Fordon Grind Industries Terms & Conditions:

1. 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 and AEROLIANT MANUFACTURING INC., D.B.A. Fordon Industries, as a Statement of Policy. It is generally recognized that even after employing all the science known to us, and capable persons with years of training and experience, there still remain hazards in the grinding and metal finishing fields. As a consequence, in order to avoid misunderstandings, we are hereby setting forth the below conditions under which your material will be accepted for processing:

2. Whenever we are given work for processing with detailed instructions as to treatment, our responsibility shall end with the carrying out of those instructions. Type of material, tolerance and specifications for processing shall be declared in writing prior to our processing.

3. Our liability for any cause is limited to the lesser of the cost of either the direct labor and material of the product damaged by our processing or:

   A. Two times our processing charges for our process.

4. Compensation will only be given in the form of credit towards future grinding unless agreed otherwise in writing prior to processing the job.

5. Liability greater than that outlined in paragraph 2 above will be assumed by FORDON only when so agreed upon in writing. In such event a higher charge may be made for our services.

6. Parts, materials, etc. as processed by FORDON shall be presumed to be accepted as satisfactory by you if we are not notified of damages, shortages or other discrepancies within ten (10) 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.

7. Where operations or processes performed by FORDON are in the nature of "salvage" or "salvaging" parts or material, the work is accepted on a "best effort" basis and no liability shall attach to Fordon unless previously agreed upon in writing prior to processing the job.

8. In the event that results of the grinding or metal finishing operation(s) are unsatisfactory due to metal imperfections, changes in grade or composition of materials, manufacturing and/or fabrication imperfections, usages for which the plating, grinding or other metal 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 grinding and/or finishing operation(s) performed.

9. This statement of policy supersedes all prior written or verbal terms and conditions. Furthermore, at the time and date material is processed, this statement of policy supersedes all other terms and conditions and is the sole document outlining FORDON’s terms, conditions and liabilities under which we will accept material for processing.

10. We trust 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 high quality grinding and metal finishing at a fair and reasonable cost.

11. "ALL DISCREPENCIES MUST BE REPORTED WITHIN 72 HOURS. ALL PARTS NOT RETURNED WITHIN 30 DAYS ARE DEEMED ACCEPTED AND MAY NOT BE RETURNED. OUR LIABILITY FOR ANY CAUSE IS LIMITED TO 2 X THE COST OF OUR PROCESS. 2% STANDARD SCRAP RATE ALLOWANCE APPLIES TO ALL ORDERS UNLESS OTHERWISE AGREED. SET-UP PARTS MAY BE CHARGED FOR AS GOOD PARTS. A SERVICE CHARGE OF 1.5% PER MONTH WILL BE CHARGED ON ANY INVOICE OVER 60 DAYS."