



COGEBI Incorporated, Purchase Order Terms and Conditions

COGEBI INC. ("SELLER") AGREES TO SELL THE PRODUCTS AND SERVICES DESCRIBED IN THE PURCHASE ORDER ("ORDER") ONLY UPON THE TERMS AND CONDITIONS IDENTIFIED HEREUNDER. THE ORDER SHALL BE DEEMED AGREED TO AND ACCEPTED BY THE SELLER, AND SHALL BECOME A BINDING CONTRACT ON THESE TERMS AND CONDITIONS WHEN: (A) THE ORDER IS SIGNED BY THE SELLER AND RETURNED TO THE BUYER, (B) THE SELLER ISSUES ITS ORAL OR WRITTEN ACKNOWLEDGMENT, (C) THE SELLER COMMENCES PERFORMANCE, OR (D) THE SELLER OTHERWISE ACCEPTS THE ORDER.

THE BUYER WAIVES ALL TERMS AND CONDITIONS CONTAINED IN THE BUYER'S OFFER, ACKNOWLEDGMENT, ORDER, OR OTHER DOCUMENTS WHICH ARE DIFFERENT FROM OR ADDITIONAL TO THESE TERMS AND CONDITIONS IDENTIFIED HEREUNDER, AND ALL SUCH DIFFERENT OR ADDITIONAL TERMS AND CONDITIONS SHALL BE NULL AND VOID. THE TERMS AND CONDITIONS SET FORTH HEREIN SHALL GOVERN IN THE CASE OF ANY INCONSISTENCY OR CONFLICT BETWEEN THESE TERMS AND THE (I) COURSE OF PERFORMANCE OF THE PARTIES, (II) COURSE OF DEALING BETWEEN THE PARTIES, (III) BUSINESS CONDUCT OF EITHER PARTY AND (IV) TERMS OF ANY OTHER ORDER FROM OR CONTRACT WITH THE BUYER.

1. Packing and Shipping. The Seller will prepare, pack, label, provide instructions and proper product information, and ship products in accordance with sound commercial practices, and in accordance with the quantities and schedules in each Order. The Seller will ship products Ex Works (Incoterms 2010), such that all freight, transportation, shipping, insurance, customs, and handling costs are not part of the price, and will be invoiced to the Buyer separately as extras if applicable.

2. Taxes. Prices exclude VAT, where applicable, and other applicable taxes and fees. Prices listed correspond to the base price of unpackaged and undelivered products.

3. Delivery.

A. The point of delivery and acceptance of products will take place at the Seller's center of operations. Risk of loss and/or damage to products occurring after the Seller provides the products to the carrier for shipping of the Order are the responsibility of the Buyer, unless caused by negligence or willful misconduct of the Seller.

B. The Seller shall promptly notify the Buyer of any anticipated or actual delay in performance of the Order, the reasons therefore, and the action being taken by the Seller to overcome or minimize the delay. Delivery delay which is not attributable to the Seller will not be cause for termination of the sales contract by the Buyer, in whole or in part, or payment of damages or interest by the Seller. If requested by the Buyer, the Seller shall, at the Buyer's expense where delay is not attributable to the Seller, ship products via a faster mode of transportation to minimize delay.

C. The Buyer may inspect products and the premise where Orders are performed, at the Buyer's own expense, and without disrupting the Seller's business or production. Inspection will be limited to the materials relevant to the Buyer's products. The Buyer agrees that all information gathered from such inspections of the Seller's premises are confidential.

D. As applicable, if, after 10 business days from when the products are first made available to the Buyer and the Buyer is so notified, the Buyer does not accept delivery, it is liable for a weekly storage fee to the Seller, set as a lump sum of 0.25% of the value of the products concerned, up to the day on which they are actually removed. Storage is effected at the risk and peril of the Buyer. The Seller reserves the right to take possession of the products in storage from the Buyer, after 30 business days from the date of notification, and the Seller may unilaterally terminate the contract with no prior notice or compensation, and may freely dispose of the products concerned, without prejudice to any damages and interest it may be entitled to claim from the Buyer.

4. Delivery Lead Times. Delivery lead times are provided for information purposes only. The lead time takes effect when the Seller is in possession of the written Order, of all information required to carry out the Order, and of any down payments (if applicable). In the case of tooling, the lead times provided are always understood as dating from approval of the plans by the



Buyer. In the case of punched or machined parts, the lead times provided are always understood as dating from approval by the Buyer of the sample part supplied to it (if applicable).

