



TERMS AND CONDITIONS OF SALE

1. **Agreement.** Unless otherwise set forth in a writing signed by an authorized employee of Aviation Devices and Electronic Components ("Av-DEC"), the following terms and conditions of sale ("**Agreement**") apply to all sales of products from Av-DEC to you and your organization ("**Buyer**"). Acceptance by Av-DEC of any purchase order submitted by Buyer is limited to this Agreement. Av-DEC rejects any different or additional terms contained in any purchase order, and Buyer agrees that the terms and conditions stated herein shall replace and supersede any contradictory terms in any purchase order. Buyer's submission of an order and acceptance of product(s) constitutes Buyer's agreement to all of the terms and conditions set forth herein.
2. **Orders.** Buyer takes responsibility for order accuracy when submitting any purchase order, electronically or otherwise. Orders placed will not be binding on Av-DEC until accepted in writing or electronically by Av-DEC's authorized representative. Av-DEC may accept or reject purchase orders from Buyer at its option, without incurring any liability to Buyer. Purchase orders are binding on Buyer and may not be varied, delayed or canceled without Av-DEC's prior written consent. Av-DEC may allocate products among buyers, its customers, its own requirements and its affiliates' requirements in a manner and amount as Av-DEC deems acceptable, at its option, without obligation to provide any specific number of products to Buyer. If for any reason a shortage or products occurs, Av-DEC will have the right to first satisfy its own requirements or the requirements of other customers or buyers other than Buyer.
3. **Pricing.** All price quotations are subject to change without notice prior to acceptance by Buyer. Commercial terms are EXW (Incoterms 2010) Av-DEC's point of shipment unless otherwise agreed. Prices are stated in United States Dollars, and are exclusive of sales, use, excise or similar taxes. Any tax or other governmental charge on the production, sale, shipment or use of the products will be added to the price of the products. Buyer may furnish Av-DEC with a tax exemption certificate acceptable to the appropriate taxing authority. Any changes in tariffs, freight rates, or transportation charges prior to the date of shipment will be paid by the Buyer.
4. **Payment Terms.** Payment terms are net thirty (30) days from the date of invoice in United States currency, and will be paid by Buyer without any withholding, deduction, set-off or counterclaim whatsoever. Av-DEC reserves the right to modify or withdraw any credit terms extended to Buyer at any time without notice, or to require guarantees, security, or payments in advance. If Buyer fails to fulfill these payment terms, Av-DEC may defer further shipments to Buyer or, at its option, cancel the unshipped portion of Buyer's order.
5. **Shipment and Acceptance.** Av-DEC may, at its discretion, ship products in accordance with instructions supplied by Buyer. If Buyer fails to furnish specific shipping instructions, Av-DEC may ship via its preferred commercial carrier. If Buyer is to arrange pick up of products, and has not done so within seven (7) days after notification that they are ready for shipment, Av-DEC may ship the products via its preferred commercial carrier. If Buyer does not pay the carrier directly, Av-DEC will send Buyer an invoice for shipping costs, and Buyer will pay such costs. Packaging will be standard Av-DEC packaging, unless otherwise agreed by the parties and priced accordingly. Title to the products and risk of loss of the products will pass upon Av-DEC's placement of the products with the carrier. By accepting products from the carrier, Buyer agrees that they are free of defects that a reasonably careful inspection would disclose.
6. **Transportation Security.** Buyer agrees to require its agents (including, but not limited to, brokers and freight forwarders) to (i) comply with all applicable transportation security laws and regulations, and (ii) provide proper identification and purchase order number when picking up products from Av-DEC.
7. **Shipping Dates.** The time of delivery will be stated by Av-DEC in the purchase order confirmation according to Av-DEC's best estimate, but will not be binding on Av-DEC. Av-DEC will notify Buyer as soon as possible if Av-DEC anticipates a delivery after the date specified in the purchase order to enable the best possible delivery alternative to be determined. If such delay is caused by Av-DEC, Av-DEC will provide a revised delivery date confirmation upon written request from Buyer. A delay in delivery will not entitle Buyer to cancel, unless delivery has not taken place within thirty (30) days from the estimated delivery time stated by Av-DEC in the purchase order confirmation. Buyer will have no other remedies for breach as a result of delay or non-delivery of products and is not entitled to make any claim for damages, consequential loss or other loss due to a delay in the delivery or non-delivery of any products.
8. **Cancellation and Return.** Buyer's purchase order may not be modified or rescinded except in writing signed by Av-DEC and Buyer. Buyer shall inspect all products within two days of receipt of any shipment, and must notify Av-DEC in writing within such two-day period of any defects in or damage to products due to shipping. If a return of products is authorized by Av-DEC due to shipping damage or a warranty claim, Buyer must follow the return procedures established and issued by Av-DEC. Av-DEC will evaluate returned products to determine if they are in fact damaged or defective. Any return of products, irrespective of cause, will be at the sole risk of Buyer. Products returned for reasons other than damage or a warranty claim will be subject to a 25% restocking fee. Buyer shall have no right to withhold any payment for products due to damage or return of products.



