ATF AEROSPACE LLC

PURCHASING TERMS AND CONDITIONS

THE TERMS AND CONDITIONS SET FORTH ON THIS FORM GOVERN THE PURCHASE ORDER ("PURCHASE ORDER") FOR THE PURCHASE OF PRODUCTS ("PURCHASED ITEMS") OR SERVICES ("SERVICES") (COLLECTIVELY, "PURCHASED ITEMS") BY ATF AEROSPACE LLC ("ATF AEROSPACE") FROM SELLER ("SELLER") (THE "AGREEMENT") ATF AEROSPACE WILL NOT BE BOUND BY ANY TERMS ON A QUOTATION.

CONFIRMATION ORDER OR INVOICE FROM SELLER OR OTHER DOCUMENT THAT IS INCONSISTENT WITH THE TERMS HEREIN, AND ALL SUCH TERMS ARE HEREBY REJECTED AND NULL AND VOID. ACCEPTANCE BY SELLER OF THESE TERMS SHALL BE DEEMED TO HAVE OCCURRED UPON THE EARLIER OF: (1) ISSUANCE OF A CONFIRMATION OF ORDER OR INVOICE FOR THE PURCHASED ITEMS, IRRESPECTIVE OF WHETHER SUCH CONFIRMATION OR INVOICE INCLUDES CONFLICTING TERMS. (2) PROVISION OF THE PURCHASED ITEMS TO ATF AEROSPACE, OR (3) ACCEPTANCE OF PAYMENT OF ANY PORTION OF THE PURCHASE PRICE FOR THE PURCHASED ITEMS.

1. Prices, Taxes, Payment: Any written price quotation provided by Seller to ATF AEROSPACE shall be binding on Seller for a minimum of sixty (60) days. Unless otherwise specified by ATF AEROSPACE, terms of payment are net forty-five (45) days from ATF AEROSPACE’s receipt of Seller’s invoice.

2. Title and Delivery: All Purchased Items that are shipped from outside the U.S shall be shipped DDP (Delivered Duty Paid) at ATF AEROSPACE’s location. All Purchased Items that are shipped from within the U.S. shall be shipped FCA (Free Carrier) Destination at ATF AEROSPACE’s location. Seller will be responsible for all shipping charges and will reimburse ATF AEROSPACE for all shipping costs ATF AEROSPACE incurs. Risk of loss shall pass to ATF AEROSPACE at the time the Purchased Items are delivered to ATF AEROSPACE’s location, and Seller shall provide whatever Insurance against loss or damage it considers necessary in connection with such risk of loss. In the event of any default by Seller, ATF AEROSPACE may decline to receive further shipments without in any way affecting its rights under this Agreement.

3. Notification of Shipment Error: ATF AEROSPACE shall have forty-five (45) days after delivery to notify Seller of any shipping error, including without limitation, shortages in the shipment or other inconsistencies between the shipment and the enclosed packing slip or invoice. In the event of any such shipment error, ATF AEROSPACE may return such Purchased Items. Seller shall pay all cost incurred in connection with such shipping errors.

4. Security Interest: If full or partial payment is made by ATF AEROSPACE to Seller prior to the provision of all Purchased Items hereunder, title to all Purchased Items shall pass to ATF AEROSPACE, and Seller shall be deemed a bailee of all Purchased Items remaining in its possession, but in no event shall the risk of loss pass, except as set forth in Section 2 herein. Seller grants to ATF AEROSPACE a security interest in such Purchased Items, which security interest shall be in addition to all other rights of ATF AEROSPACE under this Agreement or applicable laws, and Seller shall execute any document appropriate or necessary to perfect the security interest of ATF AEROSPACE, or in the alternative, ATF AEROSPACE may file this Agreement as a financing statement and/or chattel mortgage.

5. Fabrication and Material Commitments: Unless otherwise authorized in writing by ATF AEROSPACE, ATF AEROSPACE shall not be responsible for any commitments for materials made by Seller or fabrication by Seller in advance of the time when such actions are necessary to permit provision of the Services and/or shipment of the Purchased Items on the specified dates.

6. Additional Expenses: Any expenses incurred by Seller for which Seller intends to seek reimbursement from ATF AEROSPACE shall be expressly authorized in writing by ATF AEROSPACE prior to such incurrence. If Seller fails to obtain such authorization from ATF AEROSPACE, Seller shall be solely responsible for such expenses.

