

Commercial Aviation International, Inc.

Terms and Conditions of Sale

General

The following terms and conditions apply to all sales made by Commercial Aviation International, Inc. [hereinafter "CAI"]. All offers of sale made by CAI are contingent on the buyer's acceptance of these terms and conditions, and CAI will not accept any deviation from nor addition to these terms and conditions.

Risk of Loss

Risk of loss of the goods identified to this sales transaction shall pass to buyer upon delivery of the goods to a carrier. Buyer shall be responsible for obtaining insurance for such carriage, if insurance is desired.

Storage Pending Shipment

Upon the request of buyer, and at CAI's sole discretion, CAI may store goods ordered by the buyer pending an anticipated later shipment to the buyer. This includes but is not limited to situations where the buyer has requested that an order consisting of multiple units be shipped together, and the in-stock elements of the shipment must be stored while awaiting arrival at CAI of certain other out-of-stock components from the shipment. If CAI stores goods that are identified to the buyer's account, then the buyer shall become liable for payment of the entire order after the thirtieth (30th) day of storage of all or part of the order. Additionally, goods stored for more than thirty (30) days shall incur a storage charge, which buyer agrees to pay until the storage is concluded.

Inspection

The buyer shall inspect the goods within 30 days of receipt.

Warranty

CAI is not responsible for warranties on goods that are offered by third parties, including manufacturers and repairers/maintainers/alterers of such goods.

CAI MAKES NEITHER WARRANTIES NOR REPRESENTATIONS ABOUT GOODS SOLD EXCEPT AS MAY BE STATED EXPLICITLY IN WRITING IN THESE TERMS AND CONDITIONS.

IN PARTICULAR, CAI EXPLICITLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A

PARTICULAR PURPOSE WITH RESPECT TO ANY GOODS SOLD THAT ARE SUBJECT TO THESE TERMS AND CONDITIONS.

WITH RESPECT TO ANY GOODS SOLD THAT ARE IDENTIFIED AS BEING IN “AS REMOVED” CONDITION, CAI FURTHER EXPRESSLY STATES THAT IT HAS NO INFORMATION CONCERNING THE AIRWORTHINESS OF SUCH PARTS, AND CAN MAKE NO REPRESENTATIONS CONCERNING THE AIRWORTHINESS OF SUCH PARTS.

Returns

In order to make a return for any reason of any good, the buyer must obtain a Returned Merchandise Authorization (RMA) from CAI. The RMA shall be obtained by making a RMA request on the CAI RMA Request Form before the end of the inspection period – only an authorized CAI salesperson may issue a RMA. The RMA number that CAI assigns to this return must be printed prominently on the packaging used to return the good.

If the goods are returned within the parameters permitted by the sales agreement because the goods do not meet the purchasers’ written requirements, which requirements were made a part of the purchase agreement, then CAI shall not charge a restocking fee for the return.

If the goods are returned within the parameters permitted by the sales agreement for any reason other than failure to meet the purchasers’ written requirements that were part of the Agreement, then CAI shall charge a restocking fee for the return equal to 5% of the contracted value of the returned goods.

At CAI’s sole discretion, CAI may waive the requirements of this Agreement and permit a return that is not otherwise permitted under this Agreement. Such waiver shall only be issued in writing. If CAI permits a return that is not otherwise permitted under this Agreement (e.g. after the inspection period or for a reason other than non-compliance with the purchaser’s written requirements that were made a part of the purchase agreement), then CAI shall charge a restocking fee for the return equal to 10% of the contracted value of the returned goods.

Restocking fees under this Agreement are meant to reimburse CAI for the administrative burden, additional carrying costs, and other expenses associated with returned inventory.

Payment Terms

Unless the invoice is marked "COD" or "Credit Card," the buyer shall make all payments within thirty (30) days of delivery. CAI reserves the right to insist that payment be made "cash on delivery" (COD) or by credit card prior to shipping of the good(s) at CAI's sole discretion.

Interest on Unpaid Balance(s)

Unless interest is waived by CAI in writing, the buyer shall be liable to CAI for the payment of interest on any unpaid balance that is more than thirty (30) days old. Interest shall accrue on such unpaid balances at the rate of one and a half percent (1.5%) per month unless that amount is forbidden under state law in which case the interest rate shall be the maximum amount allowed by the law of the client's state. Interest shall accrue from the date of the original invoice.

Security Agreement

Upon the request of CAI, buyer agrees that buyer will complete, sign, and otherwise execute a security agreement and financing statement in order to provide CAI with a security interest in the article sold, as well as any inventory into which the article is commingled, and after-acquired inventory.

Financial State of Buyer

By entering into this sales transaction, the buyer is asserting that the buyer is currently solvent and able to pay all of its outstanding liabilities from its current assets.

Choice of Law And Venue

All contracts of sale to which CAI is a party are made in Arizona, and subject to the laws of Arizona, except for the Arizona conflict of law provisions. The parties agree that any lawsuit filed to enforce such a contract of sale, and any lawsuit filed with respect to a claim arising out of such a transaction, whether arising in contract, tort, or other cause of action, shall be filed in a court located within 50 miles of Phoenix, Arizona. The parties agree to submit to the personal jurisdiction and venue of any court meeting the requirements of this paragraph. In the event that it becomes necessary to file a cause of action in court in order to enforce any clause in this agreement, the losing party shall pay to the prevailing party all fees and costs incurred by the prevailing party, including attorneys' fees and all other costs of collection.

Notice

Any notice required to be served on CAI that is related to this Agreement must be served on CAI's President at CAI's primary place of business.