



NOVO Aero Components, LLC
Sales Order Standard Terms and Conditions
(ver. 1.1.2)

The following Standard Terms and Conditions Apply To, and Supplement, All NOVO Aero Components, LLC Sales Orders and Confirmations:

I. **Definitions.** For purposes of these Standard Terms and Conditions, the following rules and definitions apply:

The term “**NOVO**” is an abbreviation of NOVO Aero Components, LLC.

The term “**Article**” or, collectively, “**Articles**” means any item or items sold by NOVO to a Customer.

The term “**Customer**” means a company or person that is purchasing an Article from NOVO.

The term “**Expired**” means any inspected, repaired, overhauled, or new Article where the airworthiness approval certificate is over five years old.

The term “**Pass/Fail Article**” means any Article that cannot be repaired beyond a general pass or fail inspection. A Pass/Fail Article can be, but is not limited to inspected, repaired, overhauled, or new conditions.

The term “**Return of Material Authorization**” (“**RMA**”) means a written authorization issued by NOVO to authorize the return of an allegedly discrepant Article. A RMA is issued by NOVO at its sole discretion and does not warrant a credit or a refund but solely the authorization to return.

The term “**Material Mutilation Authorization**” (“**MMA**”) means a written authorization issued by NOVO to authorize the mutilation of an allegedly discrepant Article. A MMA is issued by NOVO at its sole discretion.

The term “**Excess**”, as relating to shipping costs, is defined as charges in excess of the cost of the manner directed in the Customer’s purchase order.

II. **Loss or Damage.** Notwithstanding any other terminology on the transaction documents, risk of loss of an Article passes to the Customer when the Article (1) is delivered to the carrier who will be responsible for carriage from NOVO in the case of an Article shipped to a Customer or (2) is claimed



by the Customer in the case of an Article picked-up at NOVO or NOVO's Authorized Repair Facility by the Customer or the Customer's agent. In the event that the Article is lost, stolen, damaged, or destroyed before risk of loss has passed, the Customer must notify NOVO, in writing, within five business days of the loss or else the Customer waives any right to compensation and remains responsible for the purchase price. In the event that the Article is lost, stolen, damaged, or destroyed after leaving NOVO or NOVO's Authorized Repair Facility, the Customer shall be obligated to pay all the amounts that would be due and payable to NOVO if no such loss, theft, damage, or destruction occurred. In all events, Customer is expected to insure its Articles against loss. If Customer fails to insure Article against loss, then Customer does so at its own peril.

III. **Documentation.** All Articles sold by NOVO shall have trace documentation to the extent described in the sales confirmation.

IV. **Shipping Costs.** NOVO will ship customer's orders under customer's account number and carrier of choice. If customer does not clearly specify to insure their order, NOVO shall not be liable for the loss or damage in transit.

V. **Customer Inspection.** Customer shall inspect the Article and all certifications and documentation delivered to Customer by or on behalf of NOVO within five business days of receipt. Customer must notify NOVO in writing of any discrepancies found during the inspection period. In the event that Customer notifies NOVO, in writing, of discrepancies before the expiration of the inspection period, Customer shall have five business days from the day Customer provided NOVO with the discrepancy, in writing, to request a RMA. If a RMA is requested within the time specified in the preceding sentence, and NOVO provides the RMA, the Customer shall return the Article in accordance with section VII of these Standard Terms and Conditions or in accordance with other written instructions provided by NOVO in connection with such RMA.

VI. **Warranty.** NOVO warrants that Articles will be in the condition identified in the documentation. In the event that an Article does not meet the condition identified in the documentation, and the alleged discrepancy could not have been discerned during the shipping inspection, Customer may make a warranty claim by (1) notifying NOVO in writing of the alleged discrepancy, (2) providing NOVO with the failure report, and (3) asking for a RMA for warranty consideration. The warranty period begins on the date of invoice, lasts for a period of one year for new and overhauled Articles (other than Expired or Pass/Fail Articles), six months for repaired Articles, (other than Expired or Pass/Fail Articles), 30 calendar days for As Removed parts and 30 calendar days for inspected Articles. Articles returned for warranty after 30 calendar days from date of invoice will not be eligible for credit. Once NOVO has issued a RMA, the allegedly discrepant Article must be returned to NOVO



(The cost of return shipping shall be borne by Customer) for either mutilation or for NOVO to send to Authorized Repair Station for review. NOVO also has the right to send the rejected part to a different repair station of its own choosing.

