



Aviation Metals, Inc.

TERMS AND CONDITIONS OF SALE

Entire**Agreement:**

The terms set forth herein constitute the sole terms and conditions of the contract between you and us. No other terms, conditions, or understanding, whether oral or written shall be binding upon us, unless hereafter made in writing and signed by our authorized representative. This Agreement expressly limits acceptance to these terms; no order shall have any force or effect until acknowledged in writing by us; any proposal for additional or different terms is hereby deemed material and is objected to and rejected. No terms of any document or form submitted by you shall be effective to alter or add to the terms and conditions of this Agreement. Unless otherwise stated herein, your receipt of any portion of the goods shall constitute acceptance of all terms and conditions of this Agreement unless you immediately reject and return all such goods.

Quotations**and Orders:**

All quotations made by us are subject to prior sale of the goods, unless otherwise expressly agreed in writing. All orders are subject to approval of credit.

Prices:

The prices quoted may be changed by us without notice in order to reflect our prices at time of shipment and any increase in transportation, labor or other costs. We reserve the right to correct any obvious errors in specifications or prices. The price for the Goods and all other amounts owed to us shall be paid by you without abatement, deduction or set off.

Taxes:

Any taxes which, under any existing or future law, we may be required to pay or collect with respect to the sale, purchase, delivery, storage, processing, use, consumption or transportation of any of the goods or services covered shall, if not separately shown, be added as a separate item to the quoted price and shall be paid by you to us on demand. The foregoing shall not apply to taxes, the payment or collection of which by us is excused by reason of delivery to us of valid tax exemption certificates.

Quantities:

On certain commodities the producing mill reserves the privilege of shipping over or under the ordered quantity in accordance with established trade practices which will constitute full and complete shipment of the material specified.

Terms of**Payment:**

Full and final payment shall be due thirty (30) days from the date of each invoice unless otherwise expressly agreed in writing. Cash discount terms for early payment vary on a product-line basis. Any invoice not paid in 30 days will accrue a late payment charge of 1 1/2% per month. In the event this account is not paid according to the terms set forth in the invoice or statement, customer agrees to pay a service charge on all delinquent amounts more than 10 days past due. This charge will be computed by applying a periodic rate not to exceed a maximum legal rate or 1 1/2% per month (18% per annum) to the previous month's unpaid balance. This service charge is to cover the rebilling costs and is not a method of financing the account. If the account becomes more than 50 days delinquent and is placed in the hands of a collection agent, Customer will pay reasonable collection charges; and if placed in the hands of a of an attorney for collection or suit, Customer will pay reasonable attorney's fees.

Deliveries:

Any delivery schedule indicated is based on our present estimate of the time required to ship after receipt of your order and in case of any item which is to be shipping from a producing mill upon current production schedules of the producing mill. In the event of any delay in our performance due in whole or in part to any cause beyond our reasonable control, we shall have such additional time for our performance as may be reasonably necessary under the circumstances. Acceptance by you of any goods shall constitute a waiver by you of any claim for damages on account of any delay in the delivery of such goods.

Suspension**of Performance:**

If in our judgment reasonable doubt exists as to your financial responsibility, or if you are past due in payment of any amount owing to us, we reserve the right, without liability and without prejudice to any other remedies, to suspend performance, decline to ship, or stop any material in transit, until we receive payment of all amounts, whether or not due, owing to us, or adequate assurance of such payment.

Shipments:

Unless otherwise expressly stated, shipment may be by carrier or other means selected by us. Title to any goods priced at shipping point shall pass to you upon delivery at such shipping point; title to any goods priced at destination shall pass to you upon delivery at the destination end.

*** Warranties:**

We expressly warrant that the goods will conform to the descriptions and specifications incorporated herein within the tolerances and variances established herein, and that the goods will be free from defects in material and workmanship.

