

**STANDARD TERMS AND CONDITIONS OF SALE ("STANDARD TERMS") Rev, 4.15.14**

These Standard Terms are hereby incorporated in, and shall become a part of, each quotation and/or agreement Ohlinger Industries Inc. ("Ohlinger") makes and/or enters with the customer ("Customer") for repair services ("Services") to equipment (the "Equipment") Customer transports to Ohlinger (Ohlinger and Customer are sometimes each referred to as a "Party"; and, collectively, as "the Parties"). *These Standard Terms and Conditions will govern over any terms or conditions that may appear in Customer's purchase order or confirmation.*

1. **Sales Price; Price Modification.** Customer will pay Ohlinger for the Services an amount equal to the sum of all line item extensions provided in the quotation and/or agreement ("Sales Price"). The Sales Price does not include shipping, taxes and duties. Ohlinger retains the right to modify the Sales Price after receipt of the Equipment.

2. **Exclusions from the Sales Price: Shipping, Taxes, and Duties.** The Sales Price in the quotation and/or agreement applies only to Ohlinger's compensation for its Services. Costs of shipping, taxes (sales, use, excise, or similar taxes), and any duties that may apply are **not included in the Sales Price.** Customer will reimburse Ohlinger, in addition to the Sales Price, to the extent Ohlinger pays for any shipping, or is required to pay any taxes or duties on account of the Services.

3. **Place of Service; Shipping.** The Services will be furnished at Ohlinger's facility in Phoenix, Arizona. Customer is responsible for the cost of all shipping and the risk of loss in transit to and from Ohlinger's facility. Ohlinger will ship the Equipment to Customer F.O.B. Ohlinger's factory after completion of the Services. Customer must arrange and pay for the return shipment. Risk of loss to the Equipment will transfer to Customer upon Ohlinger's delivery to the carrier for transportation.

4. **Terms of Payment.** Any amounts due for Services, shipping, costs, taxes, and duties that Customer has not paid in advance will be invoiced upon completion of Services. Unless otherwise provided in the quotation and/or agreement, payment will be due within thirty (30) days after the invoice date. Any sums not paid when due will thereafter bear interest until paid at the rate as provided in A.R.S. § 44-1201(A) which shall also be the rate of interest to be included in any arbitration award and/or judgment arising from this invoice.

5. **Limited Warranty.** Ohlinger warrants that if, within a period of six (6) months from the invoice date, Customer discovers any damage to, or defect in, the Equipment caused by Ohlinger (each, a "Defect"), **OHLINGER WILL, SUBJECT TO THE OTHER TERMS AND CONDITIONS OF THIS PARAGRAPH 5, AT OHLINGER'S OPTION, EITHER: (1) REMEDY THE DEFECT; OR (2) ELECT NOT TO REMEDY THE DEFECT BUT RATHER REFUND THE PORTION OF THE SALES PRICE ACTUALLY PAID BY CUSTOMER. OHLINGER WILL IN EITHER EVENT SHIP THE EQUIPMENT (WHETHER OR NOT THE DEFECT HAS BEEN REMEDIED) TO CUSTOMER F.O.B. OHLINGER'S FACILITY. IN ADDITION, SUBJECT TO RECEIPT OF INVOICE FROM CUSTOMER, OHLINGER WILL REIMBURSE CUSTOMER THE FREIGHT IT PAID TO SHIP THE DEFECTIVE EQUIPMENT TO AND FROM OHLINGER'S FACILITY. OHLINGER'S OBLIGATIONS AND LIABILITIES UNDER THIS LIMITED WARRANTY ARE SUBJECT TO THE FOLLOWING:** Customer must give Ohlinger written notice specifically identifying the Defect and return the Equipment to Ohlinger, freight prepaid, all within ten (10) days after discovery. Ohlinger will promptly inspect the Equipment to determine whether the Defect is subject to the warranty and, if so, whether to remedy the Defect or refund the funds actually paid by Customer. Ohlinger will have the right to disassemble the Equipment and commence repairs prior to making this determination. Ohlinger's determinations will be final and binding. This warranty excludes any responsibility for cost of removal, reinstallation, or other associated expenditures, including costs and losses resulting from loss of use of the aircraft. This warranty excludes damage caused to the Equipment by any mishandling when not at Ohlinger's facility, or improper installations by Customer.

