



ALLCLEAR AEROSPACE & DEFENSE, INC.

TERMS AND CONDITIONS FOR SALE OF PRODUCTS, SOFTWARE, AND SERVICES

GENERAL TERMS. These AllClear Aerospace & Defense, Inc. (“**Seller**” or “**AllClear**”) terms and conditions for sale (“**Sales Terms**”) are the only terms which govern the sale of the products, software and/or services (“**Products**”) provided by AllClear to its valued Customer(s) (each a “**Customer**” or “**Buyer**”). It is AllClear’s policy to professionally process each order received from Buyer and to equitably manage each Buyer’s order for accurate and timely delivery. The acceptance by AllClear of any purchase order placed by a Buyer (“**Purchase Order**”) for Products is expressly made conditional upon Buyer’s agreement to these Sales Terms. Notwithstanding anything herein to the contrary, if a separate, written contract is signed by both parties covering the sale of the Products in a Purchase Order, the terms and conditions of the separate, written contract shall govern. These Sales Terms shall apply for all Products irrespective of whether they are specifically referenced in any invoice or any other document provided by AllClear or Buyer. The terms and conditions stated herein shall govern over any contrary terms in Article 2 of the Uniform Commercial Code (or any other equivalent terms) or the INCOTERMS of the International Chamber of Commerce. If a Buyer requires for any Purchase Order of Products additional assurances of AllClear’s performance, or should any other terms and conditions including those set forth in the Buyer’s Purchase Order or other ordering documentation, be requested, AllClear will review such request(s) on a case-by-case basis and such terms shall apply only to the extent an authorized signatory of AllClear has approved such terms in writing.

I. PURCHASE ORDERS. Unless otherwise agreed to by AllClear, no Products will be shipped until Buyer has submitted a written Purchase Order. Each Purchase Order shall include the following information: (i) the Products ordered; (ii) Product model numbers, if applicable; (iii) quantity of Products; (iv) requested delivery dates; (v) billing address; (vi) shipping address; and (vii) any shipping instructions. NOTE: Shipping Terms are ExWorks unless otherwise agreed to by AllClear. Buyer must provide a Purchase Order in an amount that is no less than five hundred dollars (\$500.00 USD) for each Product that is ordered and each Product line item within such order must exceed fifty dollars (\$50.00 USD). Unless otherwise agreed to by AllClear, all Purchase Orders are non-cancellable.

II. QUALITY SYSTEM. AllClear certifies that the Products supplied in fulfillment of the Buyer’s Purchase Order requirements have been inspected in accordance with our ISO 9001 and AS 9120 quality system and conforms to those standards (the “**AllClear Quality Guidelines**”). AllClear will ensure that the Products ordered by Buyer pursuant to an accepted Purchase Order are the Products that are delivered. However, individual Product part numbers are subject to change as each authorized manufacturer and/or Original Equipment Manufacturer (“**OEM**”) reserves the right to change a Product’s part number for the same Product without notice. Obtaining any applicable OEM/Manufacturing/Repair Station certificate of conformance (“**COC**”) and adhering to the AllClear Quality Guidelines are AllClear’s assurance to the Buyer that the correct, high-quality Products are delivered. If Customer orders non-aerospace parts, any requested COC will be provided to the extent available. AllClear will endeavor to provide notice prior to shipment of any Product that has part number variances.

AllClear employs professionally trained personnel to ensure Buyer’s requirements are met for accepted Products, processes, and procedures. AllClear will endeavor to supply Products based on the Buyer’s required condition code for the Products ordered from AllClear’s approved supplier list (“**Supplier**”). AllClear will retain records related to Customer orders for a minimum of two (2) years. Buyer’s access to AllClear facilities for the purpose of surveying/auditing Products, processes and or procedures may be permitted at AllClear’s discretion. Unless otherwise mutually agreed to in writing in the contract between AllClear and Buyer, the table below lists the Product condition codes used by AllClear to supply Products:



