

## CUDA COMPOSITES LLC Terms and Conditions

### 1. GENERAL:

- a. Sales of goods or services by CUDA COMPOSITES is governed exclusively by these Standard Terms and Conditions. Acceptance of CUDA COMPOSITES' products or services shall constitute BUYER's acceptance of these Standard Terms and Conditions.
- b. Any order placed with CUDA COMPOSITES must be in the form of a written purchase order or a letter from BUYER authorizing CUDA COMPOSITES to proceed on the basis of its quotation to BUYER. All quotations from CUDA COMPOSITES will be considered invitations to BUYER to submit an offer to contract, subject to these Standard Terms only. A binding sales contract, which shall in all events be subject to these Standard Terms, will result when CUDA COMPOSITES accepts BUYER's order. No terms or conditions contained in BUYER's written purchase order, or other documents, which contradict or conflict with, or add to, these Standard Terms or CUDA COMPOSITES' order acknowledgment are binding upon CUDA COMPOSITES.

### 2. WARRANTY AND REMEDIES:

- a. The warranty contained in this section is exclusive and in lieu of all other representations and warranties, expressed or implied, and CUDA COMPOSITES expressly disclaims and excludes any implied warranty of merchantability or implied warranty of fitness for a particular purpose. Any and all statements, technical information, and recommendations provided by CUDA COMPOSITES to BUYER are based on tests believed to be reliable at the time of purchase, but the accuracy or completeness thereof is not guaranteed. CUDA COMPOSITES' only obligations shall be to replace such quantity of the product proved to be defective. Before using, BUYER shall determine the suitability of the product for its intended use and BUYER assumes all risk and liability whatsoever in connection therewith.
- b. Specific components of CUDA COMPOSITES' products and/or systems may be covered by independent warranties of their respective manufacturers, which manufacturers' warranties control with respect to these separate component parts and do not constitute obligations or warranties of CUDA COMPOSITES.
- c. Under no circumstances shall CUDA COMPOSITES be liable to any person, firm or corporation for any special, indirect or consequential damages, whether for breach of contract, negligence, misrepresentation or otherwise and whether resulting in lost profits, interest on money borrowed or invested, impairment of goods, work stoppage or otherwise, in any way arising out of the sale of any products or services by CUDA COMPOSITES to BUYER or any transaction to which these Standard Terms apply. The liability of CUDA COMPOSITES and the exclusive remedy of BUYER for any workmanship defect is limited, at CUDA COMPOSITES' option, to repair or replacement of the defective goods or refund of the purchase price.

The foregoing shall constitute the sole and exclusive liability of CUDA COMPOSITES and the sole and exclusive remedy of BUYER or anyone claiming on behalf of or through BUYER.

3. DRAWINGS: All illustrations, drawings, tables, graphs and the like issued by CUDA COMPOSITES or contained in CUDA COMPOSITES' catalogues, price lists, advertisements or any other

publications must be regarded as close approximations only. Weights, measurements, capacities and all other particulars of products offered by CUDA COMPOSITES are stated in good faith as being approximate and no responsibility is accepted for their deviation from the approximations stated unless otherwise specified in writing in CUDA COMPOSITES' proposal or order acknowledgment.

4. SHIPMENT, DELIVERY, FORCE MAJEURE, PROPOSALS, ACCEPTANCE AND ERROR:

a. Shipment and delivery dates are quoted in good faith and are approximate. Shipment and delivery dates are always subject to these Standard Terms and BUYER's timely compliance with these Standard Terms and such reviews and approvals as are required of BUYER. CUDA COMPOSITES shall not be liable to pay any penalty for a delay in shipment, nor shall it be bound by any provision for the payment of a penalty of any nature whatsoever claimed by reason of any delay in shipment.

b. In no event shall CUDA COMPOSITES be liable for any delay or damages (consequential or otherwise) caused by delay in shipment.

c. All orders are shipped E.X.W. CUDA COMPOSITES'. Completed orders are subject to a warehousing fee of 3% per month or the order total beyond (15) days of completion in the event shipping arrangements are not provided for upon order completion.

