in the courts of Denver County, Colorado. The prevailing party shall be awarded its attorney fees.

SPI has the authority to change any and all due dates if they are unreasonable and/or unrealistic.

SPI DISCLAIMS LIABILITY FOR ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

SPECIALTY PLATING, INC. SUPPLIER REQUIREMENTS

Specialty Plating, Inc tracks supplier performance based upon quality, delivery, and provision of required certificates test reports, as applicable, and maintains supplier data accordingly. If suppliers fail to meet Specialty Plating, Inc.s (SPI) requirements for quality, delivery, terms and conditions (including those stated herein), Specialty Plating, Inc. personnel will resolve such

issues using means appropriate to the nature and severity of problems encountered. Resolution may involve correction, Corrective Action, or disqualification of suppliers from use, depending on the nature and severity of the issues.

To become and remain a supplier to Specialty Plating, Inc, please read, acknowledge, and accept the following Specialty Plating, Inc. supplier requirements which are applicable until further notice:

Suppliers must use special process sources that are approved by SPI's customers, as required. Suppliers must abide by SPI customers supplier approval requirements, which are identified in SPI Purchase Orders, or in other written statements of requirement, when applicable.

Suppliers are required to notify SPI of nonconforming product when it is discovered at suppliers locations and in cases where release to SPI has occurred, if applicable. SPI's' President and/or affected General Manager must review and disposition such nonconforming product according to established SPI or customer procedures.

Suppliers are required to notify SPI of changes in product and/or process, changes of suppliers, and changes of manufacturing location. SPI's' President and/or affected General Manager must review and approve proposed process changes before they are implemented, where required by SPI's customers and specified by SPI.

Suppliers are required to provide right of access by SPI's' management, our customers, and regulatory authorities to all applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

Suppliers are required to maintain all applicable records for a minimum retention period of 7 years.

Where SPI, or its customer, intend to perform verification at the suppliers premises, Specialty Plating, Inc. shall state the intended verification arrangements and method of product release in the purchasing information.

Suppliers are required to flow down to the supply chain the applicable requirements including SPI's customer requirements.

Suppliers are responsible to take Corrective Actions when Specialty Plating, Inc. or its customers flow down corrective action requirements, in cases when it is determined that suppliers are responsible for the nonconformity. Actions may be documented using SPI Action Forms, customers'corrective action forms, or supplier forms, as appropriate. Suppliers are required to respond to Corrective Action requests in a timely manner. Corrective Actions must demonstrate root cause(s) analysis, action implementation, and verification of action effectiveness. Should actions prove ineffective, alternate actions may be requested or suppliers may be disqualified from use.

Suppliers of calibration services or calibrated equipment is required to provide certificates of calibration bearing traceability to the National Institute of Standards and Technology (NIST), reporting *as found* information and *adjustment* information, as applicable and measurement data.

Suppliers of chemicals it is required to provide certificates of analysis bearing traceability based on lot numbers, Safety Data Sheets with each delivery that are electronically submitted, and has the appropriate hazardous warnings on the outside of the container.

Finally, Specialty Plating, Inc. is an ITAR (International Traffic in Arms Regulations) Registered company. It is our duty to ensure that our customers ITAR controlled items or technical data are protected. Approved vendors are required to formally agree to the following:

Supplier agrees they have controls in place that prevent individuals from ITAR proscribed countries (see below) from coming in contact with Specialty Plating, Inc. provided technical data and items.

Supplier agrees to return or shred all technical documents provided by Specialty Plating, Inc.

Supplier agrees to return all items and parts, damaged, un-usable or otherwise provided by Specialty Plating, Inc..

Non-ITAR registered suppliers who receive technical data or items from Specialty Plating, Inc. must confirm that they do not engage in the export of items or technical data to proscribed countries. (See Below).

ITAR list of proscribed countries:

Afghanistan
Angola
Belarus
Burma
China (PRC)
Cyprus
Cuba
Haiti
Iran
Iraq
iberia
Libya
Nigeria
North Korea
Rwanda
Somalia

Sudan
Syria
Vietnam
Yemen
Zimbabwe

The above terms and requirements pertain to each SPI's' Purchase Order and purchasing contracts; acknowledgement and acceptance of the above terms and requirements will be evidenced by suppliers acceptance of SPI's Purchase Orders or purchasing contracts.

The organization shall validate any processes for production and service provision where the resulting output cannot be verified by subsequent monitoring or measurement. This includes any processes where deficiencies become apparent only after the product is in use or the service has been delivered.

Validation shall demonstrate the ability of these processes to achieve planned results.

The organization shall establish arrangements for these processes including, as applicable:

- a) defined criteria for review and approval of the processes, qualification and approval of special processes prior to use,
- b) approval of equipment and qualification of personnel,
- c) use of specific methods and procedures, control of the significant operations and parameters of special processes in accordance with documented process specifications and changes thereto,
- d) requirements for record retention (see above)
- e) re-validation.

If you have any questions, please do not hesitate to contact us at (303) 733-4470.

Thank you for your cooperation in this matter.

Sincerely,
Heather Williams
General Manager