## ELECTROLIZING, INC. STATEMENT OF CONDITIONS AND POLICY

The members of the Metal Finishing Association of Southern California and the National Association of Metal Finishers wish to remind you of the established practices of the metal finishing industry in processing your materials. These practices have been formalized and unanimously adopted by the members of this Association as a Statement of Policy.

It is generally recognized that even after employing all the science known to us, and capable men with years of training, there still remain hazards in the electro-plating and metal finishing fields. As a consequence, in order to avoid misunderstandings, we are setting forth below conditions under which your material well be accepted by us for processing:

- Whenever we are given material with detailed instructions as to treatment, our responsibility shall
  end with the carrying out of those instructions. Type of material, tolerances and specifications for
  processing shall be declared in writing prior to our processing.
- Our liability for any cause is limited to the cost of direct labor and material of the product directly damaged by our processing or three times our processing charges on such material, whichever is the lesser. Charges for our services are based on this Policy limiting our liability.
- 3. Liability greater than that outlined in paragraph (2) above will be assumed by us only when so agreed in writing by us. In such event a higher charge may be made for our services.
- Parts, materials, etc. as processed by us shall be presumed to be accepted as satisfactory by you if
  we are not notified of damages, shortages or other discrepancies within ten working days of your
  receipt of the same.
  - Rejected parts must be returned to us for rework. Further processing or assembly of rejected parts, materials, etc., by you or any other party shall constitute a waiver of any liability on our part.
- 5. Where operations or processes performed by us are in the nature of "salvaging" parts or material, the work is accepted on a "best effort" basis and no liability shall attach to us unless previously agreed upon in writing prior to processing the job.
- 6. 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 we have no control, the customer would be required to pay the contracted amount for the finishing operation performed.

We are sure you will agree with us that the conditions above set forth are realistic and reasonable and that acceptance of the material for processing subject to such conditions will permit us to continue to provide quality metal finishing at an economical price.

ELECTROLIZING, INC.