

**Dickson Testing Co., Inc./Aerocraft Heat Treating Co., Inc. ("Seller") TERMS AND CONDITIONS OF SALE**

1. **CONTRACT FORMATION.** These terms and conditions of sale (the "Seller Terms and Conditions") apply to all quotations and offers made by and purchase orders performed by Seller. To the extent that the Seller Terms and Conditions conflict with or are different from those contained in any Customer purchase order or other procurement document, the Seller Terms and Conditions will control and any additional or inconsistent terms are rejected by Seller unless Seller's acceptance is in writing and specifically refers to each such additional or conflicting term. Delivery of sample to Seller for testing constitutes acceptance of Seller's terms and conditions.
2. **PRICES.** All quotations are made for prompt acceptance and any terms or prices quoted therein are subject to change without notice after thirty (30) days from the date thereon unless specifically stated otherwise on the quotation. Note that a firm price cannot be provided on certain tests which are time based. Seller will not disseminate any cost breakdown information or pricing data which is used to determine its prices. Prices are subject to increases for changes requested by Customer, and any change in price resulting from a Customer-directed change will be agreed upon prior to any change of production equipment and prior to Seller's manufacture of modified parts.
3. **TAXES.** All quoted prices are subject to the addition of any applicable sales, excise, manufacturer's use or other taxes that may be levied by either municipal, state or federal authorities.
4. **TERMS OF PAYMENT.** Subject to credit approval, terms of payment for all goods and services shall be net thirty (30) days from date of shipment unless previous mutually agreed payment terms are in place. Tooling charges will be invoiced upon completion of tools and fixtures and shall be payable thirty (30) days from the date of invoice. All payments will be in funds of the United States. If Customer fails to pay any charges when due, Customer agrees that Seller shall have the right to invoice, and Customer will pay, all costs, including reasonable attorneys' fees expended in collecting overdue charges. All deliveries are subject to the condition that all past due invoices have been paid or resolved in full. If the Customer fails to pay any charges when due, Customer agrees that Seller shall have the right to implement a service charge of 1.5% per month of past due balances.
5. **TERMS OF DELIVERY.** Delivery will be defined as when the test certification is delivered via electronic means to the Customer's previously defined representative. Seller may deliver in partial shipments if necessary to meet Customer's requirements. If a delay occurs from the Customer side that delays certain testing, Seller shall have the right to invoice for any partially completed testing as a "partial certification".
6. **TOOLING.** Tooling charges represent costs of dies, fixtures and development required in the production and testing of parts. After tooling has been established, routine replacement to maintain quality or any changes will be at Customer's expense. Payment of tooling charges conveys to Customer only the right of exclusive use of the tools and not title to the tools. Payment does not convey to Customer the right to possess the tools or to remove the tools from Seller's plant. Seller agrees to maintain the tools and keep them available for one year after the date of shipment of the last order requiring their use. Thereafter, tools will be discarded and an additional tooling charge will be required for future orders.
7. **DELIVERY PROMISES.** Promises of delivery are given as accurately as conditions permit and reasonable efforts will be made to make deliveries as scheduled. Seller will not be liable for any damages incurred by Customer as a result of delay in shipment.
8. **PACKING AND SHIPPING.** As a courtesy, Seller does pick up customer samples for testing if local to our facility. In the case of parts lost or damaged, Seller's liability is limited to replacement of material. In general, storage of test remnants is for 6 months unless there is a special mutual agreement in place. After 6 months Seller shall have the right to scrap untested remnants from incoming specimens unless there is mutual agreement for otherwise.
9. **FORCE MAJEURE.** Seller shall not be liable for failure or delay in delivery due to acts of God, orders bearing priority rating established pursuant to law, differences with workmen, local labor shortages, fire, flood or other casualty, governmental regulations or requirements, shortages or failure of raw materials, supplies, fuel, power or transportation, breakdown of equipment, or any other cause beyond Seller's reasonable control whether of similar or dissimilar nature than those enumerated. Seller shall have such additional time within which to perform as may be reasonably necessary under the circumstances and shall have the right to apportion its production among its customers in such a manner as it may consider to be equitable.
10. **MODIFICATIONS.** Order modifications which defer or stop deliveries are subject to Seller's written approval. Prices are subject to renegotiation at Seller's option when manufacturing schedules are modified, or where parts must be manufactured in smaller and/or less economical lot sizes. Seller reserves the right to pass cost increases through to Customer if longer than anticipated delivery periods expose Seller to unanticipated increases in raw material or outside processing costs. Work in process that is deferred or stopped is subject to a handling charge. Customer will accept shipment and pay for work in process that is within ninety (90) days of completion at time of modification request. Work deferred or stopped in excess of ninety (90) days from the scheduled date of completion may be considered canceled at Seller's option, and Customer shall be liable to Seller for all unpaid invoices and the costs of settling any claims for necessary termination of related sub-contracts, as well as payment at the contract price for finished product, work in process, and raw material in inventory or on order provided that Seller is not able, in its judgment, to use such product, inventory or raw material for other purposes within 30 days of the cancellation.