*** DISCLAIMER OF WARRANTIES: WE MAKE NO OTHER EXPRESS OR IMPLIED WARRANTIES WHATSOEVER WITH RESPECT TO ANY GOODS, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.**

- Tolerances:** All goods shall be subject to tolerances and variations consistent with usual trade practices and applicable specifications regarding dimensions, straightness, section, composition, and mechanical properties and normal variation in surface and internal conditions and quality and shall also be subject to deviations from tolerances and variations consistent with practical testing and inspection methods.
- Claims:** If any goods received by you are damaged, or if the quantities received by you do not agree with the quantities indicated on the shipping documents, and if you intend to assert any claim against us on this account, you shall mark an exception on your receipt to the carrier and shall, within fifteen (15) days after receipt of such goods, furnish us detailed written information as to any damage or shortage. You shall advise us in writing promptly after receipt of any goods, and in no event not later than thirty (30) days after such receipt of any other claim you may have against us with respect to such goods. If you have any claims against us with respect to any goods, you shall afford us a reasonable opportunity to inspect such goods. Any action for breach of this contract must be commenced within one year after the cause of action shall accrue, and no such action may be maintained which is not commenced within such period. No goods may be returned without our prior authorization.
- Limitation of Liability:** Your exclusive remedy for breach of contract as to any goods, and our only liability for any such breach, shall be replacement or repair of such goods, or repayment to you of the purchase price paid by you for such goods, whichever such remedy we shall select, and if we elect to repay the purchase price of any such goods and so advise you, you must return such goods to us immediately. In no event will we be liable for incidental or consequential damages incurred by you or by third parties.
- Tools, Dies, & Fixtures:** Unless otherwise expressly provided, any tools, dies, or fixtures which may be developed for use in the production of the goods covered shall be owned by us or any producing mill, as we may elect, even though you are charged in whole or part for the cost of such tools, dies, and fixtures.
- Indemnification:** If any of the goods are to be furnished to your specifications, you agree to indemnify us and our successors and assigns, against all liabilities and expenses resulting from any claim of infringement of any patent in connection with the production of any goods. You also agree to defend and indemnify us against all claims and expenses arising out of the mishandling, abuse or misuse of the goods by you or your customer.
- Compliance with Laws:** Any clause required to be included in a contract by any applicable law or by administrative regulations having the effect of law, is hereby incorporated herein.
- Cancellation:** A contract may be cancelled or modified only by written agreement between us, except as otherwise provided. Your assistance upon canceling or suspending fabrication or shipment, or your failure to furnish specifications when required, may be treated by us as a breach of contract by you, and we may cancel any unshipped balance without prejudice to any other remedies we may have.
- Set-Off:** You authorize us to apply toward payment of any moneys that become due us hereunder any sums which may now hereafter be owed to you by us.
- Fabrication:** We do not warrant or accept responsibility for goods which you fabricate from material supplied by us.
- Assignability-Continuity:** You shall not assign this contract or any right or obligation under this contract without our express written consent and any purported assignment shall be void and ineffective, but the contract shall be binding upon and inure to the benefit of your and our successors.
- Force Majeure:** We shall not be liable for delay or failure to perform in whole or part by reason of contingencies beyond our control, whether herein specifically enumerated or not, including among others, act of God, force majeure, war, acts of war, revolution, civil commotion, riot, acts of public enemies, blockade or embargo, delays of carriers, car shortage, fire explosion, breakdown of plant, strike, lockout, labor dispute, casualty or accident, earthquake, epidemic, flood, cyclone, tornado, hurricane, or other windstorm, lack of failure of sources of supply of labor, raw materials, power or supplies, or excessive cost thereof, contingencies interfering with the production or with the production or with customary or usual means of transportation of the goods, or with the supply of coal or fuel or of any raw material of which said goods are a product or which may be used in their manufacture, delays of vendors, or, where material covered hereby is not manufactured by us, then lack or failure of sources of supply of said materials, or by reason of any law, order, proclamation, regulation, ordinance, demand, requisition or requirement of any other act of any government authority, national, state, or local, including court orders, judgments, or decrees, or any other cause whatsoever, whether similar or dissimilar to those above are enumerated, beyond our reasonable control. Quantities so affected may be eliminated by us from this contract without liability.
- Applicable Law:** The construction performance and completions of this contract is to be governed by the law of the state from which we ship the goods. To the extent that the provisions hereof may vary from the Uniform Commercial Code of such state or any other jurisdiction, the provisions hereof shall govern.