



CUSTOMER SALES TERMS AND CONDITIONS

ACCEPTANCE Products are deemed accepted by customer unless customer notifies Seller in writing within 10 days of delivery of product shortages, damage or defect. No returns may be made for any reason without a Return Material Authorization issued by Seller. If customer refuses to accept tender or delivery of any products or returns any products without authorization from Seller, such products will be held by Seller awaiting customer's instruction for 20 days, after which Seller may deem the products abandoned and dispose of them as it sees fit, without crediting customer's account.

DELIVERY Seller will use its best efforts to ship by the purchase order contract date specified; however, Seller shall not be liable for any delay or failure in the promised delivery or shipment of products or for any damages suffered by reason thereof. Shipping dates shall be extended for delays due to acts of God, acts of Buyer, acts of Government, fires, floods, strikes, riot, war, embargo, transportation shortages, delay or default on the part of Seller's vendors, or any other cause beyond Seller's reasonable control.

TITLE AND RISK OF LOSS Title to products and risk of loss or damage thereto shall pass to Buyer upon delivery EXW-Ex Works Seller's factory or warehouse. Seller shall not be responsible for damage to any of the products while the products are in transit. Any claim Buyer may have due to damage to transit shall be made of Buyer against the carrier.

EXPORT The commodities purchased under this order are subject to export licensing and other export-related requirements and restrictions of the U.S. Export Administration Regulations, 15 CFR Parts 730-774 (EAR), and/or the U.S. International Traffic in Arms Regulations, 22 CFR Parts 120-130 (ITAR). Buyer shall comply with these regulations and all other applicable U.S. export laws and regulations when exporting the commodities or related technical data from the United States, including furnishing or transferring the commodities or related technical data to a foreign person located anywhere.

WARRANTY All warranty adjudication requests must receive prior approval from Seller before Buyer returns any material. The Seller's Return Material Authorization (RMA) number will authenticate the warranty request upon receipt at Seller's facility. The Seller will have sole right to accept or deny any warranty upon evaluation of returned item (Approval of return may result in 25% Re-Stocking charges). Failure to have Seller's RMA number clearly marked on your documentation will invalidate warranty consideration.

The product warranty shall start on date of delivery to Buyer, except as noted below, and shall apply as follows:

Factory New Units*: Two (2) years

Overhaul*: One (1) year or 2000 flight hours (documentation substantiating flight hours required), whichever occurs first

Repair*: Six (6) months and limited to materials installed and labor performed during last repair activity

Detail Parts: No Warranty - Guaranteed Conformity prior to installation

* **Note:** Any material returned and determined by Seller to have a No Fault Found (NFF) finding will result in charges to Buyer for inspection, test and recertification.



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*** Note Continued:** Seller warrants that all Factory New products furnished hereunder will be free from defects in material and workmanship under normal use and service for the time periods listed above. Seller's obligation is limited to the repair and/or replacement of such products returned to the Seller, transportation charges prepaid, within time periods listed above to the Buyer when examination thereof shall disclose them to Seller's satisfaction, to have been defective. This Warranty does not apply to any of Seller's products which have been opened, disassembled, repaired or altered by anyone other than Seller or subjected to improper installation, misuse or abuse as determined by Seller.

Except for the warranty coverage referenced above, Seller will not have any liability or obligation to customer or any other person for any claim, loss, damage, or expense caused in whole or in part, directly or indirectly, by the inadequacy of any products for any purpose, by any deficiency or defect in any product (whether or not covered by any warranty), by the use or performance of any products or by any failure or delay in Seller's performance hereunder, or for any special, direct, indirect, incidental, consequential, exemplary or punitive damages, however caused, including, without limitation, personal injury or loss or business or profit, whether or not customer will have informed Seller of the possibility or likelihood of any such damages.

TERMS OF PAYMENT Subject to credit approval; net 30 days.

PARTIAL SHIPMENTS Seller reserves the right to make and to invoice for partial shipments of completed articles.

TERMINATION Orders are not subject to termination without Seller's written consent. Any reduction in quantities ordered shall constitute a partial termination subject to this clause. Buyer will also pay the full costs of materials, dies, tools, patterns and fixtures made or contracted specifically for Buyer's order.

OBSOLESCENCE SPECIFICATION Ontic manufactures to industry requirements such as specifications and standards issued by appropriate third parties. When these documents become obsolete, they are replaced with comparable or superseding documents, and therefore Ontic substitutes those replacement documents where applicable.