

# SAINT LOUIS DESIGNS, INC.

P.O. Box 3400, Austin, TX 78764

800-431-6684

P:(512) 472-4711

F: (512) 480-9100

## SALES TERMS AND CONDITIONS

### A. Acceptance/Agreement

All orders are subject to factory acceptance. Additional or different terms or any attempt by the Buyer to vary, in any degree, any of the terms of this **Sales Agreement** shall be deemed material and are objected to or rejected; however, this **Sales Agreement** shall not operate as a rejection of the Buyer's offer unless it contains variances in the terms of the description, quantity, price or delivery schedule of the goods.

### B. Warranty

Saint Louis Designs, Inc. (hereinafter called "**Saint Louis**") expressly warrants that the products covered by this sale will conform to the specifications, drawings or other descriptions specified by the Buyer; or, if none are so specified, to **Saint Louis's** standard specifications for such products. **Saint Louis** certifies that the materials used to manufacture the products covered by this sale have been obtained through authorized manufacturers or distributors. Material physical and chemical test reports are on file at manufacturer's facility and available for review upon request.

THIS WARRANTY IS THE ONLY WARRANTY MADE BY **SAINT LOUIS** WITH RESPECT TO THE GOODS SOLD UNDER THIS AGREEMENT. THERE IS NO OTHER WARRANTY, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

**Saint Louis** shall not be liable for any anticipated lost profits, incidental, consequential or indirect damages, loss of use of equipment, AOG or production down time or damages due to delay, parts or accessories in any installation in which this product is used, losses or expenses directly or indirectly arising from the sale. This warranty shall not apply to any product or part thereof which has not been installed in accordance with the installation drawings or instructions or which has been subjected to misuse, negligence, accident, or unauthorized alteration. Installer is responsible for compliance with any and all Federal Aviation Regulations (FAR), JAA, and equivalent aviation regulations and procedures.

In any event, **Saint Louis's** liability hereunder is expressly limited to the repair or replacement of non-conforming goods or, at **Saint Louis's** election, to the repayment or crediting of Buyer with the purchase price of such goods.

**C. Cancellation/Termination**

Upon written notice of cancellation or termination for the Buyer's convenience of standard inventoried items, the Buyer is subject to a minimum 15% charge on the remaining balance and a charge reflecting reversion to the quantity pricing of items actually delivered. In the event that the goods are special, non-standard or custom, the Buyer may terminate this order in whole or in part for its convenience upon written notice to Saint Louis Designs, Inc. in which event **Saint Louis** shall be entitled to termination charges consisting of a percentage of the order price reflecting the percentage of the work performed prior to termination plus actual direct costs resulting from termination less prepayments received, if any.

**D. Confidential and Proprietary Information**

All drawings, diagrams, specifications and other materials furnished by **Saint Louis** and identified as confidential or proprietary, relating to the use and service of articles furnished hereunder and the information therein, are proprietary to **Saint Louis**. Buyer may not reproduce or distribute such materials to third parties without **Saint Louis's** express authorization. **Saint Louis** will treat drawings, specifications or data furnished by Buyer as confidential, when identified as such, in connection with this purchase.

**E. Delivery**

The promised delivery date is the best estimate possible based upon current and anticipated manufacturing capabilities, availability of raw materials and purchased parts and delivery schedules for outside processing. **Saint Louis** assumes no liability for loss, damage or consequential damages, AOG or production down time damages due to such delay, or parts or accessories in any installation in which this product is used due to delay.

**F. Patent or Trademark Infringement**

**Saint Louis** warrants that to the best of its knowledge, the products delivered hereunder do not infringe on anyone else's patent and agrees to indemnify the Buyer against such action subject to the following: 1) The Buyer notifies **Saint Louis** promptly in writing of any claim; and, 2) **Saint Louis** shall have sole control of the defense in any action arising from such a claim. The Buyer will indemnify and hold **Saint Louis** harmless from any claim of patent infringement if such claim relates to custom products designed and manufactured to Buyer's specifications, or use or sale by Buyer of any of **Saint Louis's** products in any combination, method or process or compliance to specifications furnished by the Buyer.

**G. Claims/Notice of Defects**

Failure of the Buyer to object in writing to any merchandise shipped to it by **Saint Louis** within 90 days after receipt thereof will constitute complete acceptance by Buyer of such merchandise. Rejected material must be returned to **Saint Louis** within 120 days after receipt and prior authorization from **Saint Louis**. **Saint Louis** may, at its option, recondition or

replace the rejected material to meet Buyer's specifications within a reasonable time period after receipt. Claims for shipping damage must be made with the carrier.

#### **H. Force Majeure**

Fulfillment of this order is contingent upon the availability of materials. **Saint Louis** shall not be liable for any delay in delivery or for non-delivery in whole or in part caused by the occurrence of any contingency beyond the control of either **Saint Louis** or suppliers to **Saint Louis** including but not limited to war, sabotage, acts of civil disobedience, failure or delay in transportation, act of any government or agency or subdivision thereof, judicial action, labor dispute, fire, accident, explosion, epidemic, quarantine, restrictions, storm, flood, earthquake or acts of God, shortage of labor, fuel, raw material or machinery or technical failure where **Saint Louis** has exercised ordinary care in the prevention thereof.

#### **I. Payment Terms**

**Saint Louis's** payment terms for open accounts are net 30 days for stock products unless special written arrangements have been made. In the event of late payments, **Saint Louis** may, with notice, place a customer on a COD basis. Products sold to customers without open accounts will be COD. All custom orders require a prepayment in the percentage stated in the initial Proposal to customer. **Saint Louis** may, at any time, suspend performance of any order or require payment in cash, security or other adequate assurance satisfactory to **Saint Louis** when, in **Saint Louis's** opinion, the financial condition of Buyer or other grounds for insecurity warrant such action. **Saint Louis** reserves the right to assess late charges on accounts due past 45 days at the rate of 12% per annum. All goods delivered by **Saint Louis** shall remain the property of **Saint Louis** until the Buyer has paid in full for these goods. All goods are shipped FOB Austin, TX.

#### **J. Remedies in the Event of Cancellation or Default**

In the event the Buyer cancels this order, or becomes overdue on its account payable to **Saint Louis** by failing to pay for this order when due in accordance with the terms hereof, in addition to the charges assessed to the Buyer pursuant to Paragraphs C and I of this Agreement, the buyer shall be required to pay all costs of collection, including, whether suit be brought or not, attorney fees, court costs, collection expenses and other expenses which **Saint Louis** may incur or pay in the prosecution or defense of its rights hereunder, whether in judicial proceedings at law or in equity, bankruptcy court, appellate proceedings, or out of court mediation.

#### **K. General Provisions**

Any cause of action arising from this agreement, or breach thereof, must be commenced within one year after the cause of action occurs. **Saint Louis** reserves the right to correct any stenographical or clerical errors in any of the writings issued by it. The terms and conditions of sale and any description on the face of **Saint Louis's** writings constitute a complete and exclusive statement of the terms and conditions of the sale of the goods by **Saint Louis** to Buyer. Buyer may not assign any rights to, or delegate any performance owed under the agreement without the written consent of **Saint Louis**.