



Terms & Conditions of Sale

Unless otherwise agreed in writing by Defense Tech Aerospace, Inc., the following encompasses the Terms and Conditions of Sale and Services that shall apply to all sales of parts and services provided by Defense Tech Aerospace, Inc. to the Customer and shall supersede any terms and conditions proposed on any submitted Customer forms, documents, or any other communications. Upon the issuance of a purchase order (by and through all electronic media communications, telephone communications, or any other means of documented order) for the sale tangibles or intangible services by Defense Tech Aerospace, Inc., by and through the acceptance of delivered tangibles or intangible services, the Customer by and through such methods agrees to the Terms and Conditions as follows.

PAYMENT TERMS

In general, and unless otherwise stated on the Customer's Invoice and signed by an empowered and authorized Defense Tech Aerospace, Inc. representative, the payment terms are net thirty (30) days of Invoice and without deduction or set-off provisions. It is the responsibility of the Customer to submit any Invoice or billing disputes to Defense Tech Aerospace, Inc. within thirty (30) days of the Invoice date, failure to do will so forfeits and waives any customer claims and the Invoice will be deemed correct and valid. In some cases, and based on customer order, order size, and past performance, Defense Tech Aerospace, Inc. reserves the right to request a required deposit or advance payment from Customer prior to shipment of any tangible or intangible deliverables. Unless otherwise agreed to in writing, all payments shall be non-refundable. Customer is responsible for paying Defense Tech Aerospace, Inc. an amount equal to all taxes paid, payable or required to be collected by Defense Tech Aerospace, Inc. and shall pay all bank fees, wire transfer fees and any other costs of money transfers.

Customer shall submit all required payment details and information to Defense Tech Aerospace, Inc. to properly process and post all required and outstanding payment(s) related to services provided, orders, and Invoices or purchase orders. Less such payment advice, Defense Tech Aerospace, Inc. reserves the right to and may apply payments to any outstanding amount(s) owed by Customer. Unless otherwise agreed by Defense Tech Aerospace, Inc. in writing, payments must be made in the currency and to one of the bank accounts stated on the Invoice.

If any order payments are not reconciled or satisfied within thirty (30) days of its due date, the order is then considered delinquent ("past-due"), interest shall accrue on any unpaid balance at the lesser of (i) 1.5% per month or (ii) the highest rate permitted by applicable law. Delinquency or outstanding accounts may result in Defense Tech Aerospace, Inc. altering, changing, withdrawing, or revoking any credit terms previously extended to Customer. Should any payment become past-due, Defense Tech Aerospace, Inc. may at its option and in addition to any other rights it may have, suspend further shipments of any and all parts or services or until the delinquent amount or balance have been reconciled or satisfied in full. As permitted by the maximum extend provided by law, Customer is responsible for any fees and costs accruing or associated with the delinquency of their account. Defense Tech Aerospace, Inc. shall retain a purchase money security interest in all parts, services or programs sold to Customer until payment in full for all such parts, services or programs is received by Defense Tech Aerospace, Inc. and Customer hereby agrees to promptly execute and deliver to Defense Tech Aerospace, Inc. such

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further documents as Defense tech Aerospace, Inc. may request to perfect such security interest, including, without limitation, security agreements and financing statements to be filed with the Federal Aviation Administration (FAA) or other such and similar agencies.

ORDERING INFORMATION

With no exception to the rule, all orders must be made or confirmed in writing or by electronic data interface and are subject to approval and confirmation upon receipt by Defense tech Aerospace, Inc. Cancellation of orders require Customer to provide a notice to Defense Tech Aerospace, Inc. within a reasonable period to Defense Tech Aerospace, Inc. Articles and services provided related to orders may not be canceled without payment to Defense Tech Aerospace, Inc. for all expenses involved, and any such cancellation related to such orders must be approved in writing by Defense tech Aerospace, Inc. The minimum purchase order is \$500 USD.