- 9. Disclaimer.** AV-DEC PROVIDES NO FAA AIRWORTHINESS CERTIFICATION OR APPROVAL RELATED TO THE PRODUCTS, UNLESS EXPRESSLY STATED ON THE PART LABELING AND ASSOCIATED PAPERWORK, AND NO CERTIFICATION SHOULD BE IMPLIED BY THIS AGREEMENT OR ANY MARKETING MATERIALS SUPPLIED BY AV-DEC. THE ONLY WARRANTIES APPLICABLE TO THE PRODUCTS ARE THOSE WRITTEN PRODUCT WARRANTY ISSUED BY AV-DEC THAT ACCOMPANIES THE PRODUCTS. EXCEPT FOR AV-DEC'S EXPRESS LIMITED OBLIGATIONS UNDER THAT WRITTEN PRODUCT WARRANTY, AV-DEC AND ITS AFFILIATES ASSUME NO OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH BUYER'S PURCHASE OR SALE OF ANY PRODUCTS. OTHER THAN THE PRODUCT WARRANTY, BUYER ACKNOWLEDGES AND AGREES THAT IT PURCHASES ALL PRODUCTS "AS-IS." BUYER IS NOT AUTHORIZED TO MAKE ANY WARRANTY BEYOND OR IN ADDITION TO THE TERMS OF AV-DEC'S WRITTEN PRODUCT WARRANTY. BUYER SHALL DELIVER A COPY OF AV-DEC'S PRODUCT WARRANTY, IF ANY, TO EACH PURCHASER OF A PRODUCT AT THE TIME OF DELIVERY.
- 10. Limitation of Liability.** In the event Buyer claims that Av-DEC has breached any of its obligations under this Agreement, Av-DEC may request the return of the products and refund to the Buyer the purchase price therefore paid by Buyer. If Av-DEC so requests the return of the products, the products shall be redelivered to Av-DEC in accordance with Av-DEC's instructions and at Av-DEC's expense. In such event, Av-DEC shall have no further obligations under this Agreement. THE REMEDIES PROVIDED FOR IN THIS SECTION SHALL CONSTITUTE THE SOLE RECOURSE OF BUYER AGAINST AV-DEC FOR CLAIMS RELATING TO THE SALE OR USE OF PRODUCTS, WHETHER THE CLAIM IS MADE IN TORT OR IN CONTRACT, INCLUDING CLAIMS BASED ON WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE. IN NO EVENT SHALL AV-DEC BE LIABLE FOR INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, ANY DAMAGE TO AIRCRAFT, OR LOSS OF USE ARISING OUT OF THE PURCHASE, DELIVERY, INSTALLATION, OR USE OF THE PRODUCTS. AV-DEC'S LIABILITY TO BUYER FOR ANY CLAIMS OR DAMAGES ARISING OUT OF OR CONNECTED WITH THIS AGREEMENT OR THE PURCHASE, DELIVERY, INSTALLATION, OR USE OF THE PRODUCTS WILL NOT EXCEED THE PURCHASE PRICE OF THE PRODUCT(S) AS TO WHICH THE CLAIM IS MADE.
- 11. Force Majeure.** Av-DEC shall not be liable for any failure to perform its obligations under this Agreement resulting directly or indirectly from or contributed to by any acts of God, acts of Buyer, acts of civil or military authority, priorities, fire, strikes or other labor disputes, accidents, floods, epidemics, war, riot, delays in transportation, lack of or inability to obtain raw materials, components, labor, fuel or supplies, or other circumstances beyond Av-DEC's reasonable control.
- 12. Governing Law and Venue.** This Agreement shall be governed by laws of the State of Texas without regard for its conflict of laws provisions and specifically excludes the U.N. Convention on Contracts for the International Sale of Goods. No action for breach of this Agreement or any covenant or warranty arising under this Agreement, shall be brought more than one year after the cause of action has occurred. All suits, proceedings and other actions relating to or arising out of this Agreement will be brought in the court on Tarrant County, Texas, and jurisdiction and venue will lie exclusively therein.
- 13. Export and Trade Regulations.** The parties acknowledge that if the products purchased under this Agreement are to be delivered to a destination outside of the United States, they could be subject to the U.S. Export Control and Economic Sanctions Regulations ("**Trade Regulations**"). In performing their respective obligations under this Agreement, the parties will comply with all applicable laws, including any federal, state, provincial and local laws, ordinances and codes, together with all rules, regulations and guides, including the Trade Regulations.
- 14. Intellectual Property.** All intellectual property, including, without limitation, inventions, improvements, trademarks, patents, designs, and any other corresponding property, is the sole property of Av-DEC.
- 15. Severability; Modification.** This Agreement shall be deemed severable; the invalidity or unenforceability of any term or provision shall not affect the validity or enforceability of this Agreement or of any other term hereof. Av-DEC may modify this Agreement at any time. Such modifications will be posted on Av-DEC's website or otherwise provided to Buyer, and shall be binding upon the parties from the date of such posting or provision to Buyer.