



## **TERMS and CONDITIONS of SALE**

Unless otherwise agreed in writing, all sales of parts (hereinafter called the “Product”) will be fulfilled by TES Parts LLC (the “Seller”) pursuant to receipt of a valid purchase order (“Purchase Order”) from a Customer approved by Seller (the “Purchaser”) subject to the following terms and conditions. The term ‘Purchase’ and the term ‘Purchase Order’ in this statement of Terms and Conditions of Sale is used herein in connection with any sale transaction whereby the Purchaser purchases and takes delivery of Product from Seller.

### **1. CREDIT TERMS**

At Seller’s sole discretion, payment terms may be granted to Purchaser.

### **2. ORDER PLACEMENT**

Purchaser represents and warrants that each employee or representative who delivers a Purchase Order to Seller on its behalf is properly authorized to deliver such Purchase Order and is properly authorized to accept these conditions as agent for and on behalf of the Purchaser. Purchase Orders may be delivered to Seller by email or hardcopy and receipt by Seller will be acknowledged to Purchaser via email.

### **3. EXPORT CONTROLS, EXPORT LAWS**

Purchaser represents and warrants that it will not export or re-export any Product purchased from Seller to any banned, restricted or sanctioned region, company or individual per U.S. or EU export laws and acknowledges that U.S. and EU law prohibits the sale, transfer, export or re-export, or other participation in any export transaction involving the Product with individuals or companies listed in the U.S. Commerce Departments Table of Denial Orders, the U.S. Treasury Department of Specially Designated Nationals or the U. S Department of State’s list of individuals debarred from receiving items on the Munitions list.

Purchaser represents and warrants that it will comply with all applicable U.S. and EU export control laws and regulations and the laws of all other countries involved in transactions associated with a Purchaser Order for any Product purchased from Seller and will obtain any licenses or approvals required prior to import, export or re-export of Product sold by Seller.

### **4. DELIVERY & TITLE TRANSFER**

Unless otherwise agreed by in writing, delivery of the Product shall be Ex Works (Incoterms 2010) Seller’s facility in Grapevine, Texas, USA, or other facility at which the Product is located at the time of shipment (“Delivery”). Purchaser shall pay the cost of transportation of the Product from the point of Delivery to the location provided for in the Purchase Order.

Seller warrants that it has the right, title and interest in the Product and may convey its right, title and interest in the Product to Purchaser upon Delivery.

Fees, charges, taxes and/or duties associated with the sale, export or import of the Product are the sole responsibility of the Purchaser and prices stated for Products are exclusive of such amounts.

Title to and all risk of loss for the Product shall pass to the Purchaser upon Delivery.

### **5. LIMITED WARRANTY**

Seller will appropriately package the Product for Delivery. Damage to the Product after Delivery is the responsibility of the Purchaser, and Purchaser acknowledges that Seller will not accept claims for damage that occurs during transportation or at any time after Delivery has occurred.



Seller hereby warrants that the Products sold hereunder will be free of defects in material in accordance with the table below based on the condition stated on the invoice. Purchaser must notify Seller in writing of any defect within the applicable warranty period, and the defective Product must be received back by Seller within ten (10) business days of issuance of Seller's Return Authorization pursuant to Section 8.

CONDITION	WARRANTY INFORMATION
New	<b>Engine, Mechanical &amp; Electrical Components:</b> <i>Remaining OEM Warranty as available</i>
New Surplus	<b>Engine, Mechanical &amp; Electrical Components:</b> <i>12 months from the date of invoice unless otherwise specified by seller.</i>
Overhauled	<b>Engine, Mechanical &amp; Electrical Components:</b> <i>12 months from the date of invoice unless otherwise specified by seller.</i>
Serviceable	<b>Engine, Mechanical &amp; Electrical Components:</b> <i>6 months from the date of invoice unless otherwise specified by seller.</i>
Repaired	<b>Engine, Mechanical &amp; Electrical Components:</b> <i>6 months from the date of invoice unless otherwise specified by seller.</i>

