

10.1.2020

## **Quotation Terms and Conditions**

**QUOTE VALIDITY:** All prices are valid for 30 days unless otherwise noted. When quoting from our inventory, the stock is subject to prior sale. The Quotation is valid for a single shipment unless otherwise noted.

**MINIMUM ORDER REQUIREMENTS:** A total of \$100 USD minimum order. Minimum order quantities may apply but will be noted at time of quotation.

<u>PART CERTIFICATION:</u> Aero Defense Supply, Inc will send Buyer's shipment with an Aero Defense Supply Inc certificate of conformance. Manufacturer's certificate of conformance, test reports, FAA 8130-3, or EASA forms will be supplied whenever applicable. Charges from the Manufacturer for further documentation (e.g First Article Inspection) may apply but will be noted at time of quotation.

<u>DELIVERY OF PRODUCT:</u> All product quoted will be for Aero Defense Supply Inc , Franklinton, NC. Fufillment of the order is complete upon placing the item in the possession of the carrier.

**SPECIAL ORDER:** Some product may be noted as "Special Order" or "Non-cancellable" on the quotation. In these cases, a restocking fee of up to 100% may apply.



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# **CUSTOMER TERMS AND CONDITIONS FOR SALES / SHIPMENTS:**

<u>CANCELLED OR RETURN MATERIAL</u>: After 'Order Acceptance" products that have not been altered may be returned to Aero Defense Supply Inc for the reasons listed below. In all circumstances, a Return Material Authorization (RMA) number is required before returning. Canceled orders may be subject up to 100% re-stocking fee for special order or non-cancelable/non-returnable products.

- 1. In the event any item furnished is not a Conforming Item, Buyer shall have the option to require Aero Defense Supply Inc to repair or replace the non-Conforming item.
- 2. If products were ordered in error by the Buyer, the products may be returned to Aero Defense Supply Inc for credit within 30 (thirty) days after the product was shipped at Sellers shipping expense. A minimum restocking fee of 25% (twenty-five percent) may apply against the original invoice.
- 3. Products shipped in error by Aero Defense Supply Inc, may be returned for full refund. Shipping charges shall be borne by Aero Defense Supply Inc.

<u>PAYMENT TERMS:</u> Shipments to the Buyer who have not established credit terms with Aero Defense Supply Inc will be made on a C.O.D. basis or charged to a credit card (Visa, MasterCard, PayPal). Credit terms may be established with Aero Defense Supply Inc by providing a minimum of 3 (three) trade references. Aero Defense Supply Inc reserves the right to modify or cancel credit terms and/or credit limits at any time without written notice.

<u>DELIVERY / PACKAGING</u>: All parts shipped from Aero Defense Supply Inc are sold F.O.B. Franklinton, NC and Buyer assumes and bears all risk of loss of or damage to the materials. All items shall be packaged in accordance with Buyer's instructions or, if none are specified, in accordance with both ATA spec. 300 and the highest industry standards and practices in a manner sufficient to ensure arrival in an undamaged condition.

<u>OWNERSHIP AND TITLE:</u> Ownership and title to the materials shall remain in Aero Defense Supply Inc until full and final payment for the material has been received by Aero Defense Supply Inc and good funds therefore have cleared the bank, nothwithstanding that the Buyer may have possession or control of the materials.

<u>CERTIFICATION:</u> Aero Defense Supply Inc will send Buyer's shipment with an Aero Defense Supply Inc certificate of conformance when applicable. Manufacturer's certificate of conformance, test reports, FAA 8130-3, or EASA forms will be supplied whenever applicable.

<u>USE OF PRODUCTS</u>: Products are not authorized for use in critical safety, life support, human implant, nuclear facilities or other applications where a failure may reasonably be expected to result in personal injury loss of life or catastrophic property damage. If Customer uses or sells the Products for use in any such applications, Customer acknowledges that such use or sale is at Customer's sole risk. Customer will indemnify, defend and hold ADS and the Product manufacturer harmless from and against any and all liabilities and costs arising out of or in connection with such use or sale.

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**EXPORT / IMPORT:** Certain Products sold by ADS are subject to export control laws, regulations, and orders of the United States and the export or import control laws and regulations of other countries. Customer may not directly or indirectly export or divert any products to any of the following destinations without authorization: Cuba, Iran, North Korea, Sudan, or any other country to which equipment is prohibited; nor to end-user(s) involved in chemical, biological, nuclear, or missile weapons activity unless with prior approval by US Department of State and/or US DOD.

TECHNICAL ADVICE AND PRODUCT INFORMATION: Any technical advice offered or given in connection with the use of any Product is an accommodation to Customer without charge and ADS shall have no responsibility or liability whatsoever for the content or use of such advice. Without ADS's prior written consent, Customer shall not use, duplicate, or disclose any technical data delivered or disclosed by ADS to Customer for any purposes other than for installation, operation, or maintenance of Products purchased by Customer. Product information, including information related to a Product 's specifications, export/import control classifications, uses or conformance with legal or other requirements ('Product information") is obtained by ADS from its suppliers or other sources. Such information is provided by ADS on an "AS IS" bases. ADS makes no representation as to the accuracy or completeness of the Product information and disclaims all representations, warranties and liabilities under any theory with respect to the Product information, including implied warranties or merchantability, fitness for a particular purpose, title and non-infringement. ADS recommends Customer validate any Product information before using or acting on such information. All Product information is subject to change without notice. ADS is not responsible for typographical or other errors or omissions in Product information.