5. TERMS OF PAYMENT:

a. Unless otherwise agreed to in writing, payment terms are Net 15. Payment shall be made to Cuda Composites, 1788 S. Metro Pkwy, Dayton, Ohio 45459.

b. The failure by BUYER to pay at such time constitutes a waiver of BUYER's right to demand CUDA COMPOSITES' performance under the contract.

c. When an account becomes past due according to its payment terms, interest will be charged at the greater of 1.50% per month (18% per annum) or the maximum permitted by law until paid in full, including interest calculated on a daily basis.

d. All taxes, fees, costs, and other charges connected with shipment, transportation insurance and importation of the products are the responsibility of BUYER, and, if paid by CUDA COMPOSITES, such expenses may be recovered by CUDA COMPOSITES from BUYER.

e. BUYER is responsible for all taxes applicable to this transaction except taxes levied on CUDA COMPOSITES' net income.

6. CUDA COMPOSITES' SECURITY INTEREST:

a. As security for all new, existing and hereafter arising obligations of BUYER to CUDA COMPOSITES, BUYER hereby grants to CUDA COMPOSITES a security interest in all products received from CUDA COMPOSITES for which payment, in full, is not made to CUDA COMPOSITES prior to delivery and the proceeds thereof, including, without limitation, accounts receivable and cash payments. This security interest will terminate when CUDA COMPOSITES receives payment in full.

b. As long as the security interest granted to CUDA COMPOSITES continues to exist, BUYER may not sell the products except in the ordinary course of its business, and any and all payments BUYER may receive from the resale are assigned to CUDA COMPOSITES as security for payment of all sums due CUDA COMPOSITES, and BUYER agrees to hold in trust so much thereof as may be required to pay all sums due CUDA COMPOSITES. CUDA COMPOSITES, upon written request, shall in writing release such part of such security as, in the opinion of CUDA COMPOSITES, exceeds one hundred twenty (120) percent of the outstanding amounts owed to CUDA COMPOSITES. BUYER shall notify CUDA COMPOSITES immediately by registered letter if third parties should attach, or cause the attachment of, the products sold by CUDA COMPOSITES with the retention of title. BUYER shall be liable for legal expenses CUDA COMPOSITES incurs to protect its rights hereunder.

9. RISK OF LOSS: Risk of loss or damage to the products shall pass from CUDA COMPOSITES to BUYER upon placement with the carrier.

10. ENTIRE AGREEMENT; AMENDMENT: These Standard Terms and CUDA COMPOSITES' proposal constitute complete and exclusive agreement between the parties as to the subject matter hereof.

11. CANCELLATION CHARGES:

a. If BUYER indicates it will refuse to accept delivery, fails to accept delivery, or wrongfully accepts products ordered ("Breach"), without limiting other remedies available to CUDA COMPOSITES, BUYER shall still be responsible to pay, in complete, for the items.

b. No items may be returned for credit.

c. In the event BUYER causes unreasonable delays or otherwise unreasonably hampers or interrupts manufacture, shipment or installation of products, CUDA COMPOSITES may terminate the sales contract and BUYER shall be liable to pay CUDA COMPOSITES all expended costs related to the contract up to that point.

d. CUDA COMPOSITES reserves the right to recover value by selling parts resulting from production overruns, scrap or cancelled orders.

12. GOVERNING LAW: The validity, construction and interpretation of all documents relating to this sale, and duties of the parties hereto, shall be governed by the laws of the State of Ohio, United States of America.

13. MEDIATION/ARBITRATION: Any controversy arising out of the interpretation and/or performance of this contract, except BUYER's nonpayment of the sums due CUDA COMPOSITES, shall first be submitted to mediation in Dayton, to a single mediator acceptable to the parties. If such dispute subject to mediation is not resolved by mediation, shall then be submitted to arbitration in Dayton, Ohio according to the Commercial Arbitration Rules of the Arbitration Association before three (3) arbitrators unless the parties mutually agree in writing on a lesser number.

14. MISCELLANEOUS:

- a. Failure on the part of CUDA COMPOSITES to enforce any of the rights derived from its agreement with BUYER shall not be construed as a waiver of any of CUDA COMPOSITES' rights.
- b. The invalidity of one or more of the clauses of these Standard Terms by any competent authority shall not affect the validity of the other clauses, which for this purpose are considered severable.
- c. The acceptance by CUDA COMPOSITES of an order from BUYER for products bearing any registered CUDA COMPOSITES trademark grant to BUYER the right to use such marks in advertising its products. All advertising materials incorporating such marks in any manner must be approved by CUDA COMPOSITES in writing prior to its release to the public.
- d. Designs including but not limited to redesign of metal to composite parts, ply schedule, artistic renditions, or prototypes created by CUDA COMPOSITES that are not included in the purchase order or statement of work are the sole property of CUDA COMPOSITES.
- e. All processes used by CUDA COMPOSITES for the manufacture of parts will remain the sole property of CUDA COMPOSITES.