

Unical Aero Terms and Conditions for Sale of Products

Revision Number: 1

Revision Date: December 1st, 2015

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A. Definitions

In this document the following words shall have the following meanings:

1. "Buyer" means the organization or person who buys or otherwise obtains Products from Unical Aero;
2. "Customer" means the organization or person who buys or otherwise obtains Products from Buyer;
3. "Delivery" has the meaning given to it in paragraph F(1) of these Terms and Conditions.
4. "Party" means either Buyer or Unical Aero, collectively the "Parties";
5. "Products" means the goods or services supplied to the Buyer by Unical Aero;
6. "Intellectual Property" means patents, trademarks, trade names, service marks, domain names, copyrights and all applications and registration of such, worldwide, schematics, industrial models, inventions, registered and unregistered designs, know-how, trade secrets, computer software programs, and other intangible proprietary information;
7. "Terms and Conditions" means these Terms and Conditions for Sale of Products between the Parties; and
8. "Unical Aero" means Unical Aero Inc.

B. General

1. These Terms and Conditions shall apply to sales of Products by Unical Aero to the Buyer to the exclusion of all other terms and conditions referred to, offered or relied on by the Buyer whether in negotiation or at any stage in the dealings between the Parties, including any standard or printed terms tendered by the Buyer, unless the Buyer specifically states in writing, separately from such terms, that it wishes such terms to apply and this has been acknowledged and accepted by Unical Aero in writing.
2. Any variation to these Terms and Conditions (including any special terms and conditions agreed between the Parties) shall be inapplicable unless agreed in writing by Unical Aero.

C. Price and Payment

1. The price shall be the price on Unical Aero's Sales Order unless otherwise agreed in writing between the Parties. The price is exclusive of taxes or other stated fees, if any. Unless credit terms are offered to Buyer by Unical Aero, Buyer's payment is due and payable upon Delivery.
2. Credit terms may be offered subject to satisfactory credit vetting of the Buyer by Unical Aero. The offer of credit will be at the sole discretion of Unical Aero.
3. Where credit is offered, payment of the price and taxes and any other applicable costs shall be due within 30 days of the date of the invoice supplied by Unical Aero, unless otherwise agreed in writing. In cases where credit is not offered, payment will be required before release of Products by Unical Aero.
4. Unical Aero shall be entitled to charge interest on overdue invoices from the date when payment becomes due from day to day until the date of payment at an annual rate of twelve per cent (12%) calculated and compounded daily.
5. If payment of the price or any Product thereof is not made by the due date, Unical Aero shall be entitled to:
 - I. require payment in advance of Delivery in relation to any Products not previously delivered; and

- II. refuse to make delivery to the Buyer of any undelivered Products without incurring any liability whatsoever for non-delivery or any delay in delivery.

D. Description

Any description given or applied to the Products is given by way of identification only and the use of such description shall not constitute a sale by description. For the avoidance of doubt, the Buyer hereby affirms that it does not in any way rely on any description when entering into the contract.

E. Documentation

Unical Aero shall provide to the Buyer an FAA Form 8130-3 or a manufacturer's certificate of conformance at the discretion of Unical Aero. Provision of an FAA Form 8130-3 or a manufacturer's certificate of conformance does not alter Buyer's rights and does not provide any additional warranties.

F. Delivery and Risk

1. Unless otherwise agreed in writing, delivery of the Products shall take place Ex Works Unical Aero 680 South Lemon Avenue, City of Industry, California USA 91789 (Incoterms 2010) ("Delivery"). The Buyer shall make all arrangements necessary to take delivery of the Products in a timely manner.
2. If Unical Aero is unable to deliver the Products or Buyer is unable to accept Delivery because of actions or circumstances under the control of the Buyer, then Unical Aero shall be entitled to place the Products in storage until such times as Delivery may be effected and the Buyer shall be liable for any expense associated with such storage, including but not limited to Unical Aero's standard storage fees.
3. Any damages, shortages, over deliveries and duplicated orders must be reported to Unical Aero within fourteen (14) days of signed receipt to enable warranty (if applicable) or other claim for replacement, return or credit.

G. Title

Title in the Products shall pass to the Buyer upon Delivery.

