



Chrome Plus International Terms and Conditions

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Chrome Plus International, Inc.

Chrome Plus International: Terms and Conditions for Processing

Introduction: Chrome Plus International, Inc. Chrome states as its terms and conditions in processing Purchase Orders for customers the established practices for the metallurgy industry.

It is generally recognized that even after employing all the science known to Chrome, and generally capable operators with years of training, there still remain hazards in the plating, peening, painting, and other processes performed by Chrome. As a consequence, and in order to avoid misunderstandings, Chrome set's forth the following terms and conditions under which it accepts Customer parts for processing and finishing. Chrome believes that its terms and conditions are realistic and reasonable and will permit Chrome to continue to provide to its Customers quality material finishing at an economical price.

Beginning the Process: The Agreement

1-Quotes: Chrome quotes are numbered written offers to perform specific processing on parts furnished by the Customer. The Chrome quote is valid if accepted within ninety (**90**) calendar days, unless accepted before then by the Customer in writing. Chrome reserves the right to withdraw the quote, or modify the quote, at any time before acceptance by the Customer.

2 -Quote Acceptance: To accept a Quote, a Customer shall sign and submit to Chrome a Purchase Order accepting the Quote by number. The Quote then becomes a Purchase Order.

3 -Purchase Order: Unless a Purchase Order is an acceptance of a Quote, the signed Purchase Order must be accepted by Chrome in writing.

4 -Purchase Order Contract Obligations: The Customer is fully responsible provide the correct information to Chrome on the Purchase Order. Processes not requested on the Purchase Order will not be performed, nor will they be provided on the Certification of Conformance. Chrome will follow the Purchase Order requirements. If Chrome actually notices a discrepancy between the Purchase Order and the applicable Specification (Specs), Chrome will inform the Customer for clarification. If needed, a revised Purchase Order will be required prior to releasing the job to production. Chrome is not responsible for any failure to note any discrepancy between Purchase Order and Specs.

5- Contents of Quote or Purchase Order: Chrome will not begin processing without all requested information. If the Prime requires a technique sheet approval, Chrome will not begin the process until it receives that approval. Any Quote or Purchase Order shall include but not be limited to the following information:

- **5.1** Whether parts are regulated by ITAR/EAR
- **5.2** Whether the parts are fracture critical
- **5.3** Part number
- **5.4** Quantity, material type, and condition
- **5.5** Purchase Order number
- **5.6** Specifications for processing and revision
- **5.7** Drawing and part list revision
- **5.8** Classification, grade, finish code, and type
- **5.9** Critical dimensions and tolerance, if required;
- **5.10** Job and or item number;
- **5.11** end user as applicable;
- **5.12** Number of times that rework was done to the part;
- **5.13** Masking requirements, if required;
- **5.14** Special elevated temperature bakes performed before parts were delivered to Chrome;
- And, **5.15** packaging and shipping requirements.

6- Modifications to Purchase Order Agreement: Any modifications, alteration or additions to the terms and conditions of a Purchase Order, to be binding, must be in writing, signed an authorized representative of the Customer and delivered by the Customer to Chrome. In the event that results of Chrome processing operations are unsatisfactory due to part or manufacturing imperfections, and other variables over which Chrome has no control, Customer will be required to pay the contracted amount for the finishing operation performed.

7- Security Interest: The Customer grants a security interest under the Kansas Uniform Commercial Code - secured transactions in and to all parts supplied by Customer to be processed by Chrome as described in the Purchase Order.

8- Requested Cancellation/Reduction: In the event Customer desires to terminate any part of all of the work described in the Purchase Order, or reduce the quantity of parts to be processed, Customer shall pay fair compensation to Chrome. Fair compensation for the loss of contracted business will be calculated under generally recognized commercial practices as determined by Chrome.