Code	Meaning	Description
AI	As Is	Outright sale of a part in the exact condition in which it presently sits, or a Customer owned part being returned to the Customer by AllClear from an authorized repair facility loosely assembled or unassembled. Unless otherwise specified in writing the part will be non-cancelable/non-returnable (NC/NR) with neither a warranty nor trace. Footnotes 2, 3, 4
AR	As Removed	Outright sale of a part that has been removed from an aircraft. Unless otherwise specified in writing the part will not have trace, a specified reason for removal, nor warranty and will be NC/NR.
CAL	Calibration	The cost to calibrate a part by an authorized repair facility and return it to an accurately functioning condition. Footnote 4
TT&E	Test, Teardown & Evaluation	The cost to have a Customer's part tested and inspected by an authorized repair facility IAW the OEM or other authorized documentation to determine the required scope of work (SOW) to return a unit to serviceability. Evaluation may or may not include a teardown of the unit. AllClear will return a findings report of the unit, along with a quotation of the cost and turnaround time (TAT) for the determined SOW. TT&E and EV (evaluation) are treated the same by AllClear. Footnote 4
FN/NE	Factory New/New	Outright sale of a part that was made to order by an authorized source, has never been used, and has zero flight hours. The unit will come with OEM or MFG traceability and COC. Footnote 1
NS	New Surplus	Outright sale of a part with zero flight hours and that has not been used to the best of our knowledge. Unless otherwise specified in writing the part will only come with AllClear COC and be NC/NR with neither a warranty nor trace. Footnote 1
OH	Overhaul	The cost to have a Customer's non-serviceable part overhauled by an authorized repair facility IAW the OEM or other authorized documentation and return the part in overhauled condition with fresh OH tag and warranty. Footnote 4
OHM	Overhaul Modified	The outright sale of a part that was recently overhauled and modified, or the cost to have a Customer part overhauled and modified by an authorized repair facility IAW the latest OEM or other authorized documentation. Unless otherwise specified in writing the part will maintain the same form, fit and function, and come with a fresh OH tag (within 3 months) and warranty. The part may return under a different P/N and/or NSN, to be detailed in the quote. Footnote 4
RP	Repair	The cost to have a Customer's non-serviceable part repaired by an authorized repair facility IAW the OEM or other authorized documentation and return the part in serviceable condition with fresh SV tag and warranty. Footnote 4



RPM	Repair Modified	The outright sale of a part that was recently repaired and modified, or the cost to have a Customer's part repaired and modified by an authorized repair facility IAW the latest OEM or other authorized documentation. Unless otherwise specified in writing the part will maintain the same form, fit and function, and come with a fresh OH tag (within 3 months) and warranty. The part may return under a different P/N and/or NSN, to be detailed in the quote. Footnote 4
SCR	Scrap	The cost to have Customer parts scrapped by AllClear or an authorized repair/scrap facility. Upon completion, the Customer will be provided with a scrap certificate from AllClear. Footnotes 2, 3, 4
SV	Serviceable	The outright sale or returning of a Customer's part that was either recently repaired, calibrated, or no fault was found (NFF) by an authorized repair facility IAW the OEM or other authorized documentation. Unless otherwise specified in writing the part will come with a fresh SV tag and warranty. Footnote 4
WAR	Warranty	Customer part returned to AllClear under a warranty claim.
Notes:		
1 FN, NE & NS units, may have flight hours or run time hours logged on them for testing purposes only.		
2 BER - Beyond Economical Repair - A term to describe an evaluated Customer part in which an authorized repair facility has determined that the sub-components and labor required to repair the part exceed 60% the cost of procuring a new unit. May also apply if a part's sub-components are unprocureable/obsolete. A common descriptor for parts quoted as "Scrap" or return "As Is" condition. If Customer requests that Supplier scrap a Product art in-house, Supplier reserves the right to salvage any serviceable and repairable Products.		
3 BPR - Beyond Physical Repair - A term to describe an evaluated Customer part in which an authorized repair facility has determined that the integrity of the unit is damaged so much that it prohibits the ability for it to be repaired. A common descriptor for parts quoted as "Scrap" or return "As Is" condition.		
4 Authorized Repair Facility - An MRO facility that is authorized by the part's OEM, the USG and/or the FAA under PART 145.		
5 EX - Exchange - During an exchange process, the "Customer owned, as removed" core will be exchanged for a unit in the specified working condition, as detailed in the quote. Received core must be in repairable condition, otherwise if deemed BER or BPR a core charge will apply.		

