

# TERMS AND CONDITIONS OF SALE





## Contents

1. Purchase Orders.....	1
2. Prices .....	2
3. Scope of supply/service.....	2
4. Supply and service periods/deadlines.....	2
5. Delivery/performance and storage.....	2
6. Force Majeure .....	3
7. Termination.....	3
8. Invoicing, payment, set-off.....	3
9. Warranty.....	4
10. Applicable law and jurisdiction .....	5
11. Confidentiality .....	5
12. General.....	6

Except to the extent superseded by the terms and conditions of an agreement between AvAir, LLC (“AvAir”) and the entity which issues the purchase order (“Purchaser”), these Terms and Conditions of Sale apply to and form part of each purchase order issued by Purchaser to AvAir.

- AvAir’s terms and conditions of sale shall apply exclusively and shall constitute the entire agreement between AvAir and Purchaser relating to the subject matter of the purchase order and no variations to these terms and conditions shall apply unless made in writing signed by the duly authorized representatives of the parties. Purchaser’s terms and conditions which deviate from AvAir’s conditions of sale shall not be recognized by AvAir unless AvAir expressly consents to their validity in writing.
- AvAir’s terms and conditions of sale shall also apply exclusively if Purchaser accepts or pays for any supply/service in full awareness of contradictory or varying terms and conditions of AvAir.

## 1. PURCHASE ORDERS

- Purchase orders shall be binding only if they are placed by Purchaser in writing. Verbal agreements – including subsequent amendments and additions to these terms and conditions of sale must be confirmed in writing by AvAir for them to become valid. No purchase order which has been accepted by AvAir may be cancelled or varied by Purchaser except on terms agreed in writing by AvAir.
- A quotation by AvAir does not constitute an offer and the AvAir reserves the right to withdraw or revise any quotation at any time prior to the AvAir’s acceptance of Purchaser’s purchase order. All prices quoted by AvAir are, unless expressed otherwise exclusive taxes and duties which shall be payable by Purchaser.



3. Documents used by Purchaser in business dealings with AvAir shall indicate; purchase order number, place of receipt, full article text/item description, volumes and volume units.

## 2. PRICES

---

---

The price shall be the price quoted by AvAir to Purchaser or as otherwise agreed between the parties in writing. Unless otherwise agreed in writing, AvAir shall be entitled to invoice Purchaser for the price of supplies/services together with any taxes, transport, packaging and insurance or other fees and charges.

## 3. SCOPE OF SUPPLY/SERVICE

---

---

1. As part of the scope of supply/service, AvAir shall transfer to Purchaser ownership of all technical documents pertaining to the supply/service in AvAir's possession.
2. If Purchaser and AvAir desire to change scope of the supply/service from the accepted purchase order, AvAir shall be entitled to a price or schedule change.

## 4. SUPPLY AND SERVICE PERIODS/DEADLINES

---

---

1. Any dates quoted by AvAir for delivery of supplies/services are approximate only and AvAir shall not be liable for any delay in delivery of supplies/services however caused and time for delivery shall not be of the essence unless previously agreed by AvAir in writing.
2. If Purchaser fails to take delivery of supplies/services, without prejudice to any other right or remedy available to the AvAir, AvAir may:
  - (a) store supplies/services until actual delivery and charge Purchaser for the reasonable costs (including handling and insurance) of storage; or
  - (b) sell supplies/services at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to Purchaser for the excess over the price set forth in the purchase order or charge Purchaser for any shortfall below the price set forth in the purchase order.

## 5. DELIVERY/PERFORMANCE AND STORAGE

---

---

1. Insofar as AvAir and Purchaser agree on the validity of one of the "Incoterms" of the International Chamber of Commerce (ICC) 2010 for the purchase order, the currently valid version thereof shall apply. They shall apply only insofar as they do not contradict the provisions of these terms and conditions of sale. Unless otherwise agreed in writing, the supply/service shall be delivered Ex Works (Incoterms EXW) AvAir's facility or as indicated in the purchase order.
2. The risk of loss and damage to supplies/services shall pass to Purchaser immediately upon delivery being effected.



3. Notwithstanding delivery and the passing of risk in a supply/service, title shall not pass to Purchaser and shall remain with the AvAir until Purchaser shall have paid to AvAir in full the price together with any other invoiced taxes, fees, or charges due.
4. Unless otherwise agreed in writing, all packing is non-returnable. Insofar as AvAir has the right to have the packaging needed for shipment/services returned, this shall be clearly marked on the delivery/services documents, and in such case, all packaging not returned within 30 days of delivery of supplies/services will be charged to Purchaser at the AvAir's current prices.

