

Terms and Conditions of Sale

1. **Applicability:** These terms and conditions (“Terms”) are the only terms that govern the sale of goods or performance of services by Schneller LLC (“Seller”) to or on behalf of the buyer (“Buyer”). Notwithstanding anything herein to the contrary, if a contract signed by both parties exists covering the sale of goods or performance of services covered hereby, the terms and conditions of that contract will prevail to the extent inconsistent with these Terms. Any quotation or confirmation of order accompanying these Terms, or into which these Terms are incorporated by reference (collectively, the “Agreement”), comprises the entire agreement between the parties and supersedes all prior or contemporaneous understandings, representations, warranties, and communications, written or oral. These Terms prevail over any of Buyer’s general terms and conditions of purchase regardless of whether or when Buyer submitted its order or such terms. Fulfillment of Buyer’s order does not constitute acceptance of Buyer’s terms and conditions and does not serve to modify or amend these Terms. Under no circumstances may Buyer cancel any order.
2. **Deliveries:** Seller shall notify Buyer of full details as to descriptions and shipping and delivery dates and places. All shipments of material covered by this order shall be made within six months from date of acknowledgment unless specific written agreements are entered into relating to Schneller’s Blanket Order/Incremental Release Program. Unless otherwise agreed in writing, Seller shall deliver goods FCA (Incoterms 2010) Seller’s facility (the “FCA Point”) using Seller’s standard methods for packaging. Seller shall not be liable to Buyer for any damages claimed resulting from delay in delivery of the merchandise after the date of delivery specified herein unless otherwise stated herein, Buyer agrees to accept any quantities delivered hereunder which do not vary more than the greater of plus or minus ten (10) linear yards or ten percent (10%) from the contract amount and to pay for such quantities at the contract price. If for any reason Buyer fails to accept delivery of goods on the delivery date or if Seller is unable to deliver goods on the designated delivery date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the goods shall pass to Buyer; (ii) the goods shall be deemed to have been delivered; and (iii) Seller, at its option, may store the goods until Buyer picks them up and Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).
3. **Title and Risk of Loss:** Title and risk of loss passes to Buyer upon delivery of the goods at the FCA Point. As security for payment of the Price, Buyer grants to Seller a purchase money security interest in and to all right, title and interest of Buyer in, to and under the goods, wherever located, whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing.
4. **Inspection and Rejection of Nonconforming Goods:**
 - a. Buyer shall inspect the goods within five days of receipt (“Inspection Period”). Buyer will be deemed to have accepted the goods unless it notifies Seller in writing of any Nonconforming Goods during the Inspection Period and furnishes documentation reasonably required by Seller. “Nonconforming Goods” means only: (i) goods shipped are different than identified in Buyer’s order; or (ii) the goods’ label or packaging incorrectly identifies its contents.
 - b. If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in its sole discretion, (i) replace such Nonconforming Goods with conforming goods or (ii) credit or refund the Price for Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to Seller’s facility. If Seller exercises its option to replace Nonconforming Goods, Seller shall, after receiving Nonconforming Goods from Buyer, ship to Buyer the replaced goods to the FCA Point.
 - c. The remedies set forth in Section 4(b) are Buyer’s exclusive remedies for the delivery of Nonconforming Goods. Except as provided in Section 4(b), Buyer has no right to return goods purchased under the Agreement.

5. **Prices:** Unless otherwise stated herein, all prices are F.O.B. the specified Schneller plant. All prices are valid for orders entered for specified quantities by the date indicated and for shipment within six (6) months of order entry. Seller will not accept any claims for rebates or incentives more than twelve (12) months following delivery to Buyer of the end-use item incorporating Seller's products.
6. **Payment Terms:** Unless the parties otherwise agree, Buyer shall pay all invoiced amounts to Seller net 30 days from the date of Seller's invoice. The extension of credit to Buyer shall be subject to change by Seller at any time. Unless the parties otherwise agree, Buyer shall make all payments in U.S. dollars. Buyer shall pay interest on late payments at the lesser of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for costs incurred in collecting late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller is entitled to suspend the delivery of any goods or services if Buyer fails to pay any amounts when due hereunder. Buyer shall not withhold payment of any amounts due by reason of any set-off of a claim or dispute with Seller, whether relating to Seller's breach, bankruptcy or otherwise.
7. **Limited Warranty:**
 - a. Seller warrants to Buyer that for a period of one year from the date of delivery of the goods or performance of services (the "Warranty Period") such goods and services will materially conform to Seller's published specifications in effect as of the date of manufacture and will be free from material defects in material and workmanship.
 - b. The express warranties, obligations and liabilities, and all other rights, claims and remedies of Buyer 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 goods or services provided under any order, including but not limited to, any implied warranty of merchantability or fitness for purpose; 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 Seller or any manufacturer of aircraft incorporating the products; and any obligation, liability, right, claim or remedy for loss or damage to any aircraft. This warranty is null and void for products with altered or missing identification information and for products not purchased from an authorized dealer.
 - c. With respect to any such defective goods or services, Seller shall, in its sole discretion, either (i) repair or replace such goods (or the defective part) or reperform the services, or (ii) credit or refund the price of such goods or services at the pro rata Price.
 - d. THE REMEDIES SET FORTH IN THIS SECTION 7(c) ARE BUYER'S SOLE AND EXCLUSIVE REMEDIES AND SELLER'S ENTIRE LIABILITY FOR BREACH OF ITS WARRANTY IN SECTION 7(a).
8. **Claims:** Seller will not accept any claims for adjustment under its warranty or any requests for return of material or issuance of credit on any material after twelve (12) months following delivery of such material by Seller to Buyer. No credit, claim or adjustment will be allowed by Seller on material, which has been cut or processed in any manner unless authorized in advance in writing by Seller. No returned material will be accepted and no credit or claim for material returned to Seller will be allowed until such return has had prior written approval of Seller, a returned goods order number has been assigned, and after the Seller's inspection of the material.

