

2/11/2009

## Harlow Aerostructures LLC. Terms & Conditions

- 1.)** The Seller by acceptance of this Order, accepts all the terms and conditions hereof. Acceptance of this Order shall take place either by execution and return of the signed acknowledgement copy accompanying the terms and conditions of this Order or no acknowledgement after (10) ten business days the order is considered accepted. Any modifications or alterations of or additions to the terms and conditions of this Order, to be binding must be in writing, signed by an authorized representative of the Purchaser and delivered by the Purchaser to the Seller. Any term, condition or reservation, inconsistent with the terms hereof that may be contained in any printed or standard acknowledgement, invoice form or other document issued by Seller shall be of no effect (Purchaser hereby objects to any such inconsistent terms, conditions, or reservations and notifies Seller that they are rejected) notwithstanding Purchasers act of accepting or paying for any shipment or otherwise performing the obligations on its part to be observed or performed hereunder.
- 2.)** Unless otherwise stated in this Order, payment terms are Net Forty Five (45) days after delivery of goods and receipt of invoices.
- 3.)** Seller represents that any price or prices specified in this Order do not exceed Seller's current selling prices for the same or substantially similar goods. Unless otherwise stipulated all prices inserted on the face of this Order shall represent the total cost to the Purchaser as at the point of delivery specified herein, including all sales taxes, excise taxes and custom duties and other Government and Municipal taxes, levies and charges of every description and charges for packing, crating, boxing, storage, and shipping charges. If price is not stipulated on this Order, it is not to be filled at higher prices than last previously quoted or charged without written authority of purchaser.
- 4.)** All goods shall be shipped F.O.B. as stated on the face of order. If goods are shipped F.O.B. destination or Purchaser's plant, shipping charges must be prepaid in all cases. No insurance premium or shipping costs will be allowed unless authorized in writing. Goods must be packed and delivered to conform with Uniform Freight Classifications to obtain lowest shipping rate. Packing slips must be enclosed with all shipments showing order number, line number, release number, if any, and quantity. Charges accrued though Seller's failure to ship in accordance with Purchaser's shipping instruction will be charged to Seller's account.
- 5.)** Time shall be of the essence in this Order. The good(s) must be delivered strictly in accordance with the quantities, specifications and delivery schedule specified, otherwise, in addition to its other legal remedies, Purchaser shall be at liberty to cancel this Order, in whole or in part. Purchaser assumes no obligation for good(s) shipped in excess of quantities specified in this Order or prior to Five Days (5) of delivery schedule specified.
- 5a.)** Invoices must be mailed within five (5) business days of shipment.
- 5b.)** All Blueprints and required engineering are to be returned with shipment. Delay in returning engineering data can result in delayed payment.
- 6.)** Goods are subject to inspection by Purchaser and Purchaser shall be the final judge of the goods. No payment will be made to Seller in respect of any goods, which are rejected on such inspection. Purchaser reserves the right to retain any portion of any shipment not strictly in accordance with specifications and in such case will pay to Seller a reasonable price therefore, but such retention shall not preclude Purchaser from rejecting the remainder of any or other shipments. Rejected goods will be held for Sellers instructions and at Sellers risk and expense. If instructions are not received within fifteen (15) days after notice of rejection, goods will be returned at Seller's expense. No good(s) returned as defective shall be replaced without Purchaser's written permission. Where re-work is required to meet specifications requirements, such re-work shall be arranged for by Seller at no cost to Purchaser. Payment for goods shall not constitute acceptance therefore by Purchaser nor shall Purchaser's inspection or omission to inspect relieve Seller of its obligation to furnish all good(s) in strict accordance with all terms and provisions of this Order.

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**7.)** Seller expressly warrants that all goods covered by this order will be fit and sufficient for the purpose intended, merchantable, of good design, material and workmanship, free from defects and will conform to applicable specifications, drawings, sample or description.

**8.)** Seller agrees to indemnify and save harmless Purchaser, its successors and assigns, against all damages, expense, claims, demands, actions, suits and proceedings for actual or alleged infringement of any patent, copyright or trademark by reason of the sale, use or incorporation into manufactured products, of the goods furnished hereunder.

**9.)** This Order shall not be assigned in whole or in part without previous written consent of Purchaser.

9a) Subcontracting of this purchase order is only allowed by written consent of Purchaser.

**10.)** The remedies herein reserved shall be cumulative and additional to any other further remedies provided in law or equity. No waiver of breach of any provision of this contract shall constitute a waiver of any other breach, or of such provision.

**11.)** The Seller shall not, without first obtaining the written consent of Purchaser, in any manner advertise or publish the fact that Seller has contracted to furnish to Purchaser the goods herein mentioned, and for failure to observe this provision the Purchaser shall have the right to cancel the contract resulting from acceptance of this Order, without liability, except for deliveries previously made.

**12.)** If Seller ceases to conduct its operation in the normal course of business (including inability to meet its obligations as they mature), or if any proceeding under any bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applies for, or and assignment for the benefit of creditors is made by Seller, Purchaser may terminate this Order without liability, except for deliveries.

**13.)** Seller shall keep confidential all information, drawings, specifications or data furnished by Purchaser, or prepared by Seller specifically in connection with the performance of this Order and shall not divulge or use such information, drawings, specifications or data to or for the benefit of any other party. Seller agrees that if the goods covered by this Order are to be manufactured to design or technical data furnished by Purchaser, the Seller shall not, without the prior written consent of Purchaser, manufacture any such goods except for and upon order of the Purchaser.

**14.)** The obligations of Seller contained herein shall survive acceptance of the goods and payment therefore by Purchaser.

**15.)** Termination for Convenience/Basis for Termination: Notice Harlow Aerostructures LLC may, from time to time terminate all or part of any Order issued hereunder, by written notice to Seller. Any such written notice of termination shall specify the effective date and extent of any such termination.

**16.)** This order shall be governed in all respects by laws of the State of Kansas.

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