



STANDARD TERMS AND CONDITIONS OF SALE

1. Prices. All prices published by us or quoted by our representatives may be changed at any time without notice. Owing to the uncertainty of metal and plating supply prices, labor increases and energy costs, written quotations expire automatically after sixty (60) days from the date issued and are subject to change or termination by notice prior to your acceptance during that period. All prices are subject to adjustment on account of specifications, quantities, shipment arrangements or other terms or conditions which are not part of our original price quotation.

2. Terms of Payment. If you establish and maintain open account credit with us, payment terms shall be net 30 days from date of invoice. If credit is not established or maintained, payment terms shall be net cash on or prior to shipment. We reserve the right, in our sole discretion, to require payment on a C.O.D. basis, to require full or partial payment in advance or to revoke any credit previously extended. If the merchandise or materials are delivered in installments, you will pay for each installment in accordance with the terms specified above. Payment must be made for the products regardless of whether you have made, or plan to make, any inspection of the products. To the extent permitted by applicable law, overdue payments will be subject to finance charges computed at a periodic rate of 1-1/2% per month (18% per year). Amounts owed by you with respect to which there is no dispute must be paid without setoff for any amounts which you may claim are owed by us and regardless of any other controversies which may exist. All such claims and complaints regarding invoices must be made within ten (10) days of delivery. Payment is considered made when payment is received by us at our offices. You will also pay or reimburse us for all costs and expenses (including reasonable attorneys' fees) incurred or paid by us in collecting amounts due from you or in enforcing your obligations hereunder.

3. Storage, Packaging and Shipment. During storage and transportation of your material, your containers used for delivery to us shall be used, and any damage resulting from the use of such containers shall be at your risk. Any special racks, fixtures (silk screens), or installation which we construct or acquire specifically for use on your order shall be and remain our property and in our sole possession and control, and any charges made by us therefore shall be for the use of such equipment only. Invoices for special installation and racks, if required, are payable net ten days from date of billing and before parts are finished. We assume no liability for any loss or damage to merchandise or material while in transit to or from our factory, whether in trucks or vehicles owned by us, you or any third person acting on our or your behalf. We reserve the right to ship the merchandise or material in any order and to make partial shipments. We reserve the right to stop delivery of merchandise or material in transit and to withhold shipments in whole or in part if you fail to make any payment to us when due or otherwise fail to perform your obligations hereunder. All shipping dates are approximate only. All shipments will be made at your risk, and you will be responsible for making all claims with carriers, insurers, warehousemen and others for misdelivery, nondelivery, loss, damage or delay.



4. Delivery. All sales are F.O.B. our premises in Westbrook, Maine, and the date of delivery is the date when the merchandise or material are ready for pickup at that location by you or by a carrier for delivery. We will use reasonable efforts to meet requested delivery dates, but will not be liable for our failure to do so.

5. Title and Risk of Loss. Subject to Section 7 and to our right to stop delivery of merchandise or material in transit, title to and risk of loss or damage for products will pass to you upon the earlier of delivery to you or delivery to a carrier for shipment to you.

6. Security Interest. We reserve and you grant to us a security interest in all merchandise or material sold and all proceeds to secure the full payment and performance by you of your obligations and liabilities to us. You acknowledge that this document or copies of this document may be filed with the appropriate authorities as a financing statement and agree to execute and deliver such other documents as we may request in order to evidence or perfect our security interest.

7. Cancellations and Returns. Payment of cancellation charges shall be made by you upon receipt of statement of same, which charges shall not exceed the purchase price of the cancelled portion of the contract. Rejected parts must be returned to us for rework. Further finishing on or assembly of rejected parts, materials, etc. by you or any other party shall constitute a waiver of any liability on our part.

8. Specifications. Your failure to indicate plainly and correctly in writing the finishing specifications, heat treatment or annealing (if any) type or material or alloy, or condition of surface to be finished shall release us from any liability any may cause an extra charge to be made to cover any additional expense incurred as a result thereof. Whenever we are given material with detailed instructions as to treatment, our responsibility ends with the carrying out of those instructions. Type of material, tolerances, and specifications for finishing shall be declared in writing prior to our finishing.

9. Technical Advice. All technical advice and recommendations for coatings, case histories, and, in some cases, samples are rendered by us without charge. We reserve the right to require you to sign a non-disclosure agreement before providing you with any technical advice or recommendations for coatings. Such advice and recommendations are based on technical data that we believe to be reliable and are intended to be used by persons with the appropriate skill and knowledge at their own discretion and risk. We assume no responsibility for results obtained or damage incurred resulting from others' use of such advice and recommendations, whether in whole or in part.