**THE REMEDIES OF THE CUSTOMER AND ALL OTHERS CLAIMING UNDER, WITH AND/OR THROUGH THE CUSTOMER WITH RESPECT TO ANY DEFECT ARE EXPRESSLY LIMITED TO THE RIGHT TO REPAIR OR RECEIVE A REFUND, AS DETERMINED BY OHLINGER, IN ACCORDANCE WITH THIS PARAGRAPH 5. OTHER THAN AS SET FORTH IN THIS PARAGRAPH 5 THERE ARE NO OTHER WARRANTIES REGARDING, OR REMEDIES ARISING FROM, THE SERVICES. THIS LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTY OF QUALITY, WHETHER EXPRESS OR IMPLIED.**

6. **WAIVER OF CONSEQUENTIAL DAMAGES AND OTHER INDIRECT DAMAGES.** IN NO EVENT SHALL OHLINGER BE LIABLE TO CUSTOMER FOR, AND CUSTOMER EXPRESSLY WAIVES THE RIGHT TO SEEK OR RECOVER FROM OHLINGER, ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES. THIS WAIVER INCLUDES, WITHOUT LIMITATION, DAMAGES BASED UPON LOST GOODWILL, LOST PROFITS, WORK STOPPAGES, LOSS OF USE, IMPAIRMENT OF OTHER GOODS, BREACH OF ANOTHER CONTRACT, AND ANY OTHER INDIRECT OR CONSEQUENTIAL DAMAGE, WHETHER OR NOT OHLINGER HAD REASON TO KNOW OF SUCH POTENTIAL DAMAGES.

7. **LIMITATION OF LIABILITY.** OHLINGER'S MAXIMUM LIABILITY TO CUSTOMER FOR ANY CLAIM, LOSS, DAMAGE, OR EXPENSE ARISING OUT OF OR RELATING TO THE QUOTATION, AND/OR AGREEMENT, THE SERVICES, AND/OR THE EQUIPMENT (INCLUDING, WITHOUT LIMITATION, ANY LOSS OF OR DAMAGE TO THE EQUIPMENT) AND/OR ANY DISPUTE BETWEEN THE PARTIES IS HEREBY EXPRESSLY LIMITED TO THE TOTAL OF: (1) THE SUMS ACTUALLY PAID BY CUSTOMER TO OHLINGER ON ACCOUNT OF THE SALES PRICE FOR THE SERVICES; AND (2) CUSTOMER'S FREIGHT COSTS TO SHIP THE EQUIPMENT TO AND FROM OHLINGER'S FACILITY, AS PROVIDED IN PARAGRAPH 5. THIS LIMITATION OF LIABILITY INCLUDES, BUT IS NOT LIMITED TO, ANY CLAIM, LOSS, DAMAGE AND EXPENSE OF ANY KIND, WHETHER BASED ON A TORT, CONTRACT, QUASI-

**CONTRACT, EQUITY, PRODUCTS LIABILITY, STATUTE, OR OTHER LEGAL THEORY OF RECOVERY, AND WHETHER THE CLAIMED DAMAGES ARISE FROM AN ALLEGED DEATH, PERSONAL INJURY, PROPERTY DAMAGE (INCLUDING DAMAGES TO THE EQUIPMENT), ECONOMIC LOSS, OR ANY OTHER LOSS, DAMAGE OR EXPENSE (INCLUDING ATTORNEYS' FEES AND LITIGATION EXPENSES PAID OR INCURRED BY CUSTOMER IN ANY ARBITRATION OR LITIGATION), AND/OR INTEREST. THE COMBINED TOTAL OF DAMAGES, COSTS AND EXPENSES, RECOVERABLE BY CUSTOMER FROM OHLINGER IN ANY ARBITRATION AWARD OR JUDGMENT SHALL NOT EXCEED THE MAXIMUM LIMIT OF LIABILITY AS PROVIDED IN THIS PARAGRAPH 7.**

8. **Force Majeure.** Ohlinger shall not be liable for any failure or delay in performance due to fires, floods, riots, strikes, freight embargoes or transportation restrictions or delays, shortage of labor, inability to secure raw materials, fuel, material, labor, supplies, water or power at current prices or on account of shortages thereof, economic shutdown of Ohlinger's plant facilities, acts of God or of public enemy, any existing or future laws or acts of any government (including specifically, but not exclusively, any orders, rules or regulations issued by any official or agency of any government), or for any other cause beyond Ohlinger's reasonable control. Ohlinger may, at its option and without liability, delay performance hereunder or cancel the quotation and/or agreement if necessary due to any of the foregoing.

