

WENCOR TERMS & CONDITIONS OF PURCHASE

APPLICABILITY These terms and conditions of purchase are applicable to purchases made by Wencor Group, LLC, and its subsidiaries, from its vendors and/or suppliers (hereinafter "SUPPLIER").

ACCEPTANCE AND ACKNOWLEDGEMENT Any performance on a purchase order (hereinafter "P.O.") is deemed an acceptance, without exception, of the terms and conditions set forth on the face of the purchase order and in these terms and conditions of purchase.

CHANGES Wencor may at any time make changes within the general scope of the P.O. and SUPPLIER may comply therewith. Wencor shall be responsible for subcontractor costs charged to SUPPLIER for such changes. Except as expressly provided for elsewhere, Wencor and SUPPLIER agree that there shall be no adjustment in unit price or delivery schedule without a written change order to the P.O.

INVOICES SUPPLIER will send a separate invoice and shipping notice for each shipment. Each invoice must show the Wencor P.O. number, part number(s), unit price(s), and quantities shipped. No charges shall be allowed for boxing, crating, packaging, or any other handling unless provisions are agreed to in writing. Delays in receiving invoice, errors or omissions on invoice, or lack of supporting documentation required by the terms of the order will be cause for withholding settlement without losing discount privilege on disputed items only.

PACKING No charges shall be allowed for boxing, crating, packaging, or any other handling unless such provisions are agreed to in writing. All goods must be packed appropriately to arrive at destination without damage or as otherwise noted on the P.O.

RECEIVING INSPECTION All goods will be received by Wencor subject to inspection, test, and rejection. If goods received are in non-conformance to specifications, drawings, or P.O., at Wencor's discretion goods may be (1) returned at SUPPLIER's expense and all delivery charges paid by Wencor will be refunded by SUPPLIER, (2) corrected, or (3) replaced at SUPPLIER's expense, including transportation both ways. Parts are assumed to be acceptable if written notification is not transmitted to SUPPLIER within thirty (30) days of receipt. This clause shall not affect any of the rights or liabilities of the parties under the WARRANTY clause. The aforesaid in no way relieves SUPPLIER of its responsibility to inspect and verify that goods in every way meet P.O., print, and specification requirements.

RIGHT OF ENTRY Wencor reserves the right to verify at SUPPLIER's premises that goods meet requirements. The same right is reserved for Wencor customers and regulatory agencies as necessary and notified in writing.

WARRANTY SUPPLIER warrants that all goods delivered under the P.O. will be merchantable, free from defect in materials and workmanship, and will conform to applicable specifications and drawings. If SUPPLIER is responsible for design, SUPPLIER warrants that all goods delivered under the P.O. will be free from defective design and will be fit and sufficient for all purposes for which it is designed. Wencor's approval of designs furnished by Wencor shall not relieve Wencor of obligations under this warranty. Wencor's warranties shall pass on to Wencor and its customers. Without prejudice to any other remedy that Wencor may have, Wencor shall be



responsible for, and bear the expense of, any necessary correction due to faulty workmanship or materials, or due to faulty design unless such design was supplied by Wencor. SUPPLIER further warrants that all aircraft materials and/or components shall be furnished in compliance with all applicable Federal Aviation regulations. All inspection records will be made available to Wencor upon request. SUPPLIER further warrants that all goods supplied or services performed shall be in accordance with all applicable federal, state, and local laws including environmental protection and occupational safety and health.

CERTIFICATION SUPPLIER shall provide certification meeting industry standard including manufacturer's certification when appropriate, and any additional information or documentation requested by Wencor.

QUALITY CONTROL SYSTEM SUPPLIER shall provide and maintain a quality control system acceptable to Wencor for all goods covered by the P.O. As a minimum this system shall meet the applicable FAA requirements. Inspection records shall be maintained for a minimum of seven years after delivery.

DELIVERY Shipments shall be made as specified and strictly in accordance with the delivery schedule of the P.O. All orders must be shipped via FedEx on Wencor's FedEx account, unless otherwise specified by Wencor. If the Wencor's deliveries fail to meet the schedule, Wencor will pay the difference between the shipping method specified in the P.O. and the premium transportation rates. In the event that SUPPLIER is unable to make delivery by the date required on the purchase order, Wencor reserves the right to cancel or modify the P.O.

INDEMNIFICATION SUPPLIER shall indemnify and hold harmless Wencor against any and all claims for U.S. or foreign patent, copyright, trademark, or other proprietary rights infringement. SUPPLIER shall defend at SUPPLIER's expense any and all infringement suits or actions of law or in equity brought against Wencor and shall satisfy all judgments entered therein. In order to be indemnified, Wencor must notify SUPPLIER within ten (10) days of receiving a claim of alleged infringement and allow SUPPLIER complete authority to defend, litigate or settle such claim.

TAXES SUPPLIER agrees to pay any taxes imposed by law on account of the goods purchased hereunder.

NON-DISCRIMINATION & FAIR LABOR STANDARDS ACT SUPPLIER hereby certifies that all goods sold hereunder which are produced or manufactured in the United States are produced in compliance with all applicable requirements, orders and regulations of the United States Federal Government pertaining to nondiscrimination in employment and facilities. SUPPLIER also certifies full compliance with all state and local laws.

RIGHTS AND RESERVATION Rights to all drawings, designs, information, tools, and other items supplied by Wencor are reserved and the same shall not be used or reproduced for any purpose whatsoever except for the performance of work under the P.O.

DEFAULT (a) Wencor may, subject to provisions of paragraph (c) below, cancel in whole, or in part, the P.O. under any one of the following circumstances: (i) SUPPLIER fails to make delivery of the goods or perform the services within the time specified herein or any agreed upon extension thereof; (ii) if SUPPLIER fails to perform any of the other provisions of the P.O., or fails to make progress so as to endanger performance of the P.O. in accordance with its terms;

(iii) if in either of these two circumstances, failure to cure within a period of ten (10) days (or such longer period as Wencor may authorize in writing) after receipt of notice from Wencor specifying such failure, as indicated in (i) or (ii) above. (b) In the event Wencor cancels the P.O. in whole or part provided in paragraph (a) of this clause, Wencor may procure upon such terms and in such a manner as Wencor may deem appropriate, goods or services similar to those so canceled until SUPPLIER is able to provide said parts. (c) SUPPLIER shall not be liable for any excess costs if the failure to perform the P.O. arises from causes beyond the control and without the fault or negligence of the SUPPLIER. Such causes may include, but are not restricted to, acts of God or the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of SUPPLIER. (d) Intentionally Deleted. (e) If, after notice of cancellation of the P.O. under the provisions of this clause, it is determined for any reason that the SUPPLIER was not in default under the provisions of this clause, the rights and obligations of the parties shall be the same as if the notice of cancellation had not been issued. (f) The rights and remedies of Wencor provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the P.O. (g) The performance of work under the P.O. may be terminated in whole, or from time to time in part, by Wencor with SUPPLIER concurrence.

VENUE SELECTION/CHOICE OF LAW This agreement shall be deemed to have been made in the State of Georgia, U.S.A. and shall be interpreted in accordance with the law of the State of Georgia without regard to conflict of law principles. The U.N. Convention on Contracts for the International Sale of Goods is expressly excluded. In the event that SUPPLIER or Wencor shall engage an attorney or commence an action against the other Party, arising out of facts and circumstances related to these terms and conditions of purchase including, but not limited to, the other Party's breach of any of its obligations hereunder, the prevailing Party shall be entitled to recover its reasonable attorney's fees, costs, and other disbursements incurred in connection therewith.