11. **PATENT INFRINGEMENT.** Customer and Seller will indemnify, defend and hold harmless each other against any liability or claim for patent, trademark or other intellectual property right infringement or misappropriation arising out of or resulting from each other's respective design, specifications or manufacturing processes or procedures.
12. **LIMITED WARRANTY.** Seller warrants that any tests will be made in accordance with the quality standards defined in this agreement, in each case as determined and demonstrated by the then in effect inspection methods and standards directed or approved by Customer. Customer will notify Seller in writing of any tests which were not made in accordance with this warranty within thirty (30) days after their delivery, and if Customer should fail to give such notification, claims for breach of warranty, if any, shall be waived. Seller will, at its own expense and option, either redo the tests which Seller determines not to be in conformance with this warranty, provided that the Customer has notified Seller in writing of any such defect within the stated thirty (30) day period. **SELLER'S OBLIGATION HEREUNDER IS EXPRESSLY LIMITED TO REDOING ANY TESTING RELATED TO DEFECTIVE TESTS WITHOUT COST TO CUSTOMER, OR AT SELLER'S OPTION, THE REPAYMENT OF THE PURCHASE PRICE.** THESE WARRANTY PROVISIONS ARE IN LIEU OF ALL OTHER WARRANTIES OR OBLIGATIONS, EXPRESS OR IMPLIED. SELLER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND SELLER DOES NOT WARRANT THE ADEQUACY OF CUSTOMER'S DESIGN OR SPECIFICATIONS OR THE INSPECTION PROTOCOL. No person is authorized to give any other warranties on Seller's behalf.
13. **AUDIT.** It is Seller's policy to not allow cost and pricing audits. Seller will not provide such data nor will it allow access to its books, records or facilities for such audits. For the sake of clarity, Seller cannot and will not provide Cost & Pricing data to any party. Accordingly, if stemming from a U.S. Government FAR/DFAR contract, Seller may only bid on non-sole source Competitive arrangements with no less than one other reasonable Bidder. If this condition is not met, the Seller's offer to bid and any quotation thereto shall be self-deleting.
14. **DISPUTE RESOLUTION.** The interpretation of the terms and obligations hereunder will be construed and governed by the laws enacted in the state of Oregon, excluding its choice of law rules and excluding the U.N. Convention on Contracts for the International Sale of Goods. The parties agree that, in any effort to enforce the terms and obligations hereunder, the complaining party will first notify the other party in writing of the alleged dispute and the parties will attempt in good faith to resolve the dispute through prompt discussion and meeting between representatives having decision-making authority regarding the dispute. If the dispute is not resolved by the 30th day after written notice of the dispute was first made, the parties agree to engage in non-binding mediation exclusively within Multnomah County, Oregon, using a neutral mediator mutually agreed to and paid for by the parties. If mediation does not resolve the dispute, the parties may resolve the dispute through appropriate legal action. Legal action may be brought only in the state and federal courts located within Multnomah County, Oregon, and the parties consent to the jurisdiction of such courts. Neither party will have any rights to set-off hereunder. Both parties expressly agree to waive any and all rights to a trial by jury for any disputes arising out of or related to this contract. Each party shall always be responsible for their own legal and attorney fees.
15. **LIMITATION OF DAMAGES.** CUSTOMER AGREES THAT SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND SUSTAINED FROM ANY CAUSE OR ARISING OUT OF ANY LEGAL THEORY AND ACKNOWLEDGES THAT THE PRICES CHARGED CUSTOMER HEREIN CONTEMPLATE THE FOREGOING ALLOCATION OF RISK. These limitations also apply to any liability that may arise out of third-party claims. Seller's total liability for all loss or damage arising out of or related to Seller's acts or omissions shall be limited to 20% of the purchase price for the applicable Purchase Order out of which the loss or damage arises. Nothing in this contract shall be treated as limiting the liability of Seller to the extent such limitation would be unlawful under applicable law.
16. **MISCELLANEOUS.** These Seller Terms and Conditions (and any agreement under which an order is issued) constitute the entire agreement between the parties with respect to the subject matter herein and supersede all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the parties. No waiver, alteration, modification of or addition to these Seller Terms and Conditions will be binding unless expressly agreed to in writing and signed by duly authorized representatives of Customer and Seller. A waiver of any of the terms or conditions hereof will not be deemed a continuing waiver, but will apply solely to the instance to which the waiver is directed. If any part of this agreement shall be adjudged by any court of competent jurisdiction to be invalid, such judgment will not affect or nullify the remainder of this agreement, but the effect thereof will be confined to the part immediately involved in the controversy adjudged. Neither party will assign its rights or obligations hereunder without the prior written consent of the other party.
17. **AAPEEO.** The contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as a protected veteran or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status. This contractor and subcontractor will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant.