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## **Terms & Conditions**

These are the Terms & Conditions ("Terms") of Keystone Koating, LLC. ("Keystone") for powder-coating by electrostatic spray and related processes, as of the date first mentioned above, and they may only be modified in writing signed by Keystone. Customer indicates its full and final acceptance to these Terms upon submission of any Purchase Order to Keystone. Keystone reserves the right to amend these Terms from time to time, as Keystone sees fit, and any such amendment shall also be binding upon Customer for all later Purchase Orders (as well as for any outstanding orders provided Keystone has first given Customer thirty (30) days' advance notice). The full Agreement between Keystone and Customer consists of these Terms, together with relevant Keystone-accepted Purchase Orders from Customer that identify the subject matter of this Agreement (the "Agreement"), and the location of the Agreement is Keystone's facility in Lancaster County, Pennsylvania. Pennsylvania law governs the Agreement.

## Scope of Work by Keystone

Customer shall submit all necessary specifications and information that Keystone deems reasonably necessary to commence work. Customer represents that it owns the items and has title to the goods to be coated. The minimum necessary specifications include but are not limited to, written specifications information from Customer, together with Isometric print drawings (or such other drawings with sufficient clarity as Keystone may define). In the absence of necessary documentation from Customer concerning the subject parts to undergo coating, Keystone will perform coating in accordance with its own KK7001 standard.

- Customer shall accept a quote within 60 days, or the quote is void.
- Customer shall submit a relevant Purchase Order that also identifies Keystone's quote number, before Customer may take
  delivery of any finished product from Keystone. Keystone may reject orders that do not meet Keystone's minimum charge.
  All orders are subject to Keystone's minimum charge. Keystone may impose a reasonable set up fee per color for each
  coating ordered.
- For Customer's subject parts that are to undergo coating by Keystone, Customer shall include in the packing materials to Keystone a packing slip that references all subject products, and each of their subject parts shall be tagged with a relevant part number determined by Customer.
- Customer shall ensure that subject products delivered to Keystone ready for coating (see KK7001 standard) arrive at or before a mutually agreed time at Keystone's facility. Late delivery to Keystone is a force majeure event, delaying all further intermediate and final dates of Keystone's performance accordingly.
- Customer shall take delivery or insure removal of finished products from Keystone no later than fifteen (15) business days of Customer's receipt of Keystone's product coating completion notice. Keystone may charge a storage fee to Customer of \$15.00 per day per pallet commencing after those 15 days.

## **Limitation of Keystone's Liability**

Customer holds Keystone harmless from, and indemnifies Keystone against any and all liabilities, including claims (of any nature whatsoever, including but not limited to Keystone's own negligence and even when Keystone may have been warned in advance), damages (including but not limited to direct, actual, incidental, compensatory, punitive, and statutory damages), attorney's fees and court costs arising from:

- damage to Customer or damage to Customer's product parts due to Act of Nature or due to any incident beyond the control or reasonably foreseeable knowledge of Keystone
- death, injury or property damage arising from the partial or complete failure of the coating on Customer's product parts, including but not limited to structural damage within or on any improvements to real property; and
- Harm to Customer or any third party, after Customer's coated product parts have left Keystone's facility.
- Customer assumes all risk of loss after such parts have departed Keystone's facility.
- Keystone's total aggregate liability for any and all claims arising from Customer's respective Purchase Order(s) may in no event exceed the total sums paid to Keystone within the prior six (6) months preceding the date of completion for the most recently completed Purchase Order.
- Customer waives its right to bring action against Keystone for any and all claims commencing after eighteen (18) months from the date of invoice, and Customer agrees to so shorten all relevant statutes of limitation for claims otherwise applicable.

## Payment by Customer and Enforcement of Agreement

Keystone will invoice Customer upon completion of coating of Customer's products.

- Charges on Accounts are due within thirty (30) days after invoice (unless otherwise agreed in writing by Keystone). COD accounts shall be paid in full upon invoice
- Any remaining balance thereafter are subject to ONE AND ONE HALF PERCENT (1.5%) monthly interest (i.e., 18% APR).
- All outstanding invoices and charges must be paid before Customer's coated product will be released by Keystone. Although Keystone desires to amicably address any disputes with Customer through discussion, nevertheless Customer agrees that these Terms and any dispute arising therefrom, shall be determined solely and exclusively by arbitration pursuant to the rules of the Lancaster County Bar Association dispute resolution program in and for Lancaster County, Pennsylvania, and under the laws of the Commonwealth of Pennsylvania. If any provision of the Agreement is deemed void or unenforceable, the remaining provisions are valid and enforceable.