7. Bailment: Machinery, equipment, tools, jigs, dies, patterns, drawings, specifications and samples furnished to Seller by ATF AEROSPACE on other than a charge basis, and any products or materials (including without limitation containers for Purchased Items) supplied by ATF AEROSPACE to Seller in connection with the provision by Seller of Purchased Items, shall be held by Seller as upon bailment, and upon the completion of this Agreement shall be returned to ATF AEROSPACE or otherwise satisfactorily accounted for. Seller, at its expense, shall insure all such items for the reasonable value thereof against loss or damage of any kind.

8. Special Tools: All special tools required for the performance of Seller’s obligations under this Agreement shall be procured by Seller at Seller’s sole expense and shall be the property of Seller.

9. Assignment: Seller shall not assign or transfer any of its rights hereunder, whether voluntary or by operation of law, without the prior written consent of ATF AEROSPACE.

10. Indemnification: Seller shall indemnify, defend and hold harmless ATF AEROSPACE and its officers, directors, employees, agents, successors, assigns and customers from and against any and all claims, suits, allegations, judgments, actions, liabilities, losses, damages, costs and expenses for injury, loss or damage of any kind claimed by a third party, and
11. Intellectual Property: Any Intellectual Property owned or licensed by ATF AEROSPACE and provided by ATF AEROSPACE to Seller for use by Seller in connection with the performance of its obligations hereunder shall remain the exclusive property of ATF AEROSPACE and its licensors, as the case may be. Except for the limited license to the Intellectual Property granted to Seller solely to enable such performance, nothing in the Agreement shall be deemed to grant Seller any license or any other rights in such Intellectual Property. Seller shall not attempt to derive or obtain unauthorized access to such Intellectual Property. The term “Intellectual Property” shall include without limitation all of the following: (I) inventions, discoveries, patents, patents applications and all related continuations, divisional, reissue, utility model, design patents, applications and registrations thereof, certificates of invention. (II) computer software programs, data and documentation. (II) trade secrets, confidential information, know-how, techniques designs, prototypes, enhancements, improvements, work in progress, research and development information and (III) all other proprietary rights relating to the foregoing.

12. Warranty: Seller warrants that the Purchased Items shall fully and completely conform to the specifications drawings, samples or other descriptions provided by ATF AEROSPACE to Seller, or in the absence of such specifications, drawings samples or other descriptions, to applicable industry standards for the Purchased Items. Seller warrants that the Purchased Items will be of good material and workmanship, and free from defect, including defects in design (to the extent that the Purchased items incorporate Seller’s design). Seller further warrants that the Purchased Items will be merchantable and fit for the purpose for which they are intended. If ATF AEROSPACE determines that any of the Purchased Items fail to satisfy the foregoing warranty, Seller shall promptly correct or replace such Purchased Items. If ATF AEROSPACE determines that a recall or repair campaign of some or all of the Purchased Items or any product(s) incorporating the Purchased Items is required as a result of Seller’s breach of the foregoing warranty, Seller shall reimburse ATF AEROSPACE for all costs and expenses incurred in connection with such recall or repair campaign. If a manufacturer’s warranty or other third-party warranty applies to the Purchased Items, Seller shall hereby be deemed to have assigned all rights under such warranty to ATF AEROSPACE, and such warranty shall be in addition to, and not in lieu of, any warranty of Seller to ATF AEROSPACE granted hereunder.

13. Packaging and Labeling: Seller shall package and label all shipments of Purchased Items in accordance with the requirements specified in the Purchase Order.

14. Inspection and Acceptance: Inspections and testing of the Purchased Items may be made at a location selected by ATF AEROSPACE, including Seller’s facilities or the point of destination. Acceptance of the Purchased Items by ATF AEROSPACE shall not relieve Seller from any of its obligations or warranties hereunder. In no event shall payments of any amounts be deemed to constitute acceptance of the Purchased Items.

15. Applicable Laws: Seller shall comply with all federal, state and local laws, regulations, rules, and ordinances applicable to its activities under this Agreement.

