

STANDARD CONDITIONS OF SALE (Release date: July 26, 2018)

AvtechTye, Inc. (hereinafter referred to as AvtechTye) proposes to furnish the Purchaser the products (hereinafter termed "Products"), subject to the following terms and conditions.

1). DELIVERY: Unless otherwise agreed, AvtechTye will furnish its products F.O.B. its factory. Delivery to the transporting carrier shall constitute delivery to the Purchaser, and transfer of title subject to the provisions of paragraph 2, below.

If shipment or any other act or condition affecting payment shall be delayed on account of Purchaser, payment shall become due when Purchaser is notified that AvtechTye is ready to ship, and the product shall thereafter be held at Purchaser's risk and expense. If partial shipments are made, proportionate payments shall become due and payable on the partial shipment.

The specified shipment is subject to any delay on the part of the Purchaser in supplying AvtechTye with necessary data, or approved drawings as may be required, or any changes therein at the Purchaser's instance, and to delays due to causes beyond AvtechTye's reasonable control, including, but not limited to, acts of God, or acts of Purchaser, fires, floods, strikes, accidents, wrecks, delays in transportation, embargoes, car shortages, acts of civil or military authority, compliance with priority orders or preferred ratings issued by the U.S. Government, delay by supplier of material, shortages of material, unusually severe weather, or any inability to obtain necessary labor, materials or manufacturing facilities due to any such causes, and in the event of delay due to any such cause the time specified for shipment or completion shall be extended during the continuation of such delay and a reasonable time thereafter to allow for shipment or completion. If changes in specifications or drawings are made at the instance of the Purchaser, and accepted by AvtechTye, AvtechTye shall be entitled to an equitable adjustment in the price, delivery date, or both.

Delivery dates are approximate. Delivery dates and prices are based on prompt receipt of orders by AvtechTye and all information necessary to permit AvtechTye to proceed with work immediately and without interruption, and satisfactory assurance of compliance with the terms of payment agreed upon. Prices will be subject to adjustment in accordance with the provisions of the annexed price adjustment clause, if any.

2). TITLE: Without relieving the Purchaser from obligation to make payment as provided for and without reference to the form of invoice that may be used by AvtechTye, it is agreed that title, to the extent of a security interest in the Products furnished, is reserved in AvtechTye until the purchase price (including any extensions of payment whether evidenced by note or otherwise) shall have been fully paid in cash, and the Products shall remain personal property whatever may be the mode of its attachment to realty or other property, until fully paid for in cash, and the Purchaser agrees to perform all acts which may be necessary to perfect and assure retention of title in AvtechTye as aforesaid. In case of failure by the Purchaser to make any payment when due, it is expressly understood that it shall be optional with AvtechTye to take exclusive possession of the Products wherever found and remove same without legal process, all at the expense of the Purchaser. In the event of default by Purchaser the amount of damage to AvtechTye being substantial and difficult or impossible to ascertain, it is hereby agreed that any payments which may have been made to AvtechTye shall be retained by it as liquidated damages without prejudice to its right of recovery for further damage it may suffer from any cause arising out of such default.

