

CMC STATEMENT OF LIMITED LIABILITY

Dated 11/18/10

ALL WORK IS ACCEPTED SUBJECT TO THE FOLLOWING CONDITIONS

(Please Read Carefully)

It is recognized that even after employing all the scientific methods known to us, hazards still remain in metal treating.

THEREFORE, OUR LIABILITY SHALL NOT EXCEED TWICE THE AMOUNT OF OUR CHARGES FOR THE WORK DONE ON ANY MATERIAL (FIRST, TO REIMBURSE FOR THE CHARGES AND SECOND, TO COMPENSATE IN THE AMOUNT OF THE CHARGES), EXCEPT BY WRITTEN AGREEMENT SIGNED BY CMC. THE CUSTOMER, BY CONTRACTING FOR METAL TREATMENT, AGREES TO ACCEPT THE LIMITS OF LIABILITY AS EXPRESSED IN THIS STATEMENT TO THE EXCLUSION OF ANY AND ALL PROVISIONS AS TO LIABILITY ON THE CUSTOMERS OWN INVOICES, PURCHASE ORDERS, OR OTHER DOCUMENTS. IF THE CUSTOMER DESIRES HIS OWN LIABILITY PROVISIONS TO REMAIN IN FORCE AND EFFECT, ANY SUCH AGREEMENT MUST BE AGREED TO IN WRITING AND SIGNED BY AN OFFICER OF THE TREATER. IN SUCH EVENT, A DIFFERENT CHARGE FOR OUR SERVICES, REFLECTING THE HIGHER RISK TO TREATER, SHALL BE DETERMINED BY TREATER AND CUSTOMER.

THE TREATER MAKES NO EXPRESSED OR IMPLIED WARRANTIES AND SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY, AS TO THE PERFORMANCE OF CAPABILITIES OF THE MATERIALS AS HEAT TREATED, OR THE HEAT TREATMENT ITSELF. THE AFOREMENTIONED LIMITATION OF LIABILITY STATED ABOVE IS SPECIFICALLY IN LIEU OF ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, AND OF ANY OTHER SUCH OBLIGATION ON THE PART OF THE TREATER.

No claims for shortage in weight or count will be entertained unless presented within five (5) working days after receipt of materials by customer and NO claims are allowed for shrinkage, expansion, deformity or rupture of material in treating or straightening. Whenever we are given material with detailed instructions as to treatment, our responsibility shall end with the carrying out of those instructions. Failure by a customer to indicate plainly and correctly the kind of material (i.e., proper alloy designation) to be treated, shall cause an extra charge, but shall not change the limitation of liability stated above. The customer also acknowledges that brazing/heat treating, are specialized processes performed in our furnaces in various environments. Certain non visible contaminants can vaporize off of parts at low temperatures causing serious damage to our furnaces/vacuum systems. Some examples are tin, lead, zinc, magnesium, etc. It's the CUSTOMERS SOLE RESPONSIBILITY to ensure these types of contaminants do not exist on your materials to be processed. It is customers' obligation to notify us so that proper cleaning procedures may be suggested and employed by the customer prior to any processing. Customer is responsible for any and all resulting damages as mentioned above.

The customer agrees there will be no liability on the treater in contract or tort (including negligence and strict liability action) for any special, indirect, or consequential damages arising from any reason whatsoever, including but not limited to personal injury, property damages, loss of profits, loss of production recall or any other losses, expenses or liabilities allegedly occasioned by the work performed on the part of the treater.

IT SHALL BE THE DUTY OF THE CUSTOMER TO INSPECT THE MERCHANDISE IMMEDIATELY UPON ITS RETURN, AND IN ANY EVENT CLAIMS MUST BE REPORTED PRIOR TO THE TIME THAT ANY FURTHER PROCESSING, ASSEMBLING OR ANY OTHER WORK IS UNDERTAKEN. OUR LIABILITY TO OUR CUSTOMERS SHALL CEASE ONCE ANY FURTHER PROCESSING, ASSEMBLING OR ANY OTHER WORK HAS BEEN UNDERTAKEN ON SAID MATERIAL.

No agent or representative is authorized to alter the conditions, except in writing duly signed by an officer of treater.

This (quotation / purchase order / sales acknowledgement) is expressly limited to the terms and conditions contained on the face and back thereof. INTEREST (6% APR) MAY BE CHARGED ON UNPAID BALANCE OVER N30 DAYS. Any different or additional terms contained in any of the buyer's forms are hereby deemed to be a material alteration hereof and notice of objection to them is hereby given. Scrap must be returned prior to issuance of any credit.