III. SHIPMENT AND DELIVERY. Unless otherwise agreed to by AllClear, all Products shall be delivered EXWORKS (INCOTERMS, 2010) at AllClear's designated facility and all Product prices are in accordance with such shipping terms. Products will be packed for shipment in accordance with AllClear's standard packing procedures which comply with ASTM D3951-10. Unless expressly agreed to by AllClear in writing, AllClear shall select for the Products the method of shipment and the carrier. AllClear may, in its sole discretion, without liability or penalty, make partial shipments of Products to Buyer unless expressly indicated otherwise on the Purchase Order or in a separate contract. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of a Purchase Order. Unless AllClear has provided a confirmed delivery date, any time quoted by AllClear for Product delivery is an estimate only.

IV. ACCEPTANCE. Products are presumed accepted by Buyer unless AllClear receives written notice of rejection from Buyer explaining the basis for rejection within fifteen (15) calendar days after delivery. If AllClear approves the requested rejection, in its sole discretion, then it will issue a Return Material Authorization ("RMA") number. After receipt of an approved RMA number from AllClear, Buyer shall return any rejected Products with freight pre-paid in accordance with AllClear's written instructions. AllClear, at its



option, will have a reasonable opportunity to repair or replace rejected Products. AllClear assumes shipping costs in an amount not to exceed actual reasonable direct freight charges to AllClear's designated facility to return properly rejected Products. Buyer will provide copies of freight invoices to AllClear upon request. Buyer retains the risk of loss for returned Products until their delivery to AllClear's designated RMA return location. If AllClear reasonably determines that rejection was improper, Buyer will be responsible for all expenses that results from the improper rejection. AllClear reserves its right to cancel the Customer Purchase Order if it is found that shipment of the Product cannot be made due to any dangerous goods classifications. AllClear will notify the Customer in writing of any material changes to the Product's form, fit, and function. AllClear has a shelf-life program in place to ensure Product parts are supplied within the appropriate shelf-life. However, AllClear will not track the preservation materials that might be required to be reapplied over time (example: bearing preservation re-lube). AllClear will supply the Product with any preservation applied by the AllClear Supplier. Except as expressly provided for hereunder, Buyer has no right to return Products to AllClear.

V. RETURNS AND WARRANTIES. Return of any Product(s) requires a Return Material Authorization form issued by AllClear and a copy of the sales invoice. The following Products will not be considered for return:

- Non-forecasted parts (special order)
- Parts less than \$500
- Parts installed on aircraft
- Hazardous Materials and Dangerous Goods
- Shelf-life items
- Electrical components
- Hardware
- Drop ship ordered parts
- Specially ordered parts
- Excess & Obsolescent parts

All new Products must be returned within thirty (30) calendar days from date of invoice. All new Product returns are subject to a 25% restock fee and no less than \$250. Additional recertification fees may apply. New Product returns must be in new and sellable condition, in their original packaging, and with original documentation. Products that were originally shipped with 8130 documentation will need such documentation to be sent back to AllClear along with the return. If the 8130 is missing, the part will be returned to Buyer and the RMA will not be processed.

Any part being returned for warranty administration consideration by the manufacturer must be accompanied by a(n):

- Return Material Authorization number (issued by AllClear)
- Product deficiency report or warranty administration summary
- Documentation clearly exhibiting the exact flight time and period of use

All returned Products will be shipped at Customer's expense. Customer shall be responsible for all risks of loss and damage associated with the return of Products and shall indemnify Seller against all costs and expenses related thereto, unless covered by warranty. Further, the return of Products may be subject to a fee imposed by the Seller. Seller shall issue a credit note equal to the invoiced amount of the Product returned; however, such credit note may include a deduction for any return/restocking fee and any cost incurred by the Seller in relation to the return of Products.

Returned Products shall only be accepted after the Seller has established by inspection that: (i) the Products are in new, and unused condition and in original packing or packaging; (ii) full traceability has been maintained; (iii) the Products have been stored under suitable environmental conditions; and (iv) the Products have not suffered any damage. Claims for shortages or damages to the Product and/or performance of a Service, caused by Seller must be reported immediately upon discovery and in any case received by Seller in written form no later than thirty (30) calendar days after delivery of the Products or performance of the



Services. In case the Product is installed on an aircraft, or into bigger assemblies or components, the Product shall be deemed accepted by the Customer whether the above-mentioned period of thirty (30) days has expired or not. After this period, and even in the absence of a formal acceptance document, the Products and Services are deemed accepted by the Customer.