3). STANDARD WARRANTY: AvtechTye warrants that the Products will be free from defects in title, and so far as of its own manufacture, will conform, in the manner herein provided, to the applicable specifications which are made a part hereof, and will be free from defects in material and workmanship, and should any part of it be found, when properly installed, maintained and used under specified service conditions, within one year, unless otherwise agreed upon in a separate LTA or Product Support Agreement, after date of notification of completion at AvtechTye plant or shipment by AvtechTye, whichever is the earlier to have been defective of nonconforming with the specifications, AvtechTye will repair or replace said part F.O.B. its factory provided the original part is returned to its factory transportation prepaid and AvtechTye inspection reveals it to have been defective or nonconforming within the terms of this warranty. No device or part shall be returned without giving prompt notice of nonconformance or defect to AvtechTye and obtaining its prior written authorization. AvtechTye shall in no event be held liable for damage or delay caused by nonconformance or a defect in material or workmanship, and no allowance will be made for repairs or alterations unless made with its written approval. Purchaser, or any user claiming through Purchaser, assumes all liability for the consequences of the use or misuse thereof by itself, by its employees or by others. Equipment and accessories not of our manufacture are warranted only to the extent of the original manufacturer. AvtechTye shall not be liable for damage of any kind resulting from erosive, corrosive or other harmful action of any gases, liquids, or any other substance handled by the Products. The warranties, obligations and liabilities, expressed or implied, and all other rights, claims and remedies of purchaser set forth in these terms are exclusive and in substitution for, all other warranties, obligations and liabilities arising by law or otherwise with respect to any nonconformance or defect in the products provided under any order, including but not limited to any implied warranty of merchantability or fitness; any implied warranty arising from course of performance, course of dealing or usage of trade; any obligation, liability, right, claim or remedy arising from the negligence of AvtechTye or any manufacturer of aircraft incorporating the products; and any obligation, liability, right, claim or remedy for loss or damage to any aircraft.

4). INSURANCE: Fire and extended coverage insurance in an amount sufficient to protect AvtechTye interest in the Products is to be obtained from and maintained with an insurer satisfactory to AvtechTye by and at the expense of the Purchaser from the time of delivery until the Products have been fully paid for in cash. The purchaser shall assume and be fully responsible for and shall indemnify AvtechTye against all losses resulting from any cause that may not be covered by insurance.

5). TAXES: The Purchaser shall pay to AvtechTye in addition to the purchase price the amount of any excise, sales, privilege, use of any other local state or federal tax which is payable by AvtechTye because of the acceptance of any order, or the sale, delivery, installation, or use of the Products covered hereby.

6). SPECIFICATIONS: Any AvtechTye specifications referred to herein, or annexed hereto, are a standard form covering Products substantially identical in type and character to that purchased, but there may be variations there from in the details of design and construction of any particular Product. The provisions in the specifications are descriptive and are not to be construed as warranties. AvtechTye reserves the right to make such changes in details of design and construction as shall, in its judgment, constitute an improvement over such former practice as may be shown or described in the specifications. AvtechTye does not supply detailed or shop working drawings of its Products. AvtechTye may make such technical changes in or to the Products or the process of their manufacture as it may deem appropriate, provided that such changes do not affect the form or impair the fit or function of the Products. AvtechTye shall have the authority to perform material review actions on the Products. Products that do not meet all specifications may nonetheless be approved by AvtechTye's material review board if the board determines that the deficiencies do not affect the form or impair the fit or function of the Products.

7). INTELLECTUAL PROPERTY: AvtechTye shall indemnify the Purchaser for any liability the Purchaser may incur because of claims of infringement of United States apparatus patents by the Products manufactured by AvtechTye, except that AvtechTye shall have no liability for any infringement caused by (1) compliance with purchasers specifications, (2) modification of the Products after delivery, (3) combination of the Products with other products or (4) use of the Products in a manner other than that intended. The Purchaser shall indemnify AvtechTye for any liability AvtechTye may incur because of claims of infringement of United States process patents in the use of the Products furnished hereunder. All rights in designs and other intellectual property created or used in the performance of the order shall be the sole property of AvtechTye.

8). CANCELLATION: Under no circumstances may Buyer cancel any order.

9). EMERGENCIES: For contracts or orders with a price of \$200,000 or more and/or for development contracts of a special nature, where AvtechTye's performance or completion of such contracts or orders is delayed or suspended for a protracted period, directly or indirectly, as the result of war, national emergency, federal or state statute, government rules or regulations, priority controls, defense efforts, or any like cause (as distinguished from the normal delays in manufacturing caused by factors beyond the control of the manufacturer, such as strikes, fires, traffic embargoes, etc.), either AvtechTye or the Purchaser, at any time after the end of 180 days following the start of such delay or suspension, may terminate the contract or order upon 10 days written notice to the other and upon the giving of such notice the Purchaser shall pay AvtechTye for all costs and expense incurred and commitments made in connection with performance to the date of such suspension, plus a reasonable profit thereon. Title to all material paid for by Purchaser shall thereupon vest in the Purchaser, and shall thereafter be held at Purchaser's risk and expense, in the event that the contract or order has not been so terminated, AvtechTye will, promptly after the cessation of the cause of such delay or suspension, notify the Purchaser of the revised shipping schedule and proceed with performance in accordance therewith.