5. Payment. The Seller will issue invoice(s) when the products are shipped. Final payment is due at the time when the products are made available to the Buyer, at the Seller's center of operations, unless otherwise agreed by the parties, but in such case, no longer than 45 calendar days from the date of delivery. Invoices shall reflect the agreed upon rate in the Order and will not be subject to audit and adjustment. All invoices are payable in US Dollars, and all transfer or exchange fees are the responsibility of the Buyer. Down payments by the Buyer to the Seller are valued in relation to the price of the Order, and do not constitute earnest money whereby abandonment would entitle the Buyer to withdraw from the contract. With a view to payment for the products sold, the Seller reserves the right to demand, at its own choice, additional guarantees such as payment through a bill of exchange, a certified cheque, or a bank endorsement. In case of late payment, the Seller reserves the suspension of outstanding supplies and services and is furthermore entitled to claim interest for delay at the rate of 10% per annum, or the maximum rate under applicable law. Any claims in relation to the invoice must be notified to the Seller within a maximum of 5 business days of receipts – failing this, claims will not be taken into consideration.

6. Reservation of ownership. All products sold remain the property of the Seller until full payment of the price invoiced, including any interest for delays and indemnities – payment is understood as effective receipt of the monies. Until this date and as of shipment, the Buyer takes responsibility for any damage which may be caused to or by these products, for whatever reason. Up to full payment of the price, the products may not be resold or pledged without the prior agreement of the Seller. In the event the Buyer should fail to observe any payment due dates, or in the event of any infringement of this clause of reservation of ownership, the Seller, without the loss of any other rights, may demand by registered letter with recorded delivery the return of the products at the Buyer's expense until the latter meets all its commitments. The Seller may likewise terminate the contract by registered letter with recorded delivery. The act of using and / or accepting bills of exchange or other negotiable document does not constitute any substitution of the debt, and does not derogate these conditions of sale. The Buyer will inform the Seller of any seizure carried out by a third party in relation to products sold for which the full price has not yet been paid. The Buyer likewise will inform the Seller immediately when products delivered and unpaid are in other premises than the delivery address.

7. Warranty. The Seller warrants products, only to a standard of merchantability and no other, for a period of 6 months effective from the date of delivery. The Seller does not warrant products for a particular purpose or by any standards set by the Buyer, and there are no warranties which extend beyond the description hereof. If, during the warranty period, the Buyer becomes aware of a flaw in relation to the products delivered, the Seller has the choice, following acknowledgement of the existence of the flaw, to either (i) replace or repair the flawed products itself or by a third party within 60 business days, or (ii) reimburse the Buyer for the purchase price only, after it has had the flawed products returned to it. The Buyer shall allow the Seller or selected third party for repairs, appropriate access and ability to repair or replace products as necessary. The Seller will be responsible for the removal, delivery insurance and delivery of the products, but will not be responsible for any costs incurred by the Buyer by the defects, including but not limited to administrative fees, replacement fees, and damage to the Buyer's property or delay. No other indemnities will be allocated to the Buyer, including any consequential, special, statutory, incidental, or indirect damages of any kind, arising from use of a flawed product. No products may be returned without the written agreement of the Seller. Any repaired or replaced parts will have a 6-month warranty. The Seller shall not be held liable for defects or failures attributable to misuse or negligent work of the Buyer or third party.

8. No Cross Default. The Buyer may not terminate any subsequent Orders where a prior Order is subject to repair or replacement within 30 calendar days, or where Seller is delayed by less than 60 calendar days.

9. Tooling. Tooling for the production of stamped pieces which are the property of the Buyer may only serve in relation to Orders placed by the Buyer. They must remain on deposit at the Seller's works, where maintenance will be carried out according to specially to be agreed terms at time of Order placement. After this period, the tooling may be destroyed. This fact does not under any circumstances constitute an obligation for the Seller to accept new Orders from the Buyer over the abovementioned period. The Seller reserves the right, if no instructions to the contrary are forthcoming from the Buyer, to engrave the tooling in such a way that the molded parts bear the Seller's trademark. Any molded or shaped part is made at the risk and peril of the Buyer, who alone takes all responsibility for patent or trademark infringements.



