

AO PRECISION MANUFACTURING LLC

TERMS AND CONDITIONS OF SALE

PLEASE NOTE THAT THE FOLLOWING TERMS AND CONDITIONS OF SALE APPLY TO ALL SALES OF PRODUCT FROM AO Precision Manufacturing LLC – 1870 Mason Avenue Daytona Beach, FL 32117

1. DEFINITIONS. As used in these Terms and Conditions, "Seller" means AO Precision Manufacturing, LLC; "Buyer" means the purchaser of any of the Products (as defined below) and all others liable for their purchase price, and "Products" means the Products identified on any Quotation and/or Purchase Order.

2. ORDER ACCEPTANCE. Sales of Products are expressly conditioned upon Buyer's assent to the Terms and Conditions as set forth herein. If the Terms and Conditions in the Buyer's order, or any other of Buyer's oral or written communications, are inconsistent with the Terms and Conditions contained herein, Seller's acknowledgement, acceptance or performance of said order shall not be construed as consent to any of the terms in Buyer's order, but shall instead constitute a counter offer, and Buyer shall be deemed to have accepted the counter offer and the Terms and Conditions set forth herein unless it notifies Seller to the contrary in writing within five (5) business days after receiving the Seller's acknowledgement. Printed material on the Buyer's forms shall not constitute a sufficient writing to modify these Terms and Conditions. No addition to or modification of the Terms and Conditions shall be binding upon Seller unless specifically agreed to by Seller in writing. In the event of any conflict between these Terms and Conditions and those submitted by Buyer, the following Terms and Conditions will prevail.

3. ASSURANCES. Shipments and deliveries of Products are subject to the approval of Seller's Credit Department, and Seller may at any time stop work in process, refuse to make shipment, or instruct the common carrier or other third person in possession of the Products to hold, store or return the Products to Seller if Buyer fails to make any payment or perform any other obligation owed to Seller when due. Buyer warrants to Seller that it is solvent, that it is able and intends to pay each of its obligations when due, and that all checks, drafts and other items tendered to Seller in payment for the Products will be honored in accordance with Seller's terms. Buyer acknowledges that Seller relies upon Buyer's representations of its solvency to induce Seller to ship Products. As such, Buyer agrees that Seller shall have the right to cancel any unfilled order and cancel any future orders without notice to Buyer in the event that Buyer becomes insolvent, is adjudicated bankrupt, petitions for or consents to any relief under any bankruptcy reorganization statute, or becomes unable to meet its financial obligations in the normal course of business.

4. CLAIMS. Any claim concerning Products that could be discovered by inspection upon delivery of said Products must be reported promptly in writing to the delivering carrier and also to Seller (within 5 days of occurrence). In the case of a claim against Seller, inspection shall be promptly arranged with Seller and, where appropriate, representatives of the carrier. Buyer must settle any damage, loss or shortage occurring in transit with the common carrier without offset of or deduction from the purchase price of the Products affected. Buyer shall set aside, protect and hold those Products which are the subject of its claim without further processing until Seller has an opportunity to inspect Products and advise Buyer of the disposition, if any, to be made of them. In no case shall any Products be returned without first securing the written authority of Seller.

5. DELIVERY. All Products are shipped FOB Shipping Point unless otherwise specified. Delivery dates specified are desired and not promised dates, however, Seller will make all reasonable efforts to adhere to the delivery dates furnished by the Buyer. Seller shall not be liable for any damages, loss or expense of the Buyer for failure to comply with any shipping or delivery dates for any reason whatsoever. By consenting to or accepting delivery of the Products, Buyer waives any and all claims against Seller for damage by reason of any delay, whether subject to Seller's control or not.

6. NOTICE TO COMMENCE PRODUCTION. From time to time, Seller will issue to Buyer, a "Notice to Commence Production" in the form attached hereto as an example. The purpose of such a notice is to (A) inform Buyer that Seller intends to schedule certain highlighted releases for production; (B) that in order for such production to be scheduled, Buyer must specifically acknowledge its acceptance in writing; and (C) with respect to such scheduled release, Buyer's order shall be firm, non-cancelable, and not able to be rescheduled.

7. MODIFICATION. Buyer may not cancel, modify or amend any terms of a Purchase Order or hold up releases after the Products ordered are in process, except with Seller's written consent and subject to conditions then to be agreed upon, including timely receipt of all change orders and reimbursement to Seller for all costs, expenses and lost profits resulting there from. Seller reserves the right at any time to discontinue the manufacture of any Products, to make changes in design, or to make improvements to the Products without incurring any obligation to correct, modify, adjust or improve the Products previously manufactured and sold by Seller

8. LIMITATION OF LIABILITY. The uses to which Products are put are solely within the discretion and responsibility of the Buyer and/or end user. Buyer assumes any and all liability arising out of or in any way connected with the use of such Products and hereby agrees to indemnify Seller for such liability. Seller shall not be liable for incidental, consequential or special damages, for costs of removal or disposal, or for costs of shipment. Under no circumstance shall Seller's liability or Buyer's remedy for damages against Seller exceed the amount of the purchase price. The price stated for the Products is based upon and in consideration for limiting Seller's liability.

9. CONDITIONS NOT WAIVED. Seller's failure to enforce or declare a default or breach with respect to any particular term or condition listed in these Terms and Conditions shall not constitute a waiver of Seller's right to enforce or be protected by any other terms or conditions or, on a subsequent occasion, that particular term or condition.

10. ALTERATION OF TERMS AND PAROL EVIDENCE. The Terms and Conditions set forth herein are intended by the Buyer and Seller as a final expression and complete and exclusive statement of their agreement, and may be varied or modified only as provided for herein.

11. INVALID TERM. The invalidity of any term within these Terms and Conditions shall not affect any other of its terms.

12. GOVERNING LAW. These Terms and Conditions and any sale hereunder shall be governed by and construed in accordance with the internal laws and not the conflict of law rules of the State of Florida.

Customer Signature

Date