10). LIMITS OF LIABILITY: Upon the expiration of the warranty period expressly set forth herein, all liability for claims not asserted theretofore against AvtechTye shall terminate. The liability of AvtechTye in respect of all damages, losses, costs or expenses whether suffered or incurred by Purchaser or any third party arising in any manner, incident or related to this contract or the performance hereunder shall be limited in the aggregate to the actual price paid by Purchaser to AvtechTye. Notwithstanding anything to the contrary, neither AvtechTye nor any manufacturer of aircraft shall be liable to Purchaser or Purchaser's customers or any third party for special, punitive, incidental or consequential damages of any kind or character including without limitation the loss of use of the Product or associated equipment, damage to associated equipment, loss of profit or revenue, cost of replacement power, downtime costs or claims of Purchaser's customers or others for any such damages which might arise under this contract or otherwise, regardless of whether such damages are based upon contract, tort, strict liability in tort, negligence indemnity or otherwise.

11). LAWS AND REGULATIONS: The Products to be produced by AvtechTye and delivered hereunder will be produced in compliance with the Fair Labor Standards Act of 1938 as amended, when applicable. AvtechTye will comply with federal, state and local laws, orders and regulations applicable to it as of the date of its quotation. AvtechTye shall be responsible for compliance with the requirements and standards of OSHA or any similar law, only to the extent that they apply to the Products themselves and are sufficiently specifically identified in the order to AvtechTye's satisfaction and accepted by it in writing. Price and Delivery shall be subject to adjustment to compensate for compliance by AvtechTye with any other laws, orders, regulations or requirements. The purchaser agrees that the Products will be used only in accordance with all applicable laws, rules and regulations and that the Products will not be exported from the United States except in compliance with the Arms Export Control Act, the rules and regulations there under and any licenses or other approvals that may have been or that may be issued to the Purchaser there under.

12). ATOMIC ENERGY USE: The Purchaser represents that the Products being supplied hereunder are to be used for a purpose other than in, or in any way related to, the creation, handling, or use of atomic energy or any actively associated therewith and AvtechTye shall not be responsible to the Purchaser or any third party should the Products be used otherwise than as represented, in which event the Purchaser shall indemnify and hold AvtechTye free and harmless of any and all costs and damages.

13). GENERAL: All of the above provisions, together with those set forth in the AvtechTye form to which this is annexed and such other as may be accepted by AvtechTye in writing, all of which are accepted by Purchaser and supersede Purchaser's order form, if any, shall be and constitute the entire agreement for the sale of the Products. Any terms and conditions in any writing pertaining to the sale of the Products irrespective of its wording or of when received by AvtechTye which are inconsistent with, or add, to the terms and conditions hereof, will not be acceptable or become a part of the contract without AvtechTye's written consent signed by its duly authorized representative. Commencement of performance or shipping shall not constitute acceptance of any such inconsistent or added terms and conditions. Any representation, promise, course of dealing, or trade usage, not contained or referenced herein will not be binding on AvtechTye. No modification, amendment, rescission, waiver, or other change shall be binding on AvtechTye unless agreed to in writing by AvtechTye.

ALL ORDERS ARE SUBJECT TO ACCEPTANCE BY AVTECHTYEE AT ITS HOME OFFICE AND NO ORDER SHALL BE BINDING UPON AVTECHTYEE UNTIL SO ACCEPTED. ANY ACCEPTANCE OF ANY ORDER IS EXPRESSLY CONDITIONED UPON THE ASSENT OF THE PURCHASER TO THESE TERMS.