## 6. FORCE MAJEURE

---

AvAir shall not be liable for damages for any delay or failure to perform its obligations under the purchase order which are due to causes beyond its control, including without limitation, acts of God, acts of public enemies, acts of governments (whether legal or illegal), epidemics, quarantine restrictions, industrial disputes, lock-outs, strikes, work slow-downs, freight embargoes, or severe weather.

## 7. TERMINATION

---

The purchase order will be subject to immediate termination without notice if Purchaser files a petition in bankruptcy for liquidation or reorganization; makes an assignment for the benefit of creditors; consents to the appointment of a receiver, trustee or other custodian for all or a substantial part of its property; is adjudicated bankrupt; fails to cause to be vacated, set aside or stayed within 30 days any court order appointing a receiver, trustee or other custodian for all or a substantial part of its property or ordering relief against it in any involuntary case of bankruptcy; or admits in writing its inability to pay its debts as they mature. If this Clause applies, then, without prejudice to any other right or remedy available to AvAir, AvAir shall be entitled to treat the purchase order as repudiated and/or withhold any further deliveries of services/supplies without any liability to Purchaser and, if supplies/services have been delivered but not paid for, the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

## 8. INVOICING, PAYMENT, SET-OFF

---

1. Invoices shall separately show (i) the price payable by Purchaser to AvAir as set out in the purchase order issued by Purchaser and accepted by AvAir, (ii) taxes payable by Purchaser, and (iii) any other fees and charges payable to AvAir.
2. Purchaser shall make payment of AvAir's invoiced amount in full within the agreed payment terms.
3. All amounts due shall be paid in full and Purchaser shall not be entitled to assert any set-off or counterclaim against AvAir whether arising from breach of contract, tort, (including negligence), breach of statutory duty or any other matter whatsoever in order to justify withholding payment of any such amount in whole or in part.
4. If Purchaser fails, on the due date, to pay any invoiced amount due to AvAir, then without prejudice to any other right or remedy available to AvAir, AvAir shall be entitled to charge Purchaser late payment interest (both before and after any judgment) until payment in full is made on the amount unpaid at the rate at the lower of (i) 3% per month or (ii) the maximum rate permitted by law.



## 9. WARRANTY

1. SUBJECT TO THE LIMITATIONS ON ITS LIABILITY SET OUT BELOW IN THIS CLAUSE AND ELSEWHERE IN THESE TERMS AND CONDITIONS, AVAIR WARRANTS THAT THE SUPPLY/SERVICE WILL CORRESPOND WITH AVAIR'S SPECIFICATION AT THE TIME OF DELIVERY. AVAIR MAKES NO EXPRESS WARRANTIES AND NO IMPLIED WARRANTIES OF ANY KIND, OTHER THAN THE WARRANTY EXPRESSLY SET FORTH ABOVE. THE WARRANTY SET FORTH ABOVE IS EXCLUSIVE AND IS MADE AND ACCEPTED IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. This warranty does not extend to any supply/service which has been subject to misuse, abuse, negligence, accident, alteration, or repair. AvAir shall, to the extent assignable, assign to Purchaser all rights in and to all remaining warranties offered by a manufacturer or repair station in respect of the supply/service.
2. Purchaser shall provide to AvAir prompt written notice within the warranty period upon discovery of a defect to a supply/service. Purchaser shall provide details of such warranty claim showing to AvAir's reasonable satisfaction that such supply/service was defective at the time of delivery and such other details and documentation as reasonably requested by AvAir. If sufficient detail is not provided, AvAir shall be entitled to deny the warranty claim. For accepted warranty claims, AvAir's sole liability and Purchaser's sole remedy pursuant to the warranty in Clause 1 of Article IX shall be the repair, rework, replacement or modification of the supply/service (or the part in question) free of charge or, at AvAir's sole discretion, refund to Purchaser of the price of the defective supply/service (or a proportionate part of the price) but AvAir shall have no further liability to Purchaser.