FN/NE Parts

If the Seller has obtained a supplier or OEM warranty, in its capacity as buyer of all or part of the Products which are sold to the Customer, the Seller shall transfer to the Customer any remaining portion of such warranty, provided such warranty is transferable.

RP/OH Parts

Warranty for RP/OH Parts applied only if Seller determines (in its sole discretion) that such goods are defective and have not been subject to accident, abuse, or misuse, and have been operated and maintained in accordance with the manufacturer's recommendations and specifications. The obligations and liabilities of the Seller under this Warranty are expressly limited to the replacement or the repair by Seller of such Goods, and shall not include any removal, disassembly, failure analyzing fault isolation, inspection, retrofit or reinstallation costs incident to such correction or replacement.

A Warranty consideration will only take place on the following conditions: up to six (6) months since the date of the Repair completion and up to one (1) year since the date of the Overhaul completion.

Buyer receives written return authorization from Seller to return the Goods. Buyer is required to then deliver such goods to Seller at Miramar, USA location, within thirty (30) days after such written return authorization.

All other condition Codes

No warranty will be provided for these products. They are sold as is.

AllClear values its reputation for delivering high quality products to our Buyers. AllClear warrants to Buyers that, at the time of delivery, Products, excluding services, will be free from material defects in Product materials and manufacture. For any services ordered under these Sales Terms, AllClear warrants its workmanship to conform to the specifications, plans, and/or drawings agreed by AllClear in writing to be part of these Sales Terms ("**Approved Specifications**"). The term of this express limited warranty for Products shall be for the warranty period applicable for the Products as indicated on any documents provided by AllClear, or if not stated in such documentation, the warranty term provided by the AllClear Suppliers for such Products, which shall run from the date of the Product shipment. AllClear's liability under warranty for Products, excluding service, is limited to the repair and replacement of the Product sold to Buyer that is shown to AllClear's reasonable satisfaction to have been non-conforming. For any services ordered under these Sales Terms, AllClear's liability under warranty shall be limited to correcting or repairing such portions of the repairs that is not in accordance with the Approved Specifications. AllClear must be given written notice no later than thirty (30) days after Buyer's discovery of a defect within the warranty period. AllClear also warrants the products manufactured/supplied by AllClear against all defects in materials and workmanship for a period consistent with the AllClear Supplier warranty terms of the material to AllClear.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, ALLCLEAR MAKES NO OTHER WARRANTIES OR CONDITIONS, EXPRESS, STATUTORY, IMPLIED OR OTHERWISE TO BUYER WITH RESPECT TO THE PRODUCTS AND SPECIFICALLY DISCLAIMS ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY AND NONINFRINGEMENT AND THEIR EQUIVALENTS.

AllClear shall not be liable under this warranty in any of the following events, namely:



- Any Products that have not been operated, stored or maintained in accordance with the manufacturer's and AllClear's instructions;
- Any normal wear and tear or misuse, or cosmetic damage, such as scratches, nicks, tarnished Products, and dents.
- Any Products have been handled, stored, repaired, or altered in any way, which may have impaired its safety, operation, or efficiency; and
- Any Products and/or components that have been subjected to any abnormal condition, misuse, or neglect.