Once Customer is notified of warranty approval or denial by NOVO, the Customer shall have 10 calendar days to provide shipping instructions enabling NOVO to return the Article back to the Customer (the "Return Instruction"). If the Return Instruction is not received by the fifth calendar day, NOVO, at its sole discretion, reserves the right to charge the Customer storage fees and any other applicable fees associated with the storage of the Article. If NOVO has not received the Return Instruction in writing within 90 calendar days of NOVO initial request for Return Instruction, Customer (1) shall be deemed to have relinquished all its rights of ownership and all its other rights, if any, to the Article, (2) assigns to NOVO all ownership and all its other rights to the Article, and (3) acknowledges that NOVO may dispose of the Article at its sole convenience and discretion.

The full cost of returning an Article in accordance with a RMA to NOVO, including but not limited to all shipping costs to and from the Customer, shall be the sole responsibility of the Customer. Any shipping charges paid by NOVO will be applied and invoiced to the Customer accordingly. NOVO may, at its sole discretion, pay or reimburse shipping costs to the Customer when warranty consideration is accepted.

Unless written preapproval is authorized by NOVO, all warranties, expressed or implied, shall immediately cease if Article is sent to a third party repair facility, or compromised or tampered with by the Customer, an unauthorized repair facility, or other facility inspecting the Article, opening the Article, or tampering with or removing any protective warranty label or sticker from the Article.

THESE WARRANTY TERMS REPRESENT THE SOLE REMEDIES AVAILABLE TO A CUSTOMER, AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED. NOVO SHALL NOT BE LIABLE FOR ANY WARRANTY OF MERCHANTABILITY OR FOR ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. NOVO SHALL NOT BE LIABLE FOR CONSEQUENTIAL, NOR INCIDENTAL, NOR SPECIAL, NOR PUNITIVE DAMAGES FOR ANY CAUSE OF ACTION THAT ARISES AS A CONSEQUENCE OF, OR IN RELATION TO, THE TRANSACTION SUBJECT TO THESE STANDARD TERMS AND CONDITIONS.

VII. **Returns.** Customer may not return an Article to NOVO unless NOVO has issued a RMA including a RMA number for the return. RMA's may be issued for alleged discrepancies when reported in accordance with section V of these Standard Terms and Conditions. If an article is



sold in As Removed/Guaranteed Repairable condition and customer can prove that the item is worn out of tolerances, damaged, or INOP, Article will be returned for full refund and no restocking fee will be charged. However, if customer requests an RMA due to no longer needing the Article or due to a longer-than-expected lead time, NOVO will charge a 15% restocking fee, the order will have to be received with all original paperwork and the same exact condition from when it left NOVO. RMA's may be issued for return for credit at NOVO's sole discretion. An issued RMA is valid for 30 calendar days from the issue date. If NOVO or NOVO's Authorized Repair Facility has not received the Article/s within 30 calendar days from issue date, then (1) RMA consideration will expire, (2) Customer will not be eligible for a credit, and (3) Customer will be obligated to pay all the amounts that would be due and payable to NOVO if no RMA request occurred.

An Article sold by NOVO under these Standard Terms and Conditions that is returned to NOVO with a request to issue credit must be (1) requested within 30 calendar days from date of invoice, (2) in unused and airworthy condition, (3) returned with original certifications and documentation accompanying the Article when shipped by NOVO, or on NOVO's behalf to the Customer, (4) accompanied by a written certification, signed by an authorized person on behalf of the returning Customer and any other parties which had the Article in their possession, certifying that the Article has not been installed, and that no attempt has been made to install it, since its receipt by the Customer and other parties, (5) was returned due to failure which can be duplicated or proven. Such Article shall not bear a restocking fee. Upon receipt by NOVO, at NOVO's sole discretion, such Article may be sent to an Authorized Repair Facility for evaluation. If NOVO or the Authorized Repair Facility determines that the Article does not meet one or more of the conditions specified in items (1) through (5) of this paragraph in this Section VII, then (i) the return claim shall be denied, (ii) Customer shall not be entitled to a refund, and (iii) Customer shall be obligated to pay the total sale price for the Article and any costs associated with restoring the Article to the condition in which the Article had been when shipped by NOVO, or on NOVO's behalf, to the Customer and/or evaluation fees or any other costs associated with the determination that the Article does not meet one or more of the conditions specified in items (1) through (5) of this paragraph in this Section VII.