H. Return of Unused Products

All Products are sold on a firm sale basis; unless otherwise agreed to in writing by Unical Aero, Unical Aero will not take back any Products not required by or not sold by the Buyer.

I. Warranty and Limitation of Liability

1. **The Unical Aero Product Warranty is Buyer's sole remedy and is in lieu of all warranties, expressed or implied, including those of merchantability and fitness for a particular purpose. If more than one version of the Unical Aero Product Warranty exists, then the version that applies is the version that is current as of the date of the Delivery of the Product.**
2. Upon Buyer's sale of a Product to a Customer, Buyer may transfer its warranty rights to Buyer's customer, as long as the Customer agrees, in writing, to accept the terms of the warranty as its sole remedy against Unical Aero. The Customer acceptance of the terms of the Unical Aero Product Warranty must be submitted to Unical Aero within five (5) calendar days of the sale.

3. In the event that Buyer sells a Product to a Customer and fails to secure and timely provide to Unical Aero the Customer acceptance of the terms of the Unical Aero Product Warranty, then Buyer agrees to indemnify and hold harmless Unical Aero from any and all encumbrances, penalties, losses or other liabilities, whether owed to the Customer or to any other third parties, that may arise from or in relation to the Product or the sale of the Product for which no Customer acceptance of the terms of the Unical Aero Product Warranty was submitted.
4. If the Product is maintained, repaired or altered ("MRO Work") by a party that is not explicitly authorized in writing by Unical Aero to perform this MRO Work on the Product, then such unauthorized MRO Work shall void any and all warranties for the Product, and Unical Aero shall have no further liability to any Buyer or Customer, and Buyer and Customer shall indemnify and hold harmless Unical Aero from any and all encumbrances, penalties, losses or other liabilities, whether owed to the Customer or to any other third parties;

J. Intellectual Property Rights

Unical Aero will retain all right, title and interest in and to its Intellectual Property including all Intellectual Property rights. Buyer shall not remove, efface or obscure any copyright notices, patent marks nor other proprietary notices or legends from any Products or materials provided under these Terms and Conditions.

K. Force Majeure

Unical Aero shall not be liable for any delay or failure to perform any of its obligations if the delay or failure results from events or circumstances outside its reasonable control, including, but not limited to acts of God, strikes, lock outs, accidents, war, fire, breakdown of plant or machinery or shortage or unavailability of raw materials from a natural source of supply, and Unical Aero shall be entitled to a reasonable extension of its obligations. If the delay persists for such time as Unical Aero considers unreasonable, it may, without liability on its part, terminate the contract.

L. Relationship of Parties

Nothing contained in these Terms and Conditions shall be construed as establishing or implying any partnership or joint venture between the Parties and nothing in these Terms and Conditions shall be deemed to construe either of the Parties as the agent of the other.

M. Assignment and Sub-Contracting

The contract between the Buyer and Unical Aero for the sale of Products shall not be assigned or transferred, nor the performance of any obligation sub-contracted, in either case by the Buyer, without the prior written consent of Unical Aero.

N. Waiver

The failure by either Party to enforce at any time or for any period any one or more of the Terms and Conditions herein shall not be a waiver of them or of the right at any time subsequently to enforce all Terms and Conditions herein.

O. Severability

If any term or provision of these Terms and Conditions is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if these Terms and Conditions had been agreed with the invalid, illegal or unenforceable provision eliminated.

P. Notification of Claims or Threats

If Buyer becomes aware of any claim with respect to a Product, or any threat of a claim with respect to a Product, or any reasonable possibility of a claim with respect to a Product (including, but not limited to, Product failure or injury or harm related to a Product, or any other Product-related occurrence that that might lead to litigation, loss, penalty, or any other liability), then Buyer shall notify Unical Aero of the details of this claim, threat or reasonable possibility within one business day of becoming aware of this claim, threat or reasonable possibility.

Q. Governing Law and Jurisdiction

These Terms and Conditions shall be governed by and construed in accordance with the laws of the State of California, USA and the Parties hereby submit to the exclusive jurisdiction of the state and federal courts in California. Any action seeking to enforce rights arising from these Terms and Conditions, or seeking to enforce rights related to a transaction subject to these Terms and Conditions, shall be filed and heard only in a state or federal court in Los Angeles County, California.