

HYDRO-PLATERS, INC. TERMS AND CONDITIONS OF SALE

The following Terms and Conditions apply to all orders placed with Hydro-Platers, Inc. for electroplating, grinding, coating, metal finishing, research, consulting, or any other related services. Any additional or different terms of conditions proposed by Customer are objected to and are hereby rejected. Customer hereby assents to and shall be bound by each and every term and condition set forth herein, notwithstanding and irrespective of any terms and conditions in Customer's purchase order or other purchase documents (whenever issued) which may be different than or inconsistent with those stated herein. Hydro-Platers, Inc. has an office at 3525 W. Kiehnau Ave., Milwaukee, Wisconsin 53209 and shall be referred to herein as "Hydro-Platers." The entity or person who is ordering the services or products shall be referred to herein as the "Customer."

1. **Warranty.** Hydro-Platers warrants that processing and finishing shall meet Customer's specifications supplied in writing with the order. When specification revision level is not called out by Customer, Customer will accept specification revision level on file at Hydro-Platers. Hydro-Platers warrants that processing and finishing shall be performed in a workmanlike manner and in accordance with generally accepted standards in the industry 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, Hydro-Platers will assume no responsibility for the correctness of such methods and procedures or the result when they are followed. The warranty contained in this Section 1 expires at the close of fifteen (15) days after delivery of the order to which this warranty applies. No Terms or Conditions of any Purchase Order or similar document submitted by applicant will become part of any agreement with Hydro-Platers, Inc. unless accepted in writing. Hydro-Platers' sole obligation, and Customer's exclusive remedy, for any breach of the warranty contained in this section shall be, at Hydro-Platers' sole option, either (a) re-performing the defective processing or services, or (b) refund of the actual purchase price paid to Customer for the defective processing or services.

2. **Limitation of Warranty; Disclaimer.** THE FOREGOING WARRANTY IN SECTION 1 IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED AND EXCLUDED BY HYDRO-PLATERS. HYDRO-PLATERS' TOTAL LIABILITY TO CUSTOMER FOR ANY CAUSE SHALL BE LIMITED TO THE LESSER OF THE COST OF DIRECT LABOR AND MATERIAL OF THE DEFECTIVE PRODUCT PRIOR TO HYDRO-PLATERS' PROCESSING OF THE PRODUCT OR THE AMOUNT ACTUALLY PAID BY CUSTOMER TO HYDRO-PLATERS. IN NO EVENT SHALL HYDRO-PLATERS BE LIABLE FOR CUSTOMER'S OR ANY OTHER PERSONS' CONSEQUENTIAL OR INCIDENTAL DAMAGES EITHER IN CONTRACT OR IN TORT RESULTING FROM HYDRO-PLATERS' PERFORMANCE UNDER ANY ORDER, INCLUDING BUT NOT LIMITED TO, LOST PROFITS, LOST REVENUE, OTHER ECONOMIC LOSSES, OR ANY DAMAGES THAT RESULT IN ANY WAY FROM CUSTOMER'S OR ANY OTHER PERSONS' RELIANCE OR USE OF ANY PRODUCTS OR MATERIALS WORKED ON OR PROVIDED UNDER ANY ORDER, EVEN IF HYDRO-PLATERS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

3. **Shortages in Weight or Count.** 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 material or merchandise by the Customer or the Customer's consignee to whom delivered, provided however, a shrinkage of

quantity in the processing of five percent (5%) shall be allowed without charge or liability.

4. **Defects.** Further processing or assembly by the Customer or any other party of any materials or merchandise later found to be defectively processed by Hydro-Platers shall constitute a waiver of any liability on Hydro-Platers' part.

5. **Risk of Loss.** Hydro-Platers assumes no liability for any loss or damage to merchandise or material while in transit to or from Hydro-Platers' factory, whether in trucks or vehicles owned by Hydro-Platers, the Customer, or any third person acting in Hydro-Platers or the Customer's behalf. Merchandise or materials to be shipped by Hydro-Platers shall be F.O.B. to Hydro-Platers' location.

6. **NADCAP, ITAR, and other customer required specifications.** Hydro-Platers requests customers to notify Hydro-Platers on RFQ's and/or PO's of job requirements such as NADCAP, required plating specifications, or other information necessary for Hydro-Platers to run the job properly. These regulations and certifications are taken seriously by Hydro-Platers. This paragraph serves as a formal request for such information on your RFQ and/or PO. In the event such information is not provided Hydro-Platers may make the determination that they are not required.

7. **Operations.** 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 Hydro-Platers has no control, the Customer will be required to pay the contracted amount for finishing operation(s) performed. Hydro-Platers reserves the right, at Hydro-Platers' option, either to reject or make an extra charge for finishing any base metal below Hydro-Platers' agreed standard. Hydro-Platers assumes no responsibility for defective plating, grinding or other finish on materials or merchandise previously plated or finished by others.

8. **Materials Cost Adjustment.** THESE PRICES ARE BASED ON CURRENT METAL PRICES ON THE LME "LONDON METALS EXCHANGE". PRICES ON PARTS MAY BE ADJUSTED QUARTERLY BY HYDRO-PLATERS TO REFLECT CHANGES IN METALS COST AS LISTED ON THE LME. THE NEW PRICES WILL BE EFFECTIVE ON ALL PARTS PLATED AFTER GIVING CUSTOMERS 15 DAYS WRITTEN NOTICE.