SHIPMENTS, DELIVERY, EXPORT, COMPLIANCE WITH LAWS

All parts purchased by Customer shall be delivered by the method selected by Defense Tech Aerospace Inc.-such as Ex Works (EWX), ICC Incoterms 2010, or in limited cases FOB-Defense Tech Aerospace, Inc. will designate the prescribed method prior to the article shipment as indicated on the Invoice. The export or re-export of commodities, technology, services or software from the United States is controlled by United States law which prohibits 1) export to North Korea, Iran, Cuba, Venezuela, Crimea (Region of Ukraine), Syria or Sudan, or 2) to any other country or end user(s) to which shipments are prohibited unless otherwise authorized by the United States Bureau of Industry and Security (BIS), United States Department of Commerce (US-DOC), or United States Department of State (US-DOS)/Directorate Defense Trade Control (DDTC). Commodities, services, technology, or software controlled by United States law must be exported in accordance with the Export Administration Regulations of the Department of Commerce or International Traffic in Arms Regulations (ITAR). Defense Tech Aerospace, Inc. reserves the right to request Customer end-use and end-user information required for compliance with applicable trade laws. In the case of international orders and shipments of products, services, or technology, should Customer decide to export any part or service purchased from Defense tech Aerospace, Inc. Customer must verify the proper export classification of the parts and determine if an export license or exception is required by the Export Administration Regulations (EAR) or International Traffic in Arms Regulations (ITAR). Defense Tech Aerospace, Inc. will in no way accepts responsibility for assigning a classification to Customer's export shipments but reserves the right to request export and end-use information from customer to audit, review, and ensure compliance with applicable export regulations. Customer agrees to comply fully with the export control laws and regulations of the United States and acknowledges that diversion contrary to United States law is prohibited.

EXPRESS LIMITED WARRANTIES

To the Customer, Defense Tech Aerospace, Inc. warrants conformity and good title that the following parts will be free from defect in material or workmanship in accordance with the following warranty schedule based upon the following condition code(s) of the part(s):

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- Factory New (FN) or New Surplus (NS): Applicable or remaining OEM warranty or thirty (30) days from date of sale, whichever is longer

- New Build (NB) or Factory New Build (FNB): Applicable or remaining manufacturer warranty or (30) days from date of sale, whichever is longer

- Overhauled (OH) or Serviceable (SV): Applicable or remaining repair facility warranty or thirty (30) days from date of sale, whichever is longer

To the Customer, Defense Tech Aerospace, Inc. warrants conformity and good title and that the following parts can be repaired or overhauled in accordance with the following warranty schedule based upon the condition code(s) of the part(s):

- Repairable (RP) or As Removed (AR): 30 days from date of sale and subject to a repair ceiling cost determined by part value versus repair cost. Should the cost of repair exceed the percentile value of the part, the part will be deemed Beyond Economical Repair (BER)

- Any parts sold in an "As-Is" (AI) condition code carry no warranty regardless of the condition code of the part, and Defense Tech Aerospace, Inc. will not accept returns of any AI coded parts.

- Any part sold for less than \$650.00 USD is sold "As-Is" (AI) and may not be returned by Customer.

Defense Tech Aerospace, Inc. Limited Warranty does not apply to any part that Defense Tech Aerospace, Inc. determines to have been modified, tampered, subjected to misuse, neglect, improper installation, corrosion, accident, or has been sustained/maintained, repaired, or stored other than as directed in the applicable maintenance, installation, operation, or technical instructions related to the part. Defense Tech Aerospace, Inc.'s Limited Warranty will not cover normal maintenance expenses or consumable items, removal or installation of the part or resultant damage to other parts. Repair or replacement of any part under Defense Tech Aerospace, Inc.'s Limited Warranty will not create or restart a new warranty period, extend the period of coverage, or any prior terms related to the original sale period. Any part repaired or replaced will be warranted for the remainder of the warranty period originally applicable to the part repaired or replaced.

DISCLAIMER OF IMPLIED WARRANTIES AND LIMITATION OF LIABILITY

DEFENSE TECH AEROSPACE, INC.'S LIMITED WARRANTIES AND THE REMEDIES THEREUNDER ARE EXCLUSIVE AND GIVEN IN PLACE OF: (i) ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, WHETHER WRITTEN OR ORAL, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR IMPLIED WARRANTY ARISING FROM PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, AND (ii) ALL OTHER OBLIGATIONS, LIABILITIES, RIGHTS, CLAIMS OR REMEDIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING BUT NOT LIMITED TO



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ANY RIGHTS OR REMEDIES IN CONTRACT, TORT, STRICT LIABILITY OR ARISING FROM DEFENSE TECH AEROSPACE, INC.'S NEGLIGENCE, ACTUAL OR IMPUTED.

DEFENSE TECH AEROSPACE, INC.'S OBLIGATIONS AND CUSTOMER'S REMEDIES UNDER DEFENSE TECH AEROSPACE, INC.'S LIMITED WARRANTIES ARE LIMITED TO DEFENSE TECH AEROSPACE, INC.'S CHOICE OF REFUND, REPAIR OR REPLACEMENT ON AN EXCHANGE BASIS AND SUBJECT TO PRORATION AND EXCLUDE LIABILITY FOR INCIDENTAL, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES, INCLUDING WITHOUT LIMITATION, ANY LIABILITY OF CUSTOMER TO A THIRD-PARTY OR FOR ECONOMIC LOSS, REPLACEMENT COSTS, COST OF CAPITAL, LOST REVENUE, LOST PROFITS, OR LOSS OF USE OF OR DAMAGE TO AN AIRCRAFT, ENGINE, COMPONENT OR OTHER PROPERTY.