10. Intellectual and Industrial Property Rights. Any information whatsoever, be it plans, technical drawings, instructions for use etc. supplied to the Buyer remains the property of the Seller. The fact that the Seller has provided information does not imply either the conferral or assignment of a license, of a patent or of any other intellectual or industrial property rights to Buyer. If performance of an Order requires experimental, developmental, or research work, the Buyer hereby assigns and agrees to assign to the Seller without additional consideration, all right, title, and interest in each improvement and invention conceived or reduced to practice hereunder or in connection herewith, free and clear of any and all liens, encumbrances and restrictions and, for this purpose, the Buyer shall procure the execution of all assignments and other documents necessary to vest full title to such improvements and inventions in the Seller and, if the Seller desires to file domestic or foreign patent applications covering such improvements and inventions, the Buyer shall procure the execution of all oaths, declarations, and other documents required to prosecute such patent application(s), vest full title thereto in the Seller and cause such patent(s) to issue in the name of the Seller.

11. Federal Aviation Administration. If the Federal Aviation Administration, or other aviation authority, issues any Airworthiness Directives, ("AD"), or the equivalent of ADs, related to any products, then the Seller will assist the Buyer remove the cause(s) of the ADs or AD equivalents in all affected products. Where the cause(s) of the ADs or AD equivalents are industry-wide and not due to any negligence or misconduct by the Seller, the Buyer is responsible for all costs attributable to such removal and replacement.

12. Buyer Authorization. Representatives of the Buyer, proposing to contract or place an Order with the Seller, have authority to make contractual commitments on behalf of the Buyer. Such contractual commitments are binding on the Buyer.

13. Changes. Any changes to an Order including but not limited to quantity, delivery schedules, place of delivery and acceptance, or methods of packing and shipping, must be agreed, in writing, by the parties, unless such change is required by applicable law. If the Buyer or the Seller seeks equitable adjustment, as a result of this change, the Buyer or the Seller shall provide notice to the other within 30 calendar days from the date of providing or receiving the request for change. Any equitable adjustment in price, scheduling or the like, that results from the agreed upon change must be included in the Order as an amendment, signed by both parties.

14. Assurance of Performance. As stated in section 5, the Seller reserves the right to demand, at its own choice, additional guarantees such as payment through a bill of exchange, a certified cheque, or a bank endorsement. If the Buyer fails to provide such guarantees, within 10 calendar days, the Seller shall treat the Order as breached and retains the right to suspend all future performance or terminate. If the Buyer has grounds for insecurity, as to whether the Seller's performance will be in full and timely, the Buyer may request, by written notice to the Seller, adequate assurances that the Seller is able and willing to performance all of its obligations under the respective Order. The Seller shall, where reasonable, and in its sole discretion deems appropriate, will provide such adequate assurances through its own means, within 30 calendar days.

15. Termination for Default. The Seller may immediately terminate the Order, in whole or in part, from time to time:

- i. where the Buyer defaults on an invoice and is unable to provide adequate assurance or guarantee of payment within 10 calendar days;
- ii. after 15 calendar days from the date the Buyer defaults on an invoice;
- iii. the Buyer fails to accept and retrieve products after 30 business days from when the products are first made available to the Buyer;
- iv. the Seller in good faith has reason to believe that the Buyer is not compliant with U.S. export control and sanctions regulations, or other applicable laws, in violation of sections 18 and 22 herein; or
- v. in the event of the Buyer's suspension of business, insolvency, the institution of bankruptcy or liquidation proceedings by or against the Buyer, appointment of a receiver for the Buyer's property or business, or an assignment, reorganization, or arrangement by the Buyer for the benefit of its creditors.

If the Seller terminates an Order, in whole or in part, the Buyer's pre-existing obligations for payment are unaffected.

16. Termination for Convenience. The Seller may terminate the Order in whole or, from time to time in part, upon 90 calendar days' notice to the Buyer. Upon receipt of such notice, the Buyer shall discontinue any reliance on such Order, to extent directed in such notice of termination. The Seller shall be entitled to the contract price for completed products which conform to the Order, and the Buyer shall be entitled to any completed



products, upon receipt of payment. If the Buyer submits a termination settlement claim, if any, to the Seller, after 90 calendar days of date of termination notice, it will be unconditionally waived. If the Buyer terminates the Order, in whole or in part, the Seller is entitled to the contract price for completed products which conform to the Order, profit on work-in progress, and its reasonable costs directly attributable to the termination of the Order within 90 calendar days of termination.