9. **Non-insurer.** Hydro-Platers 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 Hydro-Platers'

possession. The provisions of this Section may be altered or modified by separate written agreement and any liability Hydro-Platers' assumes will be covered by a separate charge for such coverage.

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

11. **Force Majeure.** All quotations, orders, agreements, or modifications thereof, are contingent upon and subject to any and all occurrences beyond Hydro-Platers' control, including but not limited to strikes or boycotts (whether occurring at Hydro-Platers' factory, Customer's plant or factory, the plant or factory of any supplier, either of the Customer or of Hydro-Platers', or elsewhere), accidents, thefts, fires, war, shortage of materials, equipment, casualty, or acts of God. Hydro-Platers shall not be liable for failure to perform any agreement for such causes.

12. **Special or Experimental Operations.** For special prototype(s), First Article(s), Sample(s) or experimental processing, and finishing, Hydro-Platers' charges are not contingent upon the success of the work or the benefit derived therefrom by the Customer.

13. **Delivery, Storage and Transportation.** Deliveries made by us within ten (10) days of the time specified shall be deemed in full compliance with the time agreed upon. Hydro-Platers reserves the right to make partial or installment deliveries, for which the Customer shall pay at 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.

14. **Ownership.** Special tools, racks and fixtures required for the performance of the work herein described which have been designed and/or built by Hydro-Platers shall be and remain Hydro-Platers' property whether or not the Customer is charged with time and/or materials in connection therewith.

15. **Change of Ownership.** Hydro-Platers, Inc. must be notified in writing, and by certified mail of any change in ownership, the name or the business structure under which credit is established.

16. **Cancellation of Order.** In the event of Customer's cancellation of order, the Customer shall reimburse Hydro-Platers for the work completed and work in process and for tooling and engineering expenses incurred in connection with such order.

17. **Security.** All Customer's merchandise in our possession shall be subject to a general lien for all monies owing by the Customer to Hydro-Platers, whether or not due or payable, and whether or not such monies are owing to Hydro-Platers for work, labor, or services rendered, or materials or equipment used in connection with such merchandise.

18. **Payment and Finance Charge.** All invoices are due per Hydro-Platers, Inc. payment terms and shall be considered delinquent if past agreed payment terms. If not otherwise specified in an invoice, Customer shall pay each invoice with no deduction or setoff within thirty (30) days of the date of the invoice. C.O.D. restrictions may be placed on any delinquent account and thereafter subject to a FINANCE CHARGE computed by a single monthly periodic rate of 1 ½% being an ANNUAL

PERCENTAGE RATE OF 18%, provided that the rate of interest is not to exceed the maximum amount allowed by law. All amounts due for purchases are payable to 3525 W. Kiehnau Ave., Milwaukee, WI 53209. Additionally Customer is responsible for all costs of collection, including reasonable attorney's fees, incurred by Hydro-Platers to collect past due invoices, whether or not litigation is required.

19. **Default.** In the event of bankruptcy or insolvency proceedings involving Customer, or in the event of the appointment of an assignee for the benefit of creditors or of a receiver, or if Customer is insolvent or fails to perform any obligation arising from this order or the terms and conditions contained herein, including, but not limited to, default of payment, Hydro-Platers may, without any liability whatsoever and without prejudice to any other rights or remedies which Hydro-Platers may have at law or in equity, immediately terminate in whole or in part, further performance by Hydro-Platers of its obligations arising from this order or the terms and conditions contained herein.

20. **Extension of Credit.** If applicable, any Customer receiving an extension of credit authorizes its creditors, banks and financial institutions to release credit, banking and financial data to Hydro-Platers. Hydro-Platers shall have the right to obtain and review any financial documents of Customer upon any request. Should it be necessary to assign the account balance on an extension of credit to a licensed collection agency or to an attorney for legal action, all subsequent collection charges and/or legal fees shall be paid by Customer. Hydro-Platers reserves the right to place any credit account with an overdue balance on "Shipment Hold".

21. **Confidentiality.** Customer agrees not to use or disclose any information to a third person that it now has or may hereafter acquire concerning racking, fixturing, chemical processes or procedures; Hydro-Platers use in its metal finishing process concerning the items disclosed herein, which are the subject matter of this order.

22. **Miscellaneous.** The provisions hereof shall be governed by and construed in accordance with the laws of the State of Wisconsin, without regard to conflict of law principles. The parties hereby consent to the exclusive jurisdiction and venue of the courts located in Milwaukee County, Wisconsin. In the event any provision hereof shall be deemed to be invalid or unenforceable by a court of competent jurisdiction, the remainder of the provisions shall continue in full force and effect. The headings contained in these Terms and Conditions are inserted for convenience only and in no way define, limit, or extend the scope or intent of any provision of these Terms and Conditions. Failure of Hydro-Platers to insist on performance of any of these Terms and Conditions or requirements of the underlying order, shall not be construed of a waiver of such Terms and Conditions or requirements and shall not affect the right of Hydro-Platers thereafter to enforce each and every term, condition or requirement hereof.

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 the sale, or any other matter set forth herein must be in writing and signed by a duly authorized representative of Hydro-Platers. These Terms and Conditions shall apply to this and any future order or agreement for the processing of any materials or merchandise.