NOTE: These terms allocate the risk of product failures between Customer and Defense Tech Aerospace, Inc. as permitted by law. Defense Tech Aerospace, Inc.'s Limited Warranties gives the Customer specific legal rights and Customer may also have other rights, these rights may vary from jurisdiction to jurisdiction based on location.

NOTICE OF CLAIMS, RETURNS

Upon receipt of part(s) and on same day of receipt, Customer is required to immediately inspect part(s) purchased from Defense Tech Aerospace, Inc. Any claim(s), including, but not limited to claims for document deficiency, defect or shortage, or conformity shall be made in writing to Defense Tech Aerospace, Inc., per the prescribed Invoice number, at the address stated on the Invoice, and all within thirty (30) days after Customer's receipt of the applicable parts. Failure by customer or related party to notify Defense Tech Aerospace, Inc. in writing of a claim in the manner provided herein constitutes a forfeiture and/or waiver of the claim. At no time may a part be returned by Customer to Defense Tech Aerospace, Inc. without Defense Tech Aerospace, Inc.'s expressed and prior written consent (requiring Defense Tech Aerospace, Inc. to issue of a Return Material Authorization ("RMA")) to the Customer and in accordance with instructions furnished by Defense Tech Aerospace, Inc.-shipping methods related to returns will be indicated on the RMA paperwork. CUSTOMER WILL ENSURE THAT ALL RETURN SHIPMENTS PROPERLY INDICATE THE APPLICABLE RMA NUMBER. All parts removed from service must be returned in "As Removed" (AR) condition and parts failing inspection, bench check, or functional verification must be returned "As Sold" without alteration or repair or any warranty is void. All returned parts must be accompanied by the original documentation. Any part returned will be subject to a 20% restocking fee, and as well as a recertification charge when applicable. Defense Tech Aerospace, Inc. will not at any time process or honor warranty claims on past-due Customer accounts.

INDEMNIFICATION

Upon accepting the parts specified on an Invoice, Customer agrees to defend, protect and hold harmless Defense Tech Aerospace, Inc., its shareholders, officers, directors, employees, consultants, agents, successors, and assigns from and against all suits at law or in equity, and from all damages, liabilities, taxes, expenses (including reasonable



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attorney's fees and expenses) claims, and demands related to the purchase of such parts, or Customer's violation of any Export Laws.

FORCE MAJEURE

Should the circumstance arise, Defense Tech Aerospace, Inc. shall be excused from all liability for failure to deliver parts to Customer where such failure is due to an act of God, a public enemy, fires, earthquakes, floods, strikes, labor difficulties, transportation embargoes, domestic or international act of terrorism, or other similar causes beyond the control of Defense Tech Aerospace, Inc.

GOVERNING LAW, ASSIGNMENT, VENUE AND JURISDICTION

With respect to these Terms and Conditions of Sale, condition of parts sold, or services provided by Defense Tech Aerospace, Inc., Customer agrees and consents: a) that the obligations of the parties are deemed to be performed in Chancery County, Delaware; 2) that venue of any legal proceeding brought by the Customer shall be in Chancery County, Delaware; 3) to submit to the jurisdiction of the state or federal courts that are located in Chancery County, Delaware; 4) that the Secretary of State of Delaware is hereby made the Customer's agent for service of process; and 5) that any legal proceeding brought by the Customer shall be brought within one (1) year of any alleged breach.

LEGAL PROCEEDINGS AND CLAIMS

Customer agrees that, if Customer should file suit or commence legal proceedings against Defense Tech Aerospace, Inc. arising out of or resulting from these Terms and Conditions or the condition of parts sold by Defense Tech Aerospace, Inc., Customer will pay Defense Tech Aerospace, Inc. its costs of defending such suit or legal proceeding, including a reasonable attorneys' fee, in the event that: (a) Defense Tech Aerospace, Inc. prevails in the suit or legal proceeding; or (b) the value of the recovery awarded to the Customer is equal to or less than any settlement proposal made by Defense Tech Aerospace, Inc. prior to the award made in the suit or legal proceeding.

These Terms and Conditions shall be construed and interpreted by and in accordance with the laws of the State of Delaware, and whether or not any conflicts of law principle would refer the interpretation to the law of another jurisdiction. Customer and Defense Tech Aerospace, Inc. agree that any dispute related to these Terms and Conditions, to the condition of parts sold by Defense Tech Aerospace, Inc. or to arbitrability shall, on the written request of the other party, be submitted to arbitration under the rules as Defense Tech Aerospace, Inc. and Customer shall agree. If no agreement can be reached, the Commercial Arbitration Rules of the American Arbitration Association shall govern such arbitration which shall be held in Chancery County, Delaware.

Release Date: 10/21/2021