Seller's obligation and Purchaser's sole remedy under this warranty is limited, at Seller's election, to repair or replacement, or credit for any defective Product. All Products repaired or replaced are warranted only for the unexpired portion of the original warranty period. Seller will not be liable under this warranty for: (1) maintenance, repair, installation, handling, packaging, transportation, storage, operation or use of Products which is improper or otherwise not in compliance with Seller's or Product manufacturer's instructions or specifications; (2) Product alteration, modification or repair by anyone other than Seller or those specifically authorized by Seller; (3) accident, contamination, foreign object damage, abuse, neglect, improper operation or negligence after Product shipment to Purchaser; (4) damage caused by failure of a Seller-supplied Product not under warranty or by any other hardware or software not supplied by Seller; (5) Products normally consumed in operation or which have a normal life inherently shorter than the foregoing warranty period including, but not limited to, consumables (e.g. flashtubes, lamps, batteries); or (6) normal wear and tear and the need for regular overhaul and periodic maintenance.

THE FOREGOING LIMITED WARRANTIES SET OUT ABOVE AND THE OBLIGATIONS OF SELLER THEREUNDER, ARE EXPRESSLY IN LIEU OF, AND PURCHASER HEREBY WAIVES AND RELEASES SELLER FROM, ANY AND ALL OTHER WARRANTIES, AGREEMENTS, INDEMNITIES, GUARANTEES, CONDITIONS, OBLIGATIONS, REMEDIES OR LIABILITIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO AGREEMENT OR UNDERSTANDING VARYING, ALTERING OR EXTENDING SELLER'S LIABILITY HEREUNDER WILL BE BINDING ON SELLER UNLESS IN WRITING AND SIGNED BY SELLER'S DULY AUTHORIZED REPRESENTATIVE, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED. **THE FOREGOING WARRANTIES DO NOT APPLY TO ENGINES, AUXILIARY POWER UNITS, LANDING GEAR NEW SURPLUS AND/OR AS-REMOVED PARTS AND THE SAME ARE DELIVERED AND SOLD TO PURCHASER SUBJECT TO EACH DISCLAIMER SET FORTH IN SECTION 9 OF THESE TERMS AND CONDITIONS OF SALE. IN NO EVENT SHALL SELLER'S LIABILITY UNDER ANY WARRANTY EXCEED THE PRICE (EXCLUSIVE OF TAXES AND OTHER CHARGES) OF THE PRODUCT SOLD TO PURCHASER.**



## **6. INVOICING & PAYMENT**

All invoices from Seller will be issued and payable in United States Dollars (USD\$)

Immediately upon Delivery, Seller shall submit an invoice to Purchaser evidencing sale of the Product and title transfer to Purchaser.

Purchaser shall pay the invoice amount to Seller on or prior to the invoice due date and shall make payment via wire transfer. Seller may withhold Delivery of any Product pending receipt from Purchaser of payment of such invoice amount in full.

Purchaser acknowledges and agrees that Seller, in its sole discretion, may charge interest at the maximum rate permitted by law or 1.5% per month, whichever is lower, on all past due balances, beginning on the 1st day after the due date of each invoice.

## **7. RETURNS FOR CREDIT**

Seller at its sole discretion may permit the return of Product subsequent to its sale to Purchaser. Purchaser will advise Seller of the same including a detailed statement of its reason for return. In the event that a return is approved, Seller will issue a Return Authorization and may apply a re-stocking fee which will be advised to Purchaser.

## **8. RETURNS FOR WARRANTY REPAIR**

Purchaser may request a return for warranty repair in the event of a Product's failure within the warranty period. Upon request from Purchaser for warranty consideration, and Purchaser providing documentation to Seller's satisfaction supporting the warranty claim, Seller will issue a Return Authorization to Purchaser. Purchaser acknowledges that in the event that the warranty claim is denied, Purchaser will reimburse Seller for all expenses associated with the warranty claim processing. Seller will not issue any credit against the sale to the Purchaser while the warranty claim is being evaluated and Purchaser's obligations to take Delivery of the Product and make payment of invoices due will remain in full. Purchaser shall pay for return shipment of the Product to/from Seller and shall bear all risk of loss or damage to the Product while in transit to/from Seller in connection with any approved warranty repair.