17. Choice of Law and Jury Trial Waiver. The Order shall be construed, interpreted, and enforced under and in accordance with the laws of the United States and the State of New Hampshire without regard to conflicts of laws principle. **TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE PARTIES HEREBY WAIVE THEIR RIGHTS TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING OR HEARING ON ANY MATTER WHATSOEVER ARISING UNDER, RELATING TO, OR IN ANY WAY CONNECTED WITH THE ORDER, THE RELATIONSHIP OF SELLER AND BUYER OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW NOW OR HEREAFTER IN EFFECT.**

18. Import/Export. The Buyer warrants that it will not forward the Seller's products to a sanctioned entity, and will retain end-user statements from its customers, where applicable. The Buyer will remain aware of U.S. export control and sanctions regulations, as may be amended from time to time, and will comply with applicable laws and regulations. The Buyer represents and warrants that it and any third parties acting on its behalf are not themselves restricted persons or entities, are not located in, organized under, a resident of, nor owned, controlled, or acting on behalf of a restricted territory, person or entity as defined expressly or substantively under U.S. export control or sanctions laws. Where the Seller has grounds for insecurity, as to the Buyer's compliance with U.S. export control and sanctions regulations, the Seller has the right to audit the Buyer for these purposes.

19. Limited Liability. In no event shall the Seller be liable or obligated to the Buyer in any manner for any special, non-compensatory, consequential, indirect, incidental, statutory or punitive damages of any kind (including enhanced compensatory damages), including without limitation, lost profits and lost revenue, regardless of the form of the action, whether in contract, tort, negligence, strict product liability, or otherwise, even if informed of or aware of the possibility of such damages in advance. The Seller's liability shall not exceed the purchase price paid for products purchased by the Buyer regardless of whether the basis for any claim is in contract, tort, warranty, negligence, or any other theory, claim, or cause of action. The Seller disclaims any warranty, express or implied of merchantability, fitness for a particular purpose or otherwise except as expressly set forth herein and there are no warranties which extend beyond the face hereof. The limitations set forth above shall be deemed to apply to the maximum extent permitted by applicable law and notwithstanding the failure of essential purpose of any limited remedies. The parties acknowledge and agree that they have fully considered the foregoing allocation of risk and find it reasonable, and that the foregoing limitations are an essential basis of the bargain between the parties.

20. Severability. If any provisions of the Order are determined to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remainder of the Order and the remaining terms and conditions hereof shall be unaffected.

21. Confidentiality. The Buyer shall keep confidential and protect from disclosure all (a) confidential, proprietary, and privileged and/or trade secret information; and (b) tangible items containing, conveying or embodying such information (collectively "Confidential Information"). The Buyer shall use Confidential Information of the Seller only in the performance of the Order. Upon the Seller's request at any time the Buyer shall return to the Seller, all of the Seller's Confidential Information and all materials derived from the Seller's Confidential Information. The Buyer shall not, without the prior written authorization of the Seller, sell or otherwise dispose of (as scrap or otherwise) any parts or other materials containing, conveying, embodying, or made in accordance with or by reference to the Seller's Confidential Information. These provisions shall survive the performance, completion, termination or cancellation of the Order.



22. Compliance with Laws. The Buyer shall comply with all applicable federal, state, and local laws; rules, regulations, and orders pertaining to the certification; production and sale of the products; and upon request, shall furnish the Seller certificates or equivalent of compliance with such laws, rules, regulations, and orders.

23. Forum Selection for Disputes. The parties irrevocably submit to the exclusive jurisdiction of federal court in New Hampshire (or, if such court does not have jurisdiction over the applicable claim the state courts in New Hampshire) for the purpose of any judicial proceeding arising out of or relating to or concerning these terms and conditions or the transactions contemplated by these terms and conditions.

24. Indemnification. To the fullest extent permitted by law, the Buyer shall indemnify and hold harmless the Seller against all claims, damages, losses, and expenses, arising out of or resulting from the Buyer's misuse of the Seller's products, violations with applicable law, negligence, or misconduct. The Buyer shall maintain at all times adequate commercial liability and aviation general liability insurance to indemnify the Seller.

25. Force Majeure. Any delay in or failure of performance by the Seller will not be considered a breach of the Order and will be suspended when such failure is due to an act of God, or other circumstances beyond its reasonable control, including but not limited to fire, flood, civil commotion, riot, war (declared and undeclared), revolution, or embargoes, until such time when the Seller is able to perform, without penalty.