

GENERAL TERMS AND CONDITIONS

Upon receipt of work we assume that its existing condition as supplied by customer, has been engineered and designed to withstand the heat treatment necessary to obtain the specified end requirement.

Minimum Charge Policy: Any part, regardless of amount, which is processed by Seller is subject to a minimum lot charge. The price for heat treating carries a per pound or piece value, and when the calculated cost is less than the minimum charge, the minimum charge will apply.

Sample Charge Policy: A less than minimum charge quantity of any part, when submitted as initial samples, will be treated as a minimum charge. When, and if, that same part is sent to us for production processing and the calculated cost is at least twice the minimum charge, we will gladly credit your account for the cost of the initial samples upon your written request. You must identify the sample part and the production quantity by referring to our shop order numbers and do so within 20 days of the production processing.

Invoices are payable in U.S. Funds on a "Net 30 Day" basis unless otherwise indicated.

Any dispute, controversy or claim arising out of or relating to any order processed by us which cannot be settled by the parties involved, shall be settled by arbitration to be held in Detroit, Michigan in accordance with the Rules, then applicable, of the American Arbitration Association; and judgment upon the award rendered by the Arbitrator(s) shall be final and binding upon the parties and may be entered in any court, State or Federal, having jurisdiction.

STATEMENT OF LIMITED LIABILITY

ALL WORK IS PERFORMED SUBJECT TO THE FOLLOWING TERMS:

THE BUYER OF METAL TREATING SERVICES FROM THE SELLER, UNDERSTANDS THAT EVEN AFTER EMPLOYING ALL THE SCIENTIFIC METHODS KNOWN TO THE SELLER, HAZARDS STILL REMAIN IN METAL TREATING. THE BUYER THEREFORE AGREES THAT SELLER'S LIABILITY SHALL NOT EXCEED TWICE THE AMOUNT OF THE CHARGES FOR THE WORK DONE ON ANY MATERIAL. THE BUYER AGREES AND UNDERSTANDS THAT THIS LIMITATION OF LIABILITY IS NOT AN EXCULPATORY CLAUSE. THE REIMBURSEMENT AND FULL LIABILITY OF THE SELLER SHALL NOT EXCEED TWICE THE AMOUNT OF THE CHARGES FOR THE WORK DONE BY THE SELLER ON ANY MATERIAL. THIS IS INTENDED TO REIMBURSE THE BUYER FOR THE CHARGES AND TO FULLY COMPENSATE THE BUYER IN THE AMOUNT OF THE CHARGES. THIS TERM APPLIES TO ALL WORK DONE BY THE SELLER EXCEPT WHERE OTHERWISE AGREED TO IN A WRITTEN AGREEMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE SELLER.

THE BUYER, BY CONTRACTING FOR METAL TREATMENT, AGREES TO ACCEPT THE LIMITS OF LIABILITY AS EXPRESSED IN THIS STATEMENT TO THE EXCLUSION OF ANY AND ALL OTHER PROVISIONS AS TO LIABILITY THAT MAY BE SET FORTH IN THE BUYER'S OWN INVOICES, PURCHASE ORDERS OR OTHER DOCUMENTS. IF THE BUYER PROPOSES A DIFFERENT OR ADDITIONAL LIABILITY PROVISION, THE SAME MUST BE AGREED TO IN WRITING AND SIGNED BY AN OFFICER OF THE SELLER BEFORE WORK IS STARTED OR SERVICES ARE PROVIDED. IN SUCH EVENT, THE BUYER UNDERSTANDS THAT A DIFFERENT CHARGE FOR SERVICES MUST BE AGREED ON, REFLECTING THE HIGHER RISK TO THE SELLER AND THAT NO WORK WILL BE STARTED UNTIL BOTH THE SELLER AND THE BUYER HAVE SIGNED AN AGREEMENT SETTING FORTH THE NEW CHARGES AND TERMS OF LIABILITY. OTHERWISE, THE TERMS SET FORTH HEREIN ARE BINDING ON THE BUYER.

IT IS AGREED BY THE BUYER AND THE SELLER THAT THE INABILITY TO DISCOVER A DEFECT WITHIN A REASONABLE PERIOD OF TIME AFTER THE RECEIPT OF A SHIPMENT OF HEAT TREATED MATERIAL, NOT TO EXCEED FIVE (5) BUSINESS DAYS, WILL NOT VOID THE LIMITATION OF LIABILITY CONTAINED IN THIS AGREEMENT. IT IS THE BUYER'S OBLIGATION TO NOTIFY THE SELLER IF IT DOES NOT AGREE TO THE LIMITATION OF LIABILITY CONTAINED HEREIN AND A FAILURE ON THE PART OF THE BUYER TO DO SO IN WRITING BEFORE WORK STARTS WILL BE DEEMED ACCEPTANCE OF THIS LIMITATION OF LIABILITY.

THE SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES AND SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY, AS TO THE PERFORMANCE OR CAPABILITIES OF THE MATERIAL AS HEAT TREATED, OR THE HEAT TREATMENT. THE AFOREMENTIONED LIMITATION OF LIABILITY STATED ABOVE IS SPECIFICALLY IN LIEU OF ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, AND ANY OTHER SUCH OBLIGATION ON THE PART OF THE SELLER.

THE SELLER'S LIABILITY TO THE BUYER SHALL CEASE ONCE ANY FURTHER PROCESSING, ASSEMBLING OR ANY OTHER WORK HAS BEEN UNDERTAKEN BY THE BUYER OR ANY THIRD PARTY.

No claims for shortage in weight or count will be entertained unless presented in writing within five (5) business days after receipt of materials by the Buyer. No claims will be allowed for shrinkage, expansion, deformity, or rupture of material in treating or straightening, except by prior written agreement, as above, nor in any case for rupture caused by or occurring during subsequent grinding. Whenever the Seller is given material with detailed instructions as to treatment, the seller's responsibility shall end with the execution and completion of those instructions. Failure by the Buyer to indicate plainly and correctly the kind of material (i.e., proper alloy designation) to be treated, shall cause an extra charge to be made to cover any additional expense incurred as a result thereof, but shall not change the LIMITATION OF LIABILITY stated above. When the Buyer provides specifications for the heat treating service to be provided, makes changes in the kind of materials (i.e. proper alloy designation) to be treated, or changes the process to be used, the Buyer specifically understands and agrees that this LIMITATION OF LIABILITY shall remain in effect, but that additional charges for services will be due and owing to cover the additional expense incurred as a result of changes made by the Buyer.

The Buyer agrees there will be no liability on the Seller in contract or tort (including negligence and strict liability) for any special, indirect or consequential damages arising from any reason whatsoever, including but not limited to personal injury, property damages, loss of profits, loss of production, recall or any other losses, expenses or liabilities allegedly occasioned by the work performed on the part of the Seller.

No agent or representative is authorized to alter the conditions, except in writing duly signed by an officer of the Seller.

The Seller's services and work are expressly limited to the terms and conditions contained on the face and back of the Seller's quotation, purchase order, sale acknowledgement or other forms. Any different or additional terms contained in any of the Buyer's forms are hereby deemed to be a material alteration and notice of objection to them is hereby given.