

SurfacePrep Production Services Statement of Policy, Terms & Conditions of Sale

This statement of policy, terms and conditions of sale, (this "Statement") is made effective as of receipt of Customer's Purchase Order, by and between GNAP, LLC dba SurfacePrep ("Seller") or a division thereof, and Customer, ("Buyer"). All Quotations from "Seller are offered with the understanding that the following Statement of policies, terms and conditions of sale apply unless otherwise stated in writing and signed by "Seller" .

1. DESCRIPTION OF SERVICES. Seller will provide to Buyer the following services (collectively, the "Services"):

Polishing, Surface Enhancement, Deburring, Cleaning, Passivation, Laser Marking, Coating, Fabrication or other services as agreed, per formally provided and referenceable quotation on Seller's documented form.

3. WARRANTIES. Seller shall provide its services and meet its obligations under this Statement in a timely and workmanlike manner, using knowledge and recommendations for performing the services which meet generally acceptable standards in Seller's community and region, and will provide a standard of care equal to, or superior to, care used by service providers similar to Seller on similar projects.

4. STATEMENT of POLICY. As a processor of customer owned product, it is imperative to understand the below conditions under which "Buyer" owned material will be accepted by "Seller" for processing:

- a. Whenever "Seller" is given material with detailed instructions as to treatment or requirement, our responsibility ends with the carrying out of those instructions. Specifications of requirement shall be declared in writing prior to our processing. Any changes to the requirements from the original purchase order and / or documentation provided to "Seller" with original order must also be submitted and agreed to in writing.
- b. Our liability for any claim or cause is limited to the invoiced value of service on such material per the quantity of components against which claim applies. "Seller" is in no way liable for loss of business, punitive damages, or special or other damages of any kind. Charges for our service are based on this policy limiting our liability. Liability greater than that outlined in this paragraph will exist only in writing signed by "Seller" . In such event, additional charges will likely be required.
- c. Parts, materials, etc., as processed by "Seller" shall be presumed to be accepted as fully satisfactory by "Buyer" if "Seller" is not notified of damages, shortages or other discrepancies in writing within ten (10) days of receipt of product. Rejected parts must be promptly returned to "Seller" for rework. Further processing, alteration, modification or assembly of rejected parts, materials, etc., by "Buyer" or any other party post-delivery shall constitute a full and complete waiver of any liability on the part of "Seller" in all aspects.
- d. If the parts are considered scrapped or non-salvageable in any way, and the "Buyer" will be requesting compensation from "Seller" subject parts must be returned to "Seller" for inspection. If "Seller" agrees to compensate for the parts beyond any processing charges, the scrapped parts will be become the property of "Seller"
- e. Where operations or processes performed by "Seller" are in the nature of "salvaging" parts or material, the work is accepted on a "Best-Effort" basis and no liability shall attach to "Seller" unless previously agreed upon by "Seller" in writing signed by "Seller" prior to commencement of work. In the event that results of metal surface finishing, cleaning

or other operations performed by "Seller" are unsatisfactory due to material imperfections, changes in the grade or composition of materials, manufacturing and / or fabrication imperfections, usages for which the surface preparation operation was not reasonably designed, and similar variables over which "Seller" has no control, "Buyer" is required to pay the full contracted amount for the operations performed.

- f. The prevailing party in any litigation arising out of invoices or services performed by "Seller" shall be entitled to their attorney's fees and costs, including recovery of attorney's fees and costs incurred to by counsel to resolve the matter prior to the filing of an actual lawsuit. Venue for any lawsuit shall be in the county of "Seller's" physical location.
- g. "Seller" will hold "Buyer's" material for up to thirty (30) days from notification of completion. Parts left at "Seller's" premises for more than thirty (30) days from the date of notification are subject to disposal.

7. CONFIDENTIALITY. Seller, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of Seller, or divulge, disclose, or communicate in any manner, any information that is proprietary to Buyer. Seller and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the completion of services.

Buyer, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the benefit of Buyer, or divulge, disclose, or communicate in any manner, any information that is proprietary to Seller. Buyer and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the completion of services.