

Arinc Instruments (Ai) Terms and Condition of Sale (TCS)

1 Jan 2021

Order Acceptance - The BUYER's order is not consider accepted or binding until an Ai sales order (SO) acknowledgement has been issued. All Ai products or services sold are subject to Ai's latest TCS (even if changed after the sale). When the order is placed, the BUYER must declare tax requirements with proper documentation (resell number, gov't contract number, local tax rate information, etc...) to justify the tax rate. Failure to do so may delay the order acknowledgement. Ai's relationship with the BUYER is that of "supplier" and not "subcontractor".

Product Return Policy - For standard catalogue items, Ai allows the return of 3 units or less per order within 15 days from shipment if the following conditions are met:

- (i) An RMA Number is requested in advanced of shipment and clearly visible on return packaging.
- (ii) The product's ESD package seal is unopened (Ai cannot resell any product that has been opened).
- (iii) Upon return, Ai finds the product in 100% new condition for resell
- (iv) A 25% restocking fee applies to all returns

NOTE: Systems, custom product configurations or third party content may not be returnable. **Ai reserves the right to refuse ANY product return/refund for ANY reason.**

Pre-Shipment Order Cancellation - All order cancellations require Ai written (email or fax) approval. For standard catalogue items of quantity 3 units or less per order, there should not be a fee if the product is not scheduled to ship within 15 days or the product does not require any optional hardware changes or conformal coating. For **ALL** order cancelations, Ai reserves the right to charge the BUYER any reasonable costs associated with the order that may include, but are not limited to design, manufacturing, overhead, legal, sales, travel and support costs. **For ANY order, Ai shall be the sole judge of what cancellation costs are reasonable.**

Limited Warranty and Software License – 1 year limited warranty for standard catalogue hardware items and 90 day warranty for connectors and cable assemblies. Ai software is warranted for 30 days. Please see Ai Limited Warranty and Software License documents for details.

Payment Terms – Net 30 OAC from shipment date. Ai strives to pay our suppliers as fast as possible and we appreciate the same consideration from our customers. Credit Card orders are subject to a Handling Fee. A 2% monthly interest fee shall be applied to the BUYER's invoice/account for payments not received within 45 days.

Shipping/Freight/Insurance – Unless agreed to in advance, all orders are FOB Factory and the BUYER pays all freight, tax, duty and insurance. For shipments to freight forwarders, Ai may automatically add freight charges (including insurance) to the invoice.

NOTE: The BUYER is encouraged to provide Ai a FEDEX or UPS account numbers at time of order. For orders shipped against a BUYER's freight account number, Ai will NOT designate shipping insurance unless instructed (on the purchase order). Ai reserves the right to refuse the BUYER's freight company and charge pre-pay/add or freight fees to the purchase order. Ai will consult with the BUYER prior to shipment if the designated freight carrier is not satisfactory for Ai operations.

Product Classifications, ITAR, Process or Material Flow-Downs, Local Law Usage and Discard Laws - Ai manufactures commercial off the shelf (COTS) catalogue items that are designed to open, public domain standards. Ai products are NOT intended for public communication or IT systems, safety-critical applications or any specific military or space end-use application. Ai shall NOT produce, modify or provide services to allow any product to be enabled as a specific military or space end-use standalone item.

Ai's defined product specifications, material selections, markings, quality and manufacturing processes apply. No purchase order listed design, functionality, manufacturing procedures, material selection, special markings, quality, distribution or process "flow downs" are accepted unless specifically listed on an Ai product quote and/or SO acknowledgement. Applicable US or Local Law and FAR flow downs are fully supported.

Ai's products and services are regulated by the US Department of Commerce and are not ITAR controlled. The BUYER agrees to NOT send any ITAR controlled information or data to ANY Ai personnel without prior written approval from an Ai officer. The BUYER or end-user assumes ALL cost, liability, and actions for proper documentation and regulatory filings for export, use (including proper discard) of purchased Ai product(s). Use of Ai products or documentation in violation of local usage, waste discard, export control regulations, violation of US ITAR regulations, or any clause of this document voids product warranty and shall not be supported.

BUYER's Purchase Order Conflict Of Terms - In the event BUYER submits an order with written or applied terms in conflict with Ai's latest TCS, the BUYER agrees that Ai's TCS shall prevail. Any dispute to these conditions shall be communicated to an Ai officer in advance of order placement. ***Ai is glad to work with our customers to resolve any reasonable conflict.***

LIMITED LIABILITY - Ai DISCLAIMS ALL LIABILITY FOR ANY DOCUMENT ERRORS OR PRODUCT USAGE. Ai SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOSSES, OR FOR ANY LOSS OF BUSINESS OR PROFITS, WHETHER OR NOT FORESEEABLE, WHETHER OR NOT ALLEGED TO BE BASED ON BREACH OF REQUIREMENTS, SPECIFICATIONS, WARRANTY, CONTRACT OR NEGLIGENCE, ARISING OUT OF OR IN CONNECTION WITH THE SALES, DELIVERY, USAGE, SUPPORT, SERVICE OR REPAIR OF Ai PRODUCTS. EXCEPT AS REQUIRED BY LOCAL LAW, UNDER NO CIRCUMSTANCES SHALL Ai'S TOTAL AGGREGATE LIABILITY EXCEED THE PURCHASE PRICE OF THE PRODUCT.

INDEMNIFICATION - THE BUYER, RESELLER OR DISTRIBUTOR OF Ai PRODUCTS AGREES TO INDEMNIFY AND HOLD HARMLESS Ai, Ai MEMEBERS, Ai EMPLOYEES OR Ai

CONTRACTORS AGAINST LOSS OR THREATENED LOSS OR EXPENSE THAT MAY EXCEED \$500 ARISING OUT OF ANY CLAIMS FOR DAMAGES WITH USE OF, OR IN CONNECTION WITH Ai PRODUCTS OR SERVICES, AND INCLUDING BUT NOT LIMITED TO PROCESS OR MATERIAL FLOW-DOWNS, US ITAR OR LOCAL GOVERNMENT REGULATIONS.