



October 28, 2015

Purchase Order Terms and Conditions

1. ACCEPTANCE

In the absence of written acceptance of the purchase order, Seller's commencement of work on the services or goods subject to this purchase order, or the shipment of such goods, whichever occurs first, shall be deemed an effective and binding mode of acceptance of this purchase order. ANY ACCEPTANCE BY SELLER OF THIS PURCHASE ORDER IS LIMITED TO ACCEPTANCE OF THESE TERMS AND CONDITIONS WITHOUT MODIFICATION. ANY ATTEMPT BY SELLER TO REPLACE, MODIFY, OR AUGMENT THESE TERMS AND CONDITIONS IN ANY WAY, INCLUDING, BUT NOT LIMITED TO, SENDING BUYER A DIFFERENT SET OF TERMS AND CONDITIONS IN CORRESPONDENCE, IN SHIPMENTS, OR AS PART OF AN INVOICE, IS TOTALLY REJECTED, AND SELLER AGREES THAT SUCH DIFFERING TERMS AND CONDITIONS SHALL NOT BE APPLICABLE TO THIS PURCHASE ORDER. If this purchase order shall be deemed in a court of law to be an acceptance of a prior offer by Seller, then Buyer's acceptance is conditioned upon Seller agreeing that these terms and conditions supersede the terms and conditions contained in Seller's offer. In the event these terms and conditions are provided to Seller as a part of Buyer's annual notification process, then these terms and conditions shall apply to all purchase transactions between Buyer and Seller unless otherwise agreed to in writing between Seller and Buyer.

2. DELIVERY

Time is of the essence. If Seller fails to meet shipping dates, delivery dates, and/or work commencement or completion dates, then Buyer may immediately terminate this purchase order for cause or exercise any other rights and remedies to which it may be entitled, at law or in equity. Except as otherwise provided on the face of this purchase order, title and risk of loss to all goods delivered pursuant hereto shall pass FCA Buyer's facility (Incoterms 2010).

3. TERMINATION FOR CONVENIENCE/CHANGES OF BUYER

Buyer may cancel this purchase order or any part thereof or make changes to the drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation without cause at any time prior to shipment or commencement of the performance of any services pursuant hereto. If Buyer cancels this purchase order, cancellation charges shall be limited to Seller's actual incurred costs as of the cancellation date for goods in process, plus the purchase price for services performed and goods completed as of the cancellation date. Upon such payment, all completed goods, any special tools purchased to fill the order, and all work in process will become the property of Buyer and shall be delivered to Buyer.



4. SELLER'S WARRANTIES

For complete warranty information, please see [www.dartaero.com/Dart warranty](http://www.dartaero.com/Dart%20warranty).

5. RETURNS AND RESTOCKING FEES

The customer must contact DART Aerospace's Customer Service Department for disposition and Return Material Authorization (RMA) number prior to returning any product to a DART facility. The customer will be responsible for shipping costs to DART Aerospace. DART will not accept shipments received without this prior approval or shipped to an incorrect DART facility. The issued RMA is valid for 30 days. If the product is not returned to DART within 30 days, the RMA shall become void and the customer must request a new RMA number. A minimum 15% restocking fee may be applied to all returns.

6. INDEMNITY

Excepting claims arising from Buyer's sole negligence, Seller shall indemnify, hold harmless, and defend Buyer from and against any and all claims, losses, liabilities, lawsuits and expenses (including attorneys' fees) resulting from or arising out of (i) the death of or injury to persons, or destruction of property, caused or alleged to be caused, in whole or in part, by any defect in goods or services purchased hereunder, (ii) any breach or alleged breach of a warranty by Seller, or (iii) any act or omission of Seller and/or Seller's agents.

7. PROPRIETARY INFORMATION/CONFIDENTIALITY-ADVERTISING

Seller shall consider all information furnished by Buyer to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this purchase order, unless Seller first obtains written permission from Buyer to do so. This paragraph shall also apply to drawings, specifications, or other documents prepared by Seller for Buyer in connection with this purchase order. Unless identified in writing by Seller as confidential, no commercial, financial or technical information disclosed in any manner or at any time by Seller to Buyer shall be deemed secret or confidential, and Seller shall have no rights against Buyer with respect thereto.

8. INDEPENDENT CONTRACTOR

Seller shall fulfill its obligations under this purchase order as an independent contractor. In the event Seller's obligations hereunder require Seller's employees or agents to enter on to or perform services on Buyer's property, Seller agrees that Seller is solely responsible for the safety of its employees and agents, and Seller shall (i) take all necessary precautions to protect all property and persons from damage, injury, or death arising out of the performance of any services performed by it pursuant hereto, (ii) comply with all fire, safety, and other applicable regulations prescribed by any governmental agency and by Buyer, and (iii) be responsible for the observance of similar compliance by its subcontractors and their employees, if any.