9. **Disputes.** Each and every controversy, claim, counter claim, causes of action, demand and other dispute (each, a "Dispute") between the Parties and arising out of, or relating to the Equipment, including, without limitation, the quotation, agreement, these Standard Terms, the Services, any Defect and/or any claim of damage caused by Ohlinger, must be resolved in accordance with, and subject to, this Paragraph 9. The Dispute must be initiated by written notice submitted to the other Party identifying the basis of the Dispute, and the relief sought. The Parties will first endeavor to settle the Dispute through direct negotiation at the purchase manager level for a period of thirty (30) days. If those representatives are unable to resolve Dispute, the matter shall be submitted forthwith to the Customer's chief executive officer and Ohlinger's chief executive officer (or other representative appointed by them with authority to act on their behalf). If these representatives are unable to resolve the Dispute within sixty (60) days after submission to them, the matter shall be submitted to non-binding mediation in Phoenix, Arizona, before a mediator to be selected by the Parties, but if they cannot agree upon a mediator within ten (10) days, the mediator will be appointed, and the mediation administered by a single mediator appointed by the Phoenix office of the American Arbitration Association (AAA) at the request of either Party. The mediation must include at least eight (8) hours of formal negotiations with the mediator. Each Party shall bear its own attorneys' fees and costs of negotiation and mediation; and the Parties shall share equally the fees and expenses of the mediator. Any Dispute not resolved after exhaustion of the preceding procedures set forth above, shall be decided by binding arbitration in Phoenix, Arizona, administered by the AAA, or by JAMS, at the option of the Party initiating the arbitration. **The arbitrator(s) shall not have power to make awards of any damages or expenses of any damages waived, or in excess of the limitation of liability, as provided in Paragraphs 5, 6, and 7.** The successful Party in any arbitration arising out of a Dispute, and in any civil action brought to compel arbitration and/or to confirm and enforce an arbitration award shall include a reasonable amount in favor of the successful Party for attorneys' fees, arbitration costs and litigation expenses paid or incurred from and after the filing of the demand for arbitration; provided, however, the amount of any attorneys' fees, arbitration costs and litigation expenses awarded against Ohlinger will be subject to the limitation of liability as provided in Paragraph 7.

10. **Governing Law; Venue; Time Limit.** The quotation and agreement, and all Disputes arising out of or related to them, shall be governed by, and the terms used herein shall be interpreted according to, the laws of the State of Arizona, excluding choice of law provisions that would apply the law of any other jurisdiction. Exclusive venue for all civil actions between Parties shall be a federal or state court of competent jurisdiction located in Maricopa County, Arizona. The time to initiate a demand for arbitration shall be twelve (12) months after the occurrence of the matter, occurrence or event giving rise to the Dispute. The Parties waive all rights and remedies arising from a Dispute if the arbitration is not initiated within the time limit as provided in this Paragraph 10.

11. **Notices.** All communications between the Parties must be in writing (each, a "Notice"), and will be deemed to have been duly made if delivered in person or by private express overnight delivery service (delivery service charges prepaid), certified mail (return receipt requested), or facsimile transmission (with confirmation of receipt). The burden of proof of delivery shall be on the Party giving the Notice. Unless Ohlinger provides otherwise in writing, Notice to Ohlinger must be delivered to the Ohlinger representative who issued the quotation.

12. **Entire Agreement.** These Standard Terms, together with the quotation or agreement in which they are incorporated, constitute the entire integrated final agreement between Customer and Ohlinger and supersede all other agreements and understandings. Customer's shipment of the Equipment shall be deemed Customer's acceptance of these Standard Terms. No other term proposed by Customer in any confirmation or acceptance of the quotation, or in any purchase order or similar document or communication from Customer, whether the other term is inconsistent with, or purports to modify or otherwise alter, any of these Standard Terms, is part of the quotation or agreement, and is hereby expressly rejected by Ohlinger. If any provision in these Standard Terms is adjudicated to be void or unenforceable, the provision shall be modified to the extent permitted by applicable law to most nearly retain the Parties' intent; and all other provisions of these Standard Terms shall remain in full force and effect.