## **9. DISCLAIMER AND LIMITATION OF LIABILITY**

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN SECTION 5, PRODUCT IS BEING SOLD AND DELIVERED "AS IS, WHERE IS" AND "WITH ALL FAULTS", WITHOUT ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. ALL OTHER OBLIGATIONS AND LIABILITIES, EITHER DIRECT OR CONSEQUENTIAL, ON THE PART OF SELLER ARE HEREBY EXPRESSLY DISCLAIMED. SELLER WILL NOT BE LIABLE FOR ANY OTHER REMEDY OR LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO SUCH DAMAGES RESULTING FROM A BREACH OF CONTRACT OR WARRANTY, ALLEGED NEGLIGENCE OR OTHERWISE, DAMAGE TO AIRFRAME, ENGINE, OR OTHER PROPERTY, COSTS OR EXPENSES OF OPERATION OF ANY AIRCRAFT, OR SUBSTITUTE EQUIPMENT, FACILITIES OR SERVICES, DOWNTIME COSTS, COLLECTION COSTS, ATTORNEYS FEES, DAMAGES OF ANY TYPE, OR CLAIMS OF PURCHASER'S BUYERS OR OTHER THIRD PARTIES FOR SUCH DAMAGES, OR ANY OTHER LOSS, CLAIM OR DEMAND OF ANY DESCRIPTION RELATING TO THE PRODUCT. NO VARIATION OF ANY LIMITATION OR EXTENSION OF ANY WARRANTY OR REMEDY SHALL BE BINDING UNLESS IN WRITING AND SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF SELLER. NO VARIATION OR EXTENSION SHALL APPLY TO ANY OTHER SALE OF PRODUCT. THE PURCHASER HEREBY RELEASES SELLER AND ANY PERSON, FIRM OR CORPORATION FROM WHOM SELLER ACQUIRED POSSESSION OF THE PRODUCT FROM ANY LIABILITY ARISING OUT OF A DEFECT OF SUCH PRODUCT.

## **10. INDEMNIFICATION**

Purchaser hereby releases and agrees to indemnify, defend and save harmless Seller, its directors, officers, members, managers, shareholders, agents and employees from and against any and all liabilities, damages, losses, expenses, and claims, including without limitation all reasonable attorneys' fees and all other costs and expenses in connection therewith



or incident thereto, for death of or injury to any persons whomsoever, including without limitation the directors, officers, members, managers, shareholders, agents and employees of the parties hereto, and for loss of, damage to, or delay in delivery of any property whatsoever, including without limitation any aircraft on which the Product may be installed and loss of use of any aircraft and any other property of the parties hereto or of their directors, officers, members, managers, shareholders, agents and employees (the "Losses"), in any manner arising out of, incident to, or in connection with such Product or the use, operation, storage, or testing of the Product, subsequent to Delivery hereunder, regardless of the negligence, active or passive of Seller; except that the foregoing indemnity shall not apply to the extent that such Losses are caused by the willful or intentional misconduct of Seller.

## **11. MISCELLANEOUS**

No terms or conditions appearing on a Purchaser Order shall be binding upon Seller unless specifically agreed by Seller in writing. Where any terms (pre-printed or otherwise) on the Purchase Order are in conflict with any terms herein (including any conflicting statement concerning order of precedence), the terms herein shall take precedence and the Purchaser's terms which are in conflict shall have no effect. Any unenforceable term shall not affect the validity of the remainder of the terms herein. Seller may at any time, change any and all of these terms and conditions of sale. Any change shall be effective upon written notice thereof to the Purchaser.

Seller will not be liable to Purchaser for any delay in performance or failure to perform due to causes beyond its control and without its fault or negligence.

## **12. GOVERNING LAW**

These Terms and Conditions of Sale shall be governed by and construed in accordance with the laws of Texas, USA without application of conflicts of law's provisions.