16. Termination: ATF AEROSPACE may terminate this Agreement at any time with or without cause, by written or telephonic notice to Seller. Following such termination, Seller shall be entitled to reimbursement solely for its reasonable actual costs incurred directly in connection with the provision of the Purchased Items which cannot be recovered through the provision of Purchased Items to other parties, or the return of materials purchased in connection with the Purchased Items. All Purchased Items (whether finished or unfinished) for which ATF AEROSPACE reimburses Seller shall become property of ATF AEROSPACE, and at ATF AEROSPACE’s request, Seller shall promptly ship such Purchased Items to ATF AEROSPACE pursuant to the terms of this Agreement.

17. Governing Law and Venue: This Agreement and performance by the parties hereunder shall be construed in accordance with the laws of the State of Illinois, USA, without regard to provisions on the conflict of laws. Seller and ATF AEROSPACE consent to the exclusive jurisdiction of, and venue in, the state and federal court located in Cook County, Illinois, USA.

18. ATF AEROSPACE’s Property: Acceptance of this Purchase Order and payment in full constitutes Seller’s assignment to ATF AEROSPACE of all rights in and to the Purchased items, including copyrights and the waiver of the rights of attribution and integrity (moral right), if any. The property rights above extend to all goods made, prepared, written, designed, manufactured, or adapted for ATF AEROSPACE’s use, including but not limited to artwork, drawings, sketches, writings, film, computer generated images, manuscripts, designs, photographs, machinery, and merchandise. Seller warrants that the Seller has full power to grant all such rights herein specified. Rights purchased are as specified above and can be limited or conditioned.
only by express terms (if any) of limitation or condition in the Purchase Order.

19. Limitation of Liability: ATF AEROSPACE SHALL NOT BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR SERVICES, NOR FOR ANY LOSS OF BUSINESS, LOSS OF USE OR OF DATA, INTERRUPTION OF BUSINESS, LOST PROFITS OR GOODWILL OR OTHER INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND ARISING OUT OF THIS AGREEMENT. EVEN IF ATF AEROSPACE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THIS EXCLUSION INCLUDES ANY LIABILITY THAT MAY ARISE OUT OF THIRD-PARTY CLAIMS AGAINST SELLER. ATF AEROSPACE’S TOTAL LIABILITY UNDER THIS AGREEMENT FOR ANY CLAIM RELATING TO A PARTICULAR PURCHASED ITEM SHALL IN NO EVENT EXCEED THE PRICE PAID TO SELLER FOR SUCH PURCHASED ITEM WITHIN THE TWELVE (12) MONTH PERIOD PRECEDING THE DATE OF THE EVENT GIVING RISE TO THE CLAIM.

20. Insurance: Seller shall maintain insurance coverage in amounts and types reasonably acceptable to ATF AEROSPACE. Upon ATF AEROSPACE’s request, Seller shall provide Certificates of insurance to ATF AEROSPACE and shall have ATF AEROSPACE named as an additional insured.

21. Severability: If any provision of the Agreement is held invalid or unenforceable for any reason, the remainder of the provision shall be amended to achieve as closely as possible the economic effect of the original term and all other provision shall continue in full force and effect.

22. Confidentiality: This Agreement and any information provided by ATF AEROSPACE to Seller in connection herewith shall be considered confidential information of ATF AEROSPACE, and Seller shall not use such confidential information except in connection with the performance of its obligations hereunder. Seller shall not disclose or permit the disclosure of ATF AEROSPACE’s confidential information to any other party without the express written approval of ATF AEROSPACE.

23. Publicity: Seller shall not publicly disclose the terms of this Agreement or make any announcement regarding the nature of the relationship between the parties without the prior approval of ATF AEROSPACE. This Agreement shall not be construed to grant Seller any right or license to use ATF AEROSPACE’s trademarks in any manner. Seller shall have no right to publicly display the Purchased Items in any manner.

24. Relationship of the Parties: The parties to this Agreement are independent contractors. There is no relationship of agency, partnership, joint venture, employment, or franchise between the parties.

Neither party has the authority to bind the other or to incur any obligation on its behalf.

25. Entire Agreement: This Agreement between Seller and ATF AEROSPACE in connections with the Purchased items constitutes the entire agreement between ATF AEROSPACE and Seller and supersedes all previous representations and agreements, whether oral or written, between the Seller and ATF AEROSPACE with respect to the subject matter hereof This Agreement may not be modified, supplemented, qualified, or interacted except in writing signed by Seller and ATF AEROSPACE. The failure by ATF AEROSPACE to enforce at any time any of the provisions in this agreement will in no way be construed as a waiver of such provisions.