10. DISCLAIMER OF WARRANTY. ALL MERCHANDISE, MATERIALS AND TECHNICAL ADVICE AND RECOMMENDATIONS FOR COATINGS ARE SUPPLIED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS



OR IMPLIED. WE DISCLAIM ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO THE MERCHANDISE AND

MATERIALS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. **BECAUSE SOME JURISDICTIONS DO NOT ALLOW THE DISCLAIMER OF IMPLIED WARRANTIES, THE ABOVE LIMITATION MAY NOT APPLY TO YOU.**

11. Limitation of Liability.

(a) Our maximum liability arising out the performance of our services and the use of material or merchandise on which said services were performed, whether based upon warranty, contract, tort or otherwise, shall not exceed the actual payments received by us in connection therewith. In no event shall we be liable for special, incidental or consequential damages, including but not limited to loss of profits and damages from interruption of business, arising hereunder or from the sale of the merchandise or material.

(b) Our liability for any cause is limited to the lesser of (i) the cost of direct labor and material of the merchandise directly damaged by our finishing or (ii) our finishing charges for the merchandise directly damaged by our finishing. Our charges are based on and in consideration of this policy limiting our liability. You agree to be responsible for all other loss or damage including liabilities and obligations to end users and others.

(c) We assume no responsibility for defective plating or other finish on materials or merchandise previously plated or finished by others.

(d) No claim will be allowed for shrinkage, expansion, deformity, rupture or other alteration of material in finishing nor for breakage in straightening except by special, separate, written agreement.

(e) In the event that results of metal finishing operations are unsatisfactory due to metal imperfections, change in grade or composition of materials, manufacturing and/or fabrication imperfections, usages for which the finishing operation was not reasonably designed, or similar variables over which we have no control, you will be required to pay the contracted amount for the finishing operation performed.

(f) In special or experimental processing or finishing, our charges are not contingent upon the success of the work or the benefit derived therefrom by you.



SURFACE TECHNOLOGY

12. Governing Law. The provisions of the Uniform Commercial Code of the State of Maine shall govern unless these terms and conditions provide to the contrary, and the rights and obligations of the parties hereunder shall be governed by and interpreted, construed and enforced as a signed and sealed instrument in accordance with the laws of the State of Maine.

13. Force Majeure. In the event that we are prevented from performing, or are unable to perform, any of our obligations hereunder due to any act of nature, act of God, fire, casualty, flood, war, strike, lock out, failure of public utilities, injunction or any act, exercise, assertion or requirement of any governmental authority, epidemic, destruction of production facilities, riot, insurrection, sabotage, inability to procure materials, labor, equipment, transportation or energy sufficient to meet our needs, delay in delivery, or any other cause beyond our reasonable control, and if we shall have used reasonable efforts to avoid such occurrence and minimize its duration and have given reasonably prompt written notice to you, then our failure to perform shall be excused and the time for performance shall be extended for the period of delay or inability to perform due to such occurrence or occurrences. Should we notify you of our inability to perform any agreement for such causes you are required at your own risk and responsibility and at your own cost and expense to pick up at our factory the raw, finished or unfinished materials which we have belonging to you.

14. Severability; Remedies; Waiver. In the event that any one or more provisions contained herein other than the provisions obligating you to pay us for the merchandise or materials shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The remedies contained herein are cumulative and in addition to any other remedies at law or equity. Our failure to enforce, or waiver of a breach of, any provision contained herein shall not constitute a waiver of any other breach or of such provision.

15. Notices. Any notice or communication required or permitted hereunder shall be in writing and shall be deemed received when personally delivered or three days after being sent via first-class mail, postage prepaid, to a party at the address specified herein or at such other address as either party may from time to time designate to the other.

16. Entire Agreement. The provisions hereof constitute the terms of our offer, and any term or condition of your purchase order or any other document provided to us which is in any way different from, inconsistent with or in addition to the terms and conditions set forth herein will not become a part of the agreement between us and you or be binding upon us. To the extent that this document constitutes an acceptance, this acceptance is expressly conditioned upon your assent to the terms and conditions set forth in this document. If you object to any term or condition set forth herein, your objection must be in writing and received by us prior to our delivery. Retention by you of any products delivered by us will be conclusively deemed to be assent by you to the terms and conditions set forth herein. Our failure to object to terms contained in any communication from you will not be a waiver of the terms set forth herein.



SURFACE TECHNOLOGY

You shall not condition any acceptance of delivery upon the abrogation or modification of any of the terms and conditions included in this document. These terms and conditions shall apply to this and any future order or agreement for the finishing of any materials or merchandise.



STATE OF MAINE SALES TAX BLANKET CERTIFICATE

I hereby certify that I hold a valid seller's registration certificate number

_____.

For the purpose of tangible personal property for use in manufacturing under Sec. 2 of the Maine Sales and Use Tax Law:

I hereby certify that the following tangible personal property: _____
to be purchased from Silvex, Inc. shall be purchased:

To become an ingredient or component part of tangible personal property for later sale by the company identified below (the "Company"), or to be consumed or destroyed or to lose its identity in the manufacture of tangible personal property for later sale by the Company.

I further certify that I assume full liability for the payment to the State of Maine for any use taxes, together with penalties and interest that may later be determined to be due on any purchase covered by this certificate because of taxable use of the same.

Business Name: _____

Address: _____

Authorized Name (Printed): _____ Title: _____

Authorized Signature: _____

Date: _____