If the Authorized Repair Facility finds that any found discrepancies are the result of the mishandling, use, or other incidents which occurred after the Article left NOVO's control, then the Customer shall be obligated to pay all fees identified in these Standard Terms and Conditions. If NOVO's Authorized Repair Facility finds no discrepancy with the component or confirms that such discrepancy does not affect the component's form, fit, and function, the cost of the evaluation fee will be invoiced to the customer and customer will still be liable for the original purchase price. If customer still wants to return the Article, there will be a 15% restocking fee charge.



- VIII. **Customer Charge-Backs.** If the Customer elects to pay by credit card or by Automated Clearing House (“ACH”), in the event that the Customer, or any of its representatives, initiates a charge-back, immediately upon the charge-back becoming effective, the Customer shall be obligated to pay to NOVO the amount subject to the charge-back, any fees or costs charged to NOVO as a consequence of the charge-back, and any fees or costs, including attorneys’ fees, associated with NOVO’s actions to collect payment from the Customer.
- IX. **Security Interest.** Until such time as all fees and costs identified in these Standard Sales Terms and Conditions are fully paid, the parties agree that NOVO retains a security interest in any Articles shipped to the Customer and such Article be a collateral for all fees and costs due from the Customer, and Customer agrees, upon NOVO’s written request, to promptly complete and sign a UCC financing statement representing NOVO’s security interest in such Article.
- X. **Customer Solvency.** Customer warrants that it is solvent and has no knowledge of any impending insolvency proceedings against it at the time of the transaction.
- XI. **Timing.** In all NOVO agreements, unless otherwise specified, time is considered of the essence. Failure by a Customer to meet any of the deadlines specified in any of NOVO’s agreements shall be considered a material breach of such agreement.
- XII. **Jurisdiction.** All Agreements made by NOVO are made in their local jurisdiction and shall be governed by and interpreted in accordance with the laws of its local jurisdiction, not including the state’s conflict of laws’ provisions. Both parties agree that any suit or proceeding based on any matter arising out of or brought in connection with the parties’ dealings under the Agreement are subject to these Standard Terms and Conditions, or to enforce any clause of any such Agreement, shall be brought in a trial court in its local jurisdiction. Both parties agree to be subject to the jurisdiction and venue of that court.
- XIII. **Costs and Attorneys’ Fees.** In the event that either party incurs fees or costs for a collection agent or attorneys’ services or in connection with its use of an arbitrator, mediator, court system, or other legal proceeding in order to collect a payment of any amounts owed or otherwise enforce any of either party’s rights’ or obligations under any Agreement subject to the Agreement and these Standard Terms and Conditions, the non-prevailing party shall be obligated to pay to the prevailing party any and all costs and fees, including attorneys’ fees, associated directly or indirectly with any such actions by the prevailing party.
- XIV. **Compliance.** The Customer warrants that all Articles will be used in compliance with the United



States of America, The European Union and the United Kingdom and all applicable laws. The Customer warrants that Articles will not be subsequently used nor shipped in violation of the laws of any jurisdiction through which or into which the Articles are shipped. It is the policy of NOVO, its subsidiaries and affiliates to verify the end use to ensure compliance with applicable export control laws and regulations of the U.S., E.U., and U.K. Any sales, leases or transfer control of any products, including but not limited to technology or software, purchased and/or leased from NOVO to any persons or entities in Cuba, Iran, Libya, North Korea, Sudan, Syria, or Crimea, or to any other sanctioned country, will not be permitted by NOVO under any circumstances unless authorized under United States of America, United Kingdom, and European Union regulations. Any customer placing an order with NOVO agrees that it will abide by all applicable U.S., E.U. and U.K. export control laws and regulations for any products purchased from NOVO that require any licenses or prior approvals from the U.S. government, the E.U., or the U.K. government prior to export or reexport of products, software or technology.

XV. **Indemnification.** Customer agrees to defend, hold harmless, and indemnify NOVO, its affiliated companies, their directors, officers, employees and agents from and against any and all present and future liabilities, damages, losses, demands, fines, penalties and claims of any kind whatsoever, including all costs, expenses and reasonable attorneys' fees incidental thereto, which are or may be suffered by, accrued against, be charged to, or be recoverable by reason of any loss or damage to property or injuries or death of any person arising from the Article that is the subject of these Standard Terms and Conditions.

XVI. **Rejection of Amendments / Additions.** No amendments or additions to these Standard Terms and Conditions of the transaction will be accepted unless they are in writing and signed by both NOVO and the Customer.