Where warranty claims arise from parts repaired by an AvAir contracted repair station, warranty periods are as follows (unless additional offered by shop):

<i>Condition of Part</i>	<i>Warranty Offered</i>
SV - Inspected or Tested	30 days to notify of defect
SV – Repaired and/or Modified	6 months - Covers work performed and parts replaced only
OH- Overhauled (and Modified OH)	1 year - Full Functional warranty (unless additional offered by shop)

As a courtesy to Purchaser, AvAir offers a courtesy warranty, unless otherwise specified at the time of sale, where the warranty claims arise from either new surplus parts sold from AvAir stock or from the failure of parts sold from AvAir stock where return to service documents no longer carry a repair station's warranty, the warranty periods are as follows:

<i>Condition of Part</i>	<i>Courtesy Warranty Offered</i>
New Surplus – NS	30 days from date of receipt



Factory New (and within OEM warranty period)	1 year from date of manufacture
SV – Inspected / Tested	30 days from date of receipt
SV – Repaired (Tag MORE than 1 year past shop Warranty)	30 days from date of receipt
SV – Repaired (Tag LESS than 1 year past shop Warranty)	90 days from date of receipt
OH – Overhauled (Tag MORE than 1 year past shop Warranty)	30 days from date of receipt
OH – Overhauled (Tag LESS than 1 year past shop Warranty)	120 days from date of receipt

- NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE PURCHASE ORDER, NEITHER AVAIR NOR PURCHASER SHALL HAVE ANY OBLIGATION OR LIABILITY WHATSOEVER TO THE OTHER, OR TO ANY PERSON CLAIMING BY, THROUGH OR UNDER THE OTHER, FOR ANY SPECIAL, INDIRECT, EXEMPLARY, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES (EVEN THOUGH SUCH DAMAGES MAY BE FORESEEABLE), WHETHER ARISING PURSUANT TO WARRANTY, CONTRACT, INDEMNITY, TORT, NEGLIGENCE, PRODUCTS LIABILITY, STRICT LIABILITY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS OR BUSINESS OPPORTUNITIES, LOST REVENUES OR GOODWILL, OR COST OF CAPITAL.
- Nothing in these conditions shall exclude or limit either party’s liability for fraud or for death or personal injury caused by its negligence or any other liability to the extent that the same may not be excluded or limited as a matter of law.

## 10. APPLICABLE LAW AND JURISDICTION

The purchase order and these terms and conditions of sale shall be governed by the laws of the State of Arizona, U.S.A. AvAir and Purchaser submit to the non-exclusive jurisdiction of any U.S. Federal or Arizona State court sitting in Phoenix, Arizona in any action or proceeding arising out of or relating to the purchase order, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Arizona State court or, to the extent permitted by law, in such Federal court, and hereby waives, and agrees not to assert, as a defense in any such action or proceeding, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that its property is exempt or immune from execution, that the suit, action or proceeding is brought in an inconvenient forum, or that the venue of the suit, action or proceeding is improper. AVAIR AND PURCHASER EACH, TO THE EXTENT IT MAY LEGALLY DO SO, HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, OR CAUSE OF ACTION ARISING OUT OF THE PURCHASE ORDER OR ANY DOCUMENT EXECUTED IN CONNECTION HEREWITH.

## 11. CONFIDENTIALITY

Each party agrees and undertakes that it will keep confidential, and will not use for its own purposes nor without the prior written consent of the other party disclose to any third party, any information of a confidential nature (including specifications, descriptions, and all other technical or business information) which may become



known to such party from the other unless such information is public knowledge (other than by breach of this Clause) or is required to be disclosed by a court of competent jurisdiction.

## 12. GENERAL

---

1. Purchaser may not assign all or any of its rights or obligations under the purchase order without the prior written consent of AvAir.
2. These terms and conditions shall inure to the benefit of and be binding upon the legal representatives, successors, and permitted assigns and transferees of AvAir and of Purchaser.
3. Failure by a party to exercise or enforce any rights hereunder shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.
4. Should individual provisions of the conditions become entirely or partly invalid, the remaining provisions shall remain valid. The same shall apply for the corresponding contract.
5. The order constitutes the entire agreement between Purchaser and AvAir and supersedes all communications, oral or written, between Purchaser and AvAir in relation to the subject matter of the purchase order.
6. The headings and subheadings set forth in these terms and conditions are for the convenience only; in no way define, limit, or describe the scope or intent of the purchase order and are to be given no legal effect.
7. Notices or communications pertaining to the purchase order may be sent by first class mail, by email, or by telecopy, a recognized overnight messenger, which shall be directed to the addresses of AvAir and Purchaser set forth on the front of the purchase order.