9. **Limitation of Liability:**

- a. Neither Seller nor any manufacturer of aircraft will have any obligation or liability, whether arising in contract, tort or otherwise, for loss of use, revenue or profit or for any other incidental or consequential damages with respect to any nonconformance or defect in the goods or services provided under any order.
- b. **IN NO EVENT WILL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THE AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNTS PAID TO SELLER FOR THE GOODS SOLD OR SERVICES PERFORMED.**
- c. The limitation of liability set forth in Section 9(b) will not apply to (i) liability resulting from Seller's gross negligence or willful misconduct and (ii) death or bodily injury resulting from Seller's acts or omissions.

- 10. **End Use:** Final determination of the suitability of the material for the use contemplated by Buyer, is the sole responsibility of Buyer and Seller shall in no way be responsible for the suitability of the material for any particular end use.
- 11. **Force Majeure:** Seller shall not be liable in damage for, nor deemed to be in default by reason of any failure to deliver or delay in delivery due to any cause beyond its reasonable control. This is to be interpreted to be inclusive of, but not limited to delays incurred by fire, the elements, war, labor difficulties, interruptions or shortage of transportation facilities, quarantine restrictions, inability to obtain supplies or for any cause interfering with its production facilities or those of its sources of supply.
- 12. **Controls:** Each order is made subject to all present and future government laws, orders, regulations or restrictions affecting or limiting the supply of materials or the production or delivery of materials or products. During the period of any such contingency, Seller will endeavor to allocate deliveries fairly among customers but reserves the right finally to determine deliveries to be made at its discretion without liability.
- 13. **Buyer's Credit:** If the financial responsibility of Buyer becomes impaired or unsatisfactory to Seller, or Buyer is in default to Seller under this or any other contract, advance cash payment or satisfactory security shall be given by Buyer upon demand by Seller, and shipments may be withheld until such payments or security is received. Buyer shall make no deductions (including those alleged damages) from payments due hereunder.
- 14. **Compliance with Law:** Buyer shall comply with all applicable laws, regulations and ordinances and maintain in effect all licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under the Agreement. Buyer shall comply with all export and import laws of all countries involved in the sale of the goods under the Agreement or any resale of the goods by Buyer. Buyer assumes all responsibility for shipments of goods requiring any government import clearance. Seller may terminate the Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on goods.
- 15. **Termination:** In addition to any remedies set forth herein, Seller may terminate the Agreement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under the Agreement; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

16. **Taxes:** All increases in, and all new taxes, excises or other governmental charges hereafter imposed on the production, sale or transportation of the material sold hereunder which Seller may be required to pay, shall become part of the price payable by Buyer.
17. **Freight:** If Seller is to pay freight, Seller shall have the right initially to designate the means of transportation and routing, and if Buyer requires a more expensive means of routing, Buyer shall pay any extra cost involved. Buyer shall pay to Seller any increase in freight subsequent to the date hereof. Freight is not insured unless otherwise specified by the Buyer.
18. **Confidential Information:** All non-public, confidential or proprietary information of Seller, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential,” in connection with the Agreement is confidential, solely for the use of performing the Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller’s request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation hereof. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) obtained by Seller on a non-confidential basis from a third party who was not under an obligation of confidentiality.
19. **Modifications:** The terms and conditions hereof constitute the entire contract for the material. No modification, limitation, waiver, cancellation or discharge of this contract or of any of its terms shall bind Seller unless in writing and signed by Seller’s authorized employee at its headquarters. No modification, limitations, waiver, cancellation or discharge of this contract shall affect Buyer’s liabilities to Seller accrued prior thereto.
20. **Assignment:** Buyer shall not assign any of its rights or delegate any of its obligations under the Agreement without Seller’s prior written consent. Any purported assignment or delegation in violation hereof is null and void. No assignment or delegation relieves Buyer of any of its obligations under the Agreement.
21. **Relationship of the Parties:** The relationship between the parties is that of independent contractors. Nothing contained in the Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties. Neither party has authority to contract for or bind the other party in any manner whatsoever.
22. **Miscellaneous:** All rights and remedies of Buyer and Seller under this contract are in addition to Seller’s other rights and remedies and are cumulative, not alternative. If shortages should occur in Seller’s supply of specific items, Seller may prorate its deliveries. In the absence of proof to the contrary, it shall be presumed that the date, hereof, was the date of mailing hereof. The validity, performance, construction and effect of this contract shall be governed by the laws of the State of Ohio, including its provisions of the Uniform Commercial Code, for goods manufactured in the United States. In regard to goods manufactured outside the United States, the obligations of the parties shall be governed by the provisions of the 1980 U.N. Convention on Contracts for the International Sale of Goods. If any term or provision of the Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Provisions of these Terms that by their nature should apply beyond their terms will remain in force after any termination or expiration of the Agreement.