PATENT INFRINGEMENTS: ADS makes no representations that any Products sold to Customer are free of the rightful claim of any third person by way of infringement, or of infringement of patent or trademark or the like and disclaims any warranty against infringement with respect to any Products. Customer agrees to look solely to the manufacturer or licensor of the products with respect to any claim of infringement. Furthermore, Customer agrees to protect, defend, indemnify, and hold harmless ADS from all sums, costs, expenses, and attorney fees which ADS may incur or be obligated to pay as a result of any and all claims and demands, causes of action or judgments arising out of or relating to any use, modification or enhancement of the Products purchased by Customer unless such use, modification, or enhancement is approved in writing by the manufacturer or licensor of the Products.

<u>FORCE MAJEUR:</u> ADS is not liable for failure to fulfill its obligations for any accepted Order or for delays in delivery due to causes beyond its reasonable control including, but not limited to, acts of God, acts or omissions of the Customer or civil or military authorities, man-made or natural disasters, fires, flood, earthquake, riot, war, epidemic medical crises, materials shortages, strikes, acts of terrorism, delays in transportation or inability to obtain labor or materials through its regular sources.

<u>GENERAL</u>: The jurisdiction of any dispute or litigation between ADS and Customer will take place exclusively in North Carolina, Granville County. ADS is entitled to recover, and the Customer shall pay, all costs, expenses, and legal fees (including the fees of attorneys and persons not admitted to the bar performing services under the supervision of an attorney) incurred by ADS in enforcing this Agreement. The United Nations Convention for the International Sale of Goods shall not apply. The several captions used herein are for the convenience of the parties only and shall not affect the instruction or interpretation hereof. Customer may not assign this Agreement without the prior written consent of ADS. This Agreement is binding on successors and assigns. ADS and Customer are independent contractors and agree that this Agreement does not establish a joint venture or partnership. ADS's failure to object to any document, communication, or act of Customer will not be deemed a waiver of any of these terms and conditions. The unenforceability of any of these terms or conditions will not affect the remainder of the terms and conditions. This Agreement can only be modified in writing signed by authorized representatives of both ADS and Customer.

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### TERMS & CONDITIONS FOR AERO DEFENSE SUPPLY PURCHASE ORDERS:

As a supplier to Aerp Defemse Supply Inc ("ADS"), it is understood that your organization agrees to meet the following requirements for each ADS Purchase Order. These requirements are to be considered as terms and conditions for all purchases.

<u>PURCHASING REQUIREMENTS:</u> Cost shall not exceed the total dollar amount listed on this Purchase Order. Supplier must provide written acknowledgement of receipt of this PO. All parts/material must be traceable to an FAA Approved Sourch (OEM, 121, 129, or 145) when applicable and/or indicated. Aero Defense Supply Inc will not accept any alternate part numbers withough prior written approval. Any records pertaining to this Purchase Order must be retained by the supplier or sub-tier supplier(s) for a minimum of 7 (seven) years per regulatory requirements unless otherwise specified. Partial Shipments must be approved prior to shipment of the goods. Acceptance of the PO authorizes Aero Defense Supply Inc the right to inspect or review, at any time, the supplier's facility.

- 1. Supplier warrants the materials delivered pursuant to ADS's Purchase Order, unless otherwise specifically stated in the Purchase Order shall:
  - Be new and only contain materials obtained directly from the Original Equipment Manufacturer (OEM),
    Original Component Manufacturer (OCM), or an authorized OEM/OCM reseller or distributor.
  - Not contain Counterfeit Items
  - Supply traceability that identifies the name and location of all supply chain intermediaries from the OEM/OCM to the direct source (seller) of the product is required.
  - Contain only authentic, unaltered OEM/OCM labels and other markings; and be free from defects in workmanship, materials, and design.
  - Be free of foreign object debris (FOD) and comply to NAS412.
  - Be in accordance with all the requirements of the Purchase Order.
  - Be free of sourcing conflict minerals from the DRC.
- 2. Supplier further warrants that the performance of work and services shall conform to the requirements of the Purchase Order. These warranties shall survive final acceptance and payment.
- 3. Supplier shall notify ADS of any non-conforming product/material where the product was previously shipped to ADS and may require a recall. Non-Conforming Product is not to be shipped without ADS's prior approval.
- 4. These commodities may be subject to the requirements of the international Traffic in Arems Regulation and/or the restrictions of an export license from the U.S. Department of State. If so, they may not be transferred, transshipped on a non-continuous voyage, or otherwise be disposed of in any other country, either in their original form of after being incorporated into other end-items, without prior written approval of the U.S. Department of State.
- 5. Acceptance of ADS's Purchase Order constitutes Supplier's acknowledgement and acceptance of ADS's Supplier terms and conditions as listed above.
- 6. Supplier is required to respond to Quality Alerts within the time frame requested; non-responses indicate product conformance. Any legal or monetary liability involving non-responses will be charged to the supplier.

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- 7. Suppliers are expected to maintain a quality management system that is either 3<sup>rd</sup> party certified or compliant to requirements of ISO 9001 or AS9100. Suppliers are required to supply supplier surveys and certification on a periodic basis.
- 8. Suppliers shall ensure that their employees are aware of their contributions to: product/service conformity, product safety; and, the importance of ethical behavior.
- 9. Suppliers shall use end customer designated or approved external providers, including process sources (e.g. special processes) as specified on drawings included in Purchase Orders.