

TERMS AND CONDITIONS

The following terms and conditions are part of any value-added service delivered by KVF QUAD CORPORATION to any Buyer and shall be part of any resulting purchase order from Buyer and/or contract between said parties:

Any services, products, or materials provided by KVF QUAD are intended to enhance aesthetics as requested by Buyer and not to aid in or alter the performance (with the exception of shot peening) of any parts or materials KVF QUAD processes, other than common benefits achieved by coating certain materials.

KVF QUAD MAKES NO WARRANTY, EXPRESSED OR IMPLIED, REGARDING THE SERVICES, PRODUCTS OR MATERIALS BEING PROVIDED BY IT AND KVF QUAD HEREBY EXCLUDES ANY WARRANTY OF MERCHANTABILITY AND FITNESS FOR ANY USE, unless otherwise expressly written and agreed by and between KVF QUAD and Buyer.

In the event of any breach of this agreement by KVF QUAD, Buyer's remedies shall be limited to repair or replacement of non-conforming goods or services or, at KVF QUAD's sole discretion, a refund of a portion of the purchase price relating directly to the mutually identified non-conforming goods and/or service. Under no circumstance shall KVF QUAD be responsible for any incidental or consequential damages that might be sustained by the Buyer due to non-conforming goods or services or any other breach of any agreement between Buyer and KVF QUAD.

Any claim made by Buyer against KVF QUAD for defective materials or workmanship must be presented to KVF QUAD, either verbally or in writing, within (30) days of the date of delivery of the goods processed by KVF QUAD. Products or parts may only be returned after an authorization number has been provided via RMA/RGA by an officer of KVF QUAD. Any claims presented to KVF QUAD, either verbally or in writing, after (30) days of the date of delivery will be invalidated and KVF QUAD will not be bound to honor such claims.

All orders are C.O.D. unless credit terms are approved by KVF QUAD, at its sole discretion. If credit is approved, terms are NET 30 days, firm. Buyers with a balance not paid within 39 days shall be placed on CREDIT HOLD until paid in full. All price quotes are subject to the following charges as applicable: (a) requests for non-scheduled processing within 72 hours ("Break-In") that requires a change to processing setup (i.e Color Change, System Setup), will incur additional charge of \$750.00. (b) request for non-scheduled processing within 72 hours ("Expedite") that does not require a change to processing setup, will incur additional charge of \$500.00. (c) request for non-scheduled processing greater than 72 hours but less then agreed lead time, that does not require a change to a processing set up will incur additional charge of \$350.00. KVF Quad reserves the right to decline any request for Break-In or Expedite based on current capacity at the time of request. Any expedite fee must be received by KVF Quad prior to starting the expedite process. Parts arriving later than initially agreed, will be subject to delay in scheduling outside of the agreed expedite timeframe. Expedite fee will still be assessed. (d) Customer material or powder ordered by KVF QUAD for jobs requiring special formulation (such as color, texture, etc) shall be purchased by the Buyer, or the Buyer shall provide written guarantee / PO to KVF QUAD and such powder or material shall be utilized within 90 days of the initial order; or in either case, shall ultimately be the responsibility and paid by the Buyer.

Buyer acknowledges no coating is or will be applied at the point of contact between the hanger used in the coating process and the goods being coated. Touch up in these areas will not be performed by KVF QUAD, unless otherwise stated by Buyer prior to quotation. If any special tools or dies are required for masking or hanging, the Buyer will be notified prior to any purchase and charged for them at cost. Buyer shall waive the right to remove such tools or dies from KVF QUAD until Buyer's bill is paid in full.

KVF QUAD is not responsible for the quality of incoming material. A visual inspection may be made during receiving but will be inspected during initial processing. All goods and materials delivered to KVF QUAD shall be in a condition previously understood by KVF QUAD's quotation team. Unless previously notified by Buyer, all parts shall come to KVF QUAD absent of rust, heavy non-water-soluble oils, prior coatings or other contamination not produced by "normal" machining or fabrication processes. If parts are found to be "out of specification" prior to any processes being performed, KVF QUAD will notify Buyer of any irregularities observed. If suspect conditions arise after KVF QUAD's process due to previous substrate conditions, KVF QUAD will not be held responsible for the cost of rework.

Upon parts arrival at KVF Quad, Purchase Orders must be received and parts must be identified to match provided Purchase Order/Packing List. Purchase Orders shall contain current KVF Quad quote number to assist in identification and data entry. The inability to properly identify incoming parts will delay system entry and processing of parts.

Once processed, all goods and materials shall be delivered to Buyer F.O.B. KVF QUAD's place of business. Shipping and receiving hours are between 7:00a.m. and 2:00p.m., Monday thru Friday. Any dunnage or other packing materials not included in the original quotation must be provided to KVF QUAD by Buyer prior to KVF QUAD commencing work on Buyer's order(s), otherwise such goods shall be repackaged as received. Any parts that have been packaged for shipment, then requested by the Buyer to split the load, change packaging, or remove parts from the prepacked load will be subject to additional costs for repackaging (Repackaging Fee). Any materials needed to fulfill the process at KVF QUAD not previously quoted to the Buyer and not supplied by Buyer will be charged back to Buyer as a separate line within the initial sales order. Goods and materials left with KVF QUAD more than 30 days after completion of KVF QUAD's work becomes the property of KVF QUAD.

Expedited or preferred freight requests (PFR) will be covered by the Buyer. Reimbursement for expedited shipping is not the responsibility of KVF Quad.

Any changes to a process of current or previously quoted product needs to be submitted to <u>sales@KVFQUAD.com</u> prior to parts arriving at KVFQUAD. KVFQUAD shall notify Buyer of any changes received and any amendments to processes resulting from the changes. Any changes required to current or previously quoted product supplied in any other fashion, leading to parts which do not meet specification or criteria, will be the responsibility of the Buyer.

As further consideration for the obligations of KVF QUAD under any agreement between itself and Buyer, Buyer hereby agrees to indemnify and hold KVF QUAD harmless from and against all claims, demands, causes of action, liabilities, and judgments by any third party that in any way pertain to the materials being powder coated or processed by KVF QUAD for the Buyer, except insofar as any such claim, demand, cause of action, liability, or judgment is attributed to the sole negligence of KVF QUAD. Buyer expressly agrees to defend KVF QUAD against any such claims, demands, and causes of actions, liabilities or judgments before any determination is made as to whether KVF QUAD is solely negligent and agrees to utilize counsel for such defense that meets the approval of KVF QUAD.