Parts - Defining Responsibilities

9- Customer Warrants Parts: Customer warrants that the parts supplied to Chrome for

processing are free from manufacturing defects and meet the specifications in the Purchase Order. Chrome accepts no obligations to inspect parts supplied by the Customer. Where the Chrome processing operations does not meet the Purchase Order specifications due in part to manufacturing defects or to the part failing to meet specifications, then the Customer is still responsible to pay Chrome for the processing in the Purchase Order.

10- Discovery of Non-complaint Parts: Parts supplied by the Customer that Chrome actually discovers do not comply with the original Purchase Order prior to processing will not be used and/or the entire Purchase Order shall be void, at the discretion of Chrome.

11- Parts Salvage Operations: Where the Purchase Order is specifically based upon "salvaging" (including but not limited to: stripping coatings/plating or other rework not originated by Chrome) parts or material, the salvage work is accepted on a "best effort" basis. Unless previously agreed upon in writing prior to processing the job, Chrome assumes no liability or responsibility for salvaged parts not meeting Specs.

CHROME Liability

12- Chrome Basic Liability Limit: Whenever Customer delivers material with detailed instructions Page 3 of 4 as to processing, Chrome responsibility shall end with the carrying out of those instructions. If Chrome damages a part to such an extent that the part cannot meet the Purchase Order Contract, its liability is limited to the cost of processing, or three times Chrome processing charges on such material, whichever is the lesser. This limitation of liability includes

but is not limited to scrap and/or loss for any reason that results in shipped quantity discrepancies. Chrome will not be liable for any consequential damages.

13- Chrome Expanded Liability Limit: Charges for services are based on this Chrome Basic Liability Limit. Liability more than Chrome Basic Limited Liability Limit will be assumed by Chrome only when so agreed to in writing by Chrome. A higher charge may be made for services.

Processing Finished

14- Delivery: Unless otherwise specifically stated in the Purchase Order, delivery of finished parts is at 3939 W. 29 Street, Wichita, Kansas. St Customer assumes liability for damages caused during delivery.

15- Acceptance or Rejection: Customer has a reasonable time after delivery to inspect and reject any part. Chrome and Customer agree that 10 working days (defined as a 5 day work week excluding any intervening state or federal holidays) is a reasonable time in which to inspect parts.

15.1 Acceptance: Any parts not rejected within ten (10) working days shall be conclusively deemed to have processed in accordance with the Purchase Order. Any processing or assembly of parts, materials, or other use, by Customer or any other party that modifies the part after delivered by Chrome shall constitute an acceptance of that part and waiver of any further Chrome liability as to that part.

15.2 Rejection: Rejected parts must be returned to Chrome for rework with a detailed NCR. If rework is required, Customer must provide flow down of NCR, RDR, QN, VR, *et cetera* for rework orders as well as the dimensions of the discrepant area.

Payment for Chrome Processing

16 Payment: Chrome terms for payment are "net 30 days" subject to credit approval. Chrome may require any unpaid balance will bear interest at the rate of eight percent (8%) per annum. In the event Chrome engages the services of an attorney to collect the sum due, Customer agrees to pay the reasonable value of such services whether or not suit is brought.

17- Insolvency: In the event the Customer becomes insolvent or makes a general assignment for the benefit of creditors, or files or has filed against it a petition in bankruptcy or for reorganization, or pursues any other remedy under law relating to the relief of debtors, or in the

event a receiver be appointed of Customer's property or business, Chrome may, at its option, terminate its performance under the Purchase Order and treat Customer as in default.

18- Inclusion by reference: Any purchase order by Customer in response to this quotation includes the terms and conditions of this quotation and these terms and conditions govern notwithstanding any contrary provisions in the Customer's Purchase Order.

19 Effective Date: Any terms, conditions or reservations inconsistent with this Terms and Conditions for processing that may be contained in any printed or standard acknowledgment, invoice form or other document issued by Chrome after January 1, 2010 shall be void and of no effect.

In witness where off, the parties have executed this agreement on: _____

Dated:

By: _____

(Print Name):

Address: _____

Telephone: _____

Dated: _____

Chrome Plus International

Address: _____

By: _____