9. INSURANCE



Seller shall procure and maintain the insurance coverage necessary to cover Seller's liability exposure under this purchase order, including, but not limited to, commercial general liability coverage, employer's liability coverage, and worker's compensation insurance as required by law. In addition to the above, if Seller is performing services at, or will otherwise have personnel in, Buyer's facility, then to the extent not otherwise agreed in writing, Seller shall procure and maintain the following minimum insurance coverage as follows: Commercial General Liability - \$2,000,000 - per occurrence and in the aggregate / Workers' Compensation – Statutory / Employers' Liability - \$1,000,000 per occurrence and in the aggregate, and / Automobile Liability (owned, non-owned, and hired) - \$1,000,000 per occurrence and in the aggregate. If requested by Buyer at any time and in Buyer's sole and absolute discretion, Seller shall (i) name Dart Aerospace and its affiliates and subsidiaries, and their respective officers, directors, employees and agents as additional insured's; (ii) waive all rights of subrogation under all such insurance policies and cause them to be so endorsed; and (iii) shall provide Buyer with a certificate of insurance evidencing the above coverage's, and such certificate of insurance shall provide that Buyer shall receive thirty (30) days' prior written notice of the cancellation or any material change in such insurance coverage's.

10. INSPECTION/TESTING

Payment for goods delivered hereunder shall not constitute acceptance thereof. Buyer shall have the right to inspect goods and to reject goods that are in Buyer's judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for herein may be returned to Seller at its expense and in addition to Buyer's other rights. Buyer may charge Seller all expenses of unpacking, examining, repacking and reshipping nonconforming goods. In the event Buyer receives goods whose defects or nonconformity are not apparent upon examination, Buyer reserves the right to require replacement, as well as payment of damages, if such defect or nonconformity later appears. Nothing contained in this purchase order shall relieve in any way Seller from the obligation of testing, inspection and quality control. The Seller is responsible for compliance to all contract (e.g., engineering drawing, specification, purchase order) requirements. All documents, drawings and specifications, regardless of origin, are applicable to the Seller when specified in the contract or in documents referenced in the contract, and are required to be flowed down to all levels of the supply chain. Audit, surveillance, inspection nor tests made by Buyer, representatives of the Buyer or its customer(s), at Seller's facilities, at any sub-tier facilities, or upon receipt at Buyers facility, relieves the Seller of the responsibility to furnish acceptable products or services that conform to all contract requirements; nor does it preclude subsequent rejection by Buyer or its customers. Failure to comply with Quality System requirements or to achieve an acceptable quality performance level may result in an on-site audit or additional source inspection oversight being initiated by Buyer, at Seller's expense. Buyer reserves the right to debit Seller accounts to compensate for inspection or related activities that take place as a result of Buyer directed inspections, including source inspections being by-passed by the Seller.

11. LIMITATION OF LIABILITY

Notwithstanding anything to the contrary herein, in no event shall either Buyer be liable to Seller for punitive, special, incidental, exemplary, or consequential damages. Further, in no event shall Buyer be liable for penalties of any description. Seller may not assign or subcontract any portion of this purchase order without the prior written consent of the Buyer, which consent shall not be unreasonably withheld, delayed, denied, or conditioned.

12. PARTS/LICENSE



If this purchase order relates to the purchase of machines or machinery, then Buyer shall have the right to purchase replacement parts, accessories, and supplies for any such machines or machinery, whenever Buyer desires. As part of the price paid under this purchase order, Seller grants Buyer the license to use any patents and processes required for the use or operation of such machines or machinery. Further, Seller hereby represents and warrants to Buyer, that it is the owner of, or is otherwise authorized to use, all patents, processes, specifications, information, materials, trade secrets, trademarks, and logos, in connection with any machines, machinery, replacement parts, accessories, or supplies sold to Buyer pursuant to this purchase order (the "Sold Products"), and that the use by Buyer of any or all of the Sold Products, as contemplated by this purchase order, will not infringe upon or violate, in any manner or fashion, the rights of any third party, whether located in Canada or any other part of the world.

13. GOVERNING LAW AND JURISDICTION

This purchase order shall be governed by and construed in accordance with applicable Canadian Federal laws and the laws of the province of Ontario. No treaties or conventions on the international sale of goods shall apply in any respect. In the event of any unresolved dispute arising out of or in connection with this purchase order, each party shall submit to the exclusive jurisdiction of, and present its case before, an appropriate court in the Province of Ontario. The parties herewith agree they will not claim the protection of any other law or jurisdiction by reason of its present or future domicile, and Seller hereby irrevocably waives any immunity from said jurisdiction or legal process, as well as any affirmative defenses based upon lack of jurisdiction, attachment prior to judgment, attachment in aid of execution, sovereign immunity, or forum non convenient, whether Seller possesses same now or at any time in the future.

14. MISCELLANEOUS

This purchase order, and any documents referred to on the face hereof, constitute the entire agreement between the parties relating to the subject matter hereof, and supersedes all prior agreements, proposals or correspondence, whether oral or written, relating to the subject of this purchase order. All claims for money due or to become due from Buyer shall be subject to deduction or set off by Buyer by reason of any counterclaim arising out of this or any other transaction with Seller. Either party's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or either party's waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type. If any of these terms and conditions are found to be invalid or unenforceable by a court of law, the enforceability of the remaining terms and conditions shall not be affected thereby. All amendments must be in writing and signed by both parties hereto. In the event that Buyer is required to enforce this purchase order with the assistance of an attorney, including, but not limited to, the collection of any amounts owed to it, then, in any such event, Seller shall pay Buyer's reasonable attorneys' fees and court costs, if Buyer is the prevailing party. Additional conditions, if attached as Exhibit(s), shall apply to this purchase order.