



**AIRCO LLC TERMS AND CONDITIONS
OF SALE**

1. **ACCEPTANCE.** Buyer's purchase order is accepted subject to the following terms and conditions and no others unless the same have been consented to in writing by AirCo. The placing of this order by Buyer and subsequent acceptance by AirCo shall be conclusive evidence of the Buyer's approval of, and consent to the terms and conditions herein contained.
2. **MINIMUM PURCHASE AMOUNT.** The minimum accepted amount for a sales order is \$500.00
3. **PRICE AND PAYMENT.** All prices are EX WORKS (EXW) from AirCo's facility, and unless otherwise stated, do not include cartage, insurance, taxes, imposts, or other similar charges. All payments shall be made in accordance with the terms set forth on the face of the quote or invoice to which these terms are attached. In the event invoices are not paid by the Buyer as set forth herein, AirCo reserves the right to impose, and Buyer agrees to pay, a late fee equal to the lesser of (1) point zero five percent (.05%) per day, or (2) the maximum rate allowable by law, which late fee shall be added to the amount due and owing to AirCo. If AirCo determines in its sole judgment that Buyer's credit worthiness is adversely changing, then AirCo, upon three (3) days prior written notice to Buyer, shall have the right to request a change in payment terms. If Buyer and AirCo cannot reach agreement on new payment terms within ten (10) days thereafter, then AirCo shall have the option of ceasing all work in process and terminating any sale immediately. Buyer agrees to pay all reasonable attorneys' fees, costs and related expenses incurred by AirCo in the enforcement of this Agreement, including, without limitation, the collection of any and all amounts to be paid by Buyer hereunder.
4. **PERFORMANCE/DELIVERIES.** AirCo shall not be liable for delays in delivery, performance, or failure to perform, manufacture, or deliver due to causes beyond its reasonable control; or acts of God, acts of the Buyer, acts of civil or military authority, Governmental priorities, fires, strikes, floods, epidemics, war riot, delays in transportation or shortages; or inability due to causes beyond reasonable control to obtain necessary labor, materials, utilities, components, or manufacturing facilities. In the event of any such delay, the date of performance/delivery shall be extended for a period of time as may be reasonably necessary to compensate for any such delay.
5. **WARRANTY.**
 - (a) AirCo warrants that the articles delivered hereunder conform to final specifications, drawings, and other descriptions agreed in writing to be applicable. These warranties shall run to the Buyer, its successors, assigns and customers, to the extent permitted by law.
 - (b) The responsibility of AirCo hereunder and the sole and exclusive remedy of Buyer, its successors, assigns or customers for a breach of any warranty hereunder, is limited to correction or replacement by AirCo at its facility without charge of any article or part which has been returned to AirCo and which is not in accordance with this warranty; provided, however,
 - (1) AirCo must be notified in writing of the defect or nonconformity within the warranty period and the effected article or part returned to AirCo within ten (10) days after discovery of such defect or nonconformity;
 - (2) if AirCo is unable to repair or replace a defective or non-conforming article or part within a reasonable time after receipt thereof, Buyer shall be credited for its value at the original purchase price; and
 - (3) AirCo shall not be responsible for any cost or expense related to the removal, reinstallation or transportation of such part or article.
 - (c) AirCo shall have the sole right to determine whether returned articles or parts shall be repaired or replaced.
 - (d) AirCo's responsibility under these warranties shall expire per the conditions below. Any deviation from these terms must have prior written approval from AirCo.:
 - Inspected / Tested: 90-day warranty. Should the unit fail within 90 days from the date of shipment, the unit may be returned for warranty consideration. If no fault is found with the unit, and/or the unit is returned unused within 30 days, a 20% restocking fee will be applied.
 - Repaired / Modified: 6-month warranty. If the unit should fail within six months from the date of shipment, the unit may be returned for warranty consideration. If the unit is returned unused within 30 days, a 20% restocking fee will apply
 - Overhauled: 12-month warranty. If the unit should fail within twelve months from the date of shipment, the unit may be returned for warranty consideration. If the unit is returned unused within 30 days, a 20% restocking fee will apply.
 - As Is: Does not carry a warranty either expressed, implied or written. These units are being sold "AS IT IS" and carries no warranty and cannot be returned for a credit of any kind.
 - As Removed: Sold in "as removed" condition with no warranty either expressed, implied or written. If sold as "guaranteed repairable", an agreed upon repair cap may be required and quoted. Confirmation of repairability must be determined within 30 days from shipment.
 - (e) Unless otherwise agreed, and except as may be necessary to comply with these warranties, AirCo reserves the right to make changes in its products without any obligation to incorporate such changes in any product manufactured, overhauled, or repaired prior to such change being implemented.
 - (f) Buyer agrees to assume round-trip transportation costs for defective or non-conforming articles to and from AirCo's facility.
 - (g) These warranties will not apply if the articles or any part thereof have been subjected to (1) any maintenance, overhaul, installation, storage, operation, or use, handling or environment which is improper or not in accordance with AirCo's or the manufacturer's instructions; (2) any alteration, modification, or repair by anyone other than AirCo or its authorized representative; or (3) any accident, misuse, neglect, or negligence after delivery by AirCo. The warranty shall not apply to any article to the extent that the defect or nonconformity is attributable to any part not supplied by or approved by AirCo.
 - (h) AirCo's obligations under these warranties are conditioned on Buyer's obligation to maintain records which will accurately reflect maintenance performed on Buyer's equipment and establish the nature of any unsatisfactory condition of Buyer's equipment. AirCo, at its request, shall be given access to such records for sustaining warranty claims.
 - (i) No warranty is given with respect to articles or parts not manufactured, overhauled or repaired by AirCo.
 - (j) THE PARTIES HEREBY EXPRESSLY ACKNOWLEDGE AND AGREE THAT ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, ARE HEREBY EXCLUDED AND DISCLAIMED, AND AIRCO HEREBY DISCLAIMS AND BUYER HEREBY WAIVES, RELEASES AND RENOUNCES, ANY AND ALL OBLIGATIONS AND LIABILITIES OF AIRCO AND RIGHTS, CLAIMS AND REMEDIES OF BUYER AGAINST AIRCO, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY FAULT OR DEFECT IN SUCH PARTS OR ANY OTHER THING DELIVERED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO (A) ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS, (B) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, AND (C) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT WHETHER OR NOT ARISING FROM AIRCO'S NEGLIGENCE, ACTUAL OR IMPUTED.

(k) UNDER NO CIRCUMSTANCES SHALL AIRCO BE LIABLE TO BUYER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS.

(l) No agreement extending this warranty shall be binding upon AirCo unless in writing and signed by AirCo's duly authorized officer or representative.

(m) The above warranty is the only warranty given unless other warranties are attached and hereby made a part hereof.

6. **LIMITATION OF LIABILITY.** The parties expressly agree that AirCo's liability arising from any claim of any kind, including without limitation negligence, for any loss or damage arising out of, connected with, or resulting from this order, or from the performance or breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any article covered by or furnished under this order shall in no case exceed the price paid by Buyer to AirCo for the article or part which gives rise to such claim. UNDER NO CIRCUMSTANCES SHALL AIRCO BE LIABLE TO BUYER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS. Buyer shall defend, indemnify and hold harmless AirCo together with its directors, officers, employees, assignees, agents and shareholders (hereinafter collectively called the "Indemnified Parties"), from and against all claims, demands, suits, obligations, liabilities, damages, losses and judgments (including, but not limited to, costs and expenses related thereto, reasonable attorney's fees and expenses, any obligation or liability for loss of use or any other incidental or consequential damages, and any liability, obligation or claim in tort)(hereinafter collectively called "Claims"), which may be asserted against, suffered by, charged to or recoverable from the Indemnified Parties by reason of (i) injury or death of any person, including employees of Buyer and any operator of any aircraft upon which any part or article acquired hereunder is installed, or (ii) loss of or damage to any property, including aircraft, upon which any part or article acquired hereunder is installed, whether or not such event arises in any way from any form of fault or negligence of AirCo (whether passive, active, sole, joint, comparative or concurrent).
7. **EXCHANGES AND RETURNS.** Worn exchange cores must be returned, freight prepaid, to AirCo's facility indicated on the "Core Receiving Document" within fifteen (15) days from the date of shipment for domestic exchanges in the U.S. and thirty (30) days for international exchanges. Delay in accomplishing a timely return will subject Buyer to a penalty charge at the then current rate as established by AirCo. Buyer agrees to pay for all replacement parts in the overhaul of the exchange core not required as part of a normal overhaul. Buyer shall be invoiced for any such replacement parts. All sales are final. No return of unused parts will be permitted unless previously authorized by AirCo. All authorized returns will be subject to a minimum restocking fee of \$200.00 or 20% of the sale price, whichever is greater, plus any recertification charges. No unauthorized returns accepted after 30 days except for warranty repair considerations. Buyer will be notified whenever the returned core is "Beyond Economical Repair" (referred to herein as "BER"). If the returned core is BER, Buyer will be given 10 days to supply an alternate core that is not BER. If Buyer fails to supply a non-BER core, Buyer shall pay the core charge identified on AirCo's invoice. Additionally, if Buyer fails to supply a non-BER core, AirCo reserves the right to charge an additional exchange fee.
 - (a) Returned Exchange Cores shall be the same part number, dash number and modification status as the Exchange Unit provided by AirCo unless approval is obtained in writing from AirCo. All Exchange Core returns shall include; a) a completed material Certificate, showing traceability to a regulated source (Airline, MRO, etc.), b) a non-incident statement from the last operator, and c) backup documents, including but not limited to packing slip and invoice. All Customer Core Exchange Units returned with incomplete packing slips, certification and traceability paperwork will be rejected by AirCo and unless remedied on or before the established calendar days outlined in clause 7 above, an Exchange Transaction will occur, and the Customer shall be invoiced the Outright Sales Price plus all costs to return Customer Core Exchange Unit to the Customer. All time or cycle limited parts must be accompanied by full records and traceability documents to original manufacturer.
8. **TAXES.** The amount of all Federal, State, or local taxes applicable to the sale, use, or transportation of the articles sold or work performed hereunder and all duties, imposts, tariffs, or other similar levies, shall be added to the prices and paid by the Buyer, except where the Buyer shall furnish an appropriate certificate of exemption there from. Buyer indemnifies and holds AirCo harmless from the payment or imposition of any tax imposed on any articles sold or used hereunder, or for any work performed hereunder under the provisions of any State Sale or Use Tax Act plus penalties, interest and/or attorneys' fees connected with the imposition of any such sales or use tax in connection with the articles sold or used or the work performed hereunder.
9. **EXPORT.** If any article sold hereunder is for export, Buyer shall be responsible for arranging all transportation, insurance and export clearances.
10. **SEVERABILITY.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceable in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, each party hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect.
11. **APPLICABLE LAW.** This Agreement shall be interpreted in accordance with the laws of the State in which AirCo's facility is located, as set forth on the front face of this Agreement, exclusive of any choice of law rule of that State, or any other jurisdiction which could cause any other matter to be referred to the law or jurisdiction other than that State. The parties hereto agree that any litigation arising out of this Agreement shall be in which AirCo's facility is located as set forth on the front face of this Agreement. Any legal action Buyer for breach must be commenced within one (1) year from the date of breach. Buyer agrees to pay all costs and expenses, including reasonable attorneys' fees, incurred by AirCo in any action to enforce its rights hereunder. The United Nations Convention on Contracts for the International Sale of Goods, 1980, and any amendment or successor thereto is expressly excluded from this Agreement.
12. **WAIVER.** Failure by AirCo to assert all or any of its rights upon any breach of this Agreement shall not be deemed a waiver of such rights either with respect to such breach or any subsequent breach, nor shall any waiver be implied from the acceptance of any payment or service. No written waiver of any such right shall extend to or affect any other right AirCo may possess, nor shall such written waiver extend to any subsequent similar or dissimilar breach.
13. **ESTIMATED PRICING.** Estimated pricing is defined to mean an approximate calculation only. The final price may exceed the estimate price.
14. **ENTIRE AGREEMENT.** Upon acceptance of this Agreement by Buyer, the provisions hereof (including the pertinent documents, drawings, and specifications applicable hereto) shall constitute the entire Agreement between the parties and supersede all prior prices, offers, negotiations and agreements relating to the subject matter hereof.
15. **INDEPENDENT CONTRACTOR.** Buyer and AirCo shall act at all times as independent contractors, and nothing contained herein shall be construed to create the relationship of principal and agent, or employee between Buyer and AirCo. It is mutually understood and agreed that personnel assigned to perform services hereunder are solely the employees, agents or subcontractors of AirCo.
16. **ASSIGNMENT.** This Agreement shall not be assigned or otherwise transferred (by operation of law or otherwise) by Buyer without the ACCEPTANCE. Buyer's purchase order is accepted subject to the following terms and conditions and no others unless the same have been consented to in writing by AirCo. The placing of this order by Buyer and subsequent acceptance by AirCo shall be conclusive evidence of the Buyer's approval of, and consent to the terms and conditions contained herein.