VI. REPAIRS. Where Products are not covered under an express warranty and are returned for repair, AllClear may charge a fee for inspection and preparation of a repair quotation and this fee shall be payable in the event that the Buyer does not proceed with the repair. In such instances where AllClear has provided a warranty for repairs, the warranty period specified in AllClear's documentation shall apply, and if there is no period specified in such documentation, the warranty term provided by the OEM for such Product shall apply, which shall run from the date of Product completion. The repair warranty shall only cover any replacement components that were used in the repair. Whenever the Buyer submits a repair or Purchase Order or other written authorization (including any electronic correspondence to AllClear) for product service inspection or evaluation for repairs not covered under AllClear's warranty, the Buyer shall be responsible for all costs and fees of products/parts evaluation and inspection, any applicable repair or replacement costs authorized by the Buyer, and other fees incurred due to the Buyer's delay in communicating any authorized repairs or return instructions while parts are at an AllClear Supplier facility (e.g. MRO parts storage fees). Except for repair evaluation fee(s) provided or confirmed by AllClear, the initial pricing for repair and overhaul (R&OH) services is based on estimated pricing only. Final prices for repair and overhaul services after AllClear personnel has completed its evaluation of any repair item(s) shall be communicated by AllClear. Upon evaluation, AllClear, as appropriate, will have the product evaluated, and, as appropriate, disassembled, and any extra cost to re-assemble or ship the unassembled products back to the Buyer, including any additional packaging materials, shall be at the Buyer's sole cost and expense. If during the assembly and test stage any other parts (and the performance of associated labor) are determined to be required, AllClear's repair charges will be subject to re-quote. If any units are deemed BER (Beyond Economical Repair) or BPR (Beyond Physical Repair) after evaluation is completed, AllClear has the right to return the unit to the Buyer loosely assembled or in pieces unless otherwise stated at time of order. In this case AllClear has still the right to charge tear down and evaluation fees to its Buyer. Any piece parts missing or scrapped during/after the evaluation are not the responsibility of AllClear unless otherwise specified on Customer a contract or Purchase Order.

The minimum requirements for acceptance of any customer furnished material ("CFM") are as follows:

- CFM must be free from damage and defects
- CFM must have an OEM list price minimum of \$3000
- CFM must be accompanied by a CoC or FAA 8130 (depending on piece)

If Customer provides serviceable CFM piece parts requiring inspection, then the minimum inspection fee is \$500 or 5% of the OEM list price (whichever is greater) for each CFM part furnished.



VII. PAYMENT. Terms are net thirty (30) days from date of invoice unless otherwise specified on the face of the invoice. All quotes are in U.S. Dollars and all payments are to be made in United States funds. Late fees may apply if payments are not received within the terms agreed. AllClear is not required to proceed with performance of Buyer's order while: (i) Buyer is in default on this or any other contract with AllClear, (ii) upon the suspension of business of Buyer or the commencement of bankruptcy proceeding by or against the Buyer, or (iii) the Buyer ceases, or threatens to cease, to carry on business, or (iv) AllClear reasonably believes that any of the foregoing events is about to occur in relation to the Buyer and notifies the Buyer accordingly. In the event that any amounts due to AllClear become delinquent, the entire balance shall become immediately due. Except for invoiced payments that Buyer has successfully disputed, Buyer shall pay interest on all late payments, calculated daily and compounded monthly at the lesser of the rate of two percent (2%) per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall also reimburse AllClear for all costs incurred in collecting any late payments, including, without limitation, reasonable attorneys' fees. If Buyer fails to pay any amounts when due under this order or has materially breached any clause in these Sales Terms, AllClear may (a) suspend the delivery of any Product, (b) reject Buyer's future Purchase Order, and/or (c) cancel an accepted Purchase Orders (in whole or in part) pursuant to the terms of this Subsection. AllClear may, in its sole discretion, without liability or penalty, cancel any individual Purchase Orders (in whole or in part) if AllClear determines that Buyer is in violation of its payment obligations or has materially breached any clause in these Sales Terms. As collateral security for the payment of the purchase price of the Products and performance in full of all the obligations of the Buyer under this Agreement, the Buyer hereby pledges and grants to the Seller, a lien, pledge, and security interest in and to all of the right, title, and interest of the Buyer in, to, and under the Products and any item(s) repaired, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing in the amount of AllClear's invoices for such items, plus any applicable late payment interest. The security interest granted under this provision constitutes a purchase-money security interest, and where AllClear has performed the agreed-upon repair or evaluation service or has not received the required pre-payment within six (6) months of AllClear's second notice to the Buyer requesting payment, AllClear is permitted to return, dispose of, or sell any repair items, including any modifications or enhancements associated with the applicable repaired items without any fault or liability to the Buyer. If collection, lien foreclosure, and/or legal action (including for the registration and enforcement of a lien or pledge) is pursued by AllClear on any past due amounts, including for Products, services, and repairs, the Buyer agrees to pay all costs and fees, including reasonable attorney fees, in collection, foreclosure, and litigation, including any appeals, if action is filed thereon, and for such claim(s) that AllClear may institute an action for payment in the non-exclusive jurisdictions of federal or state courts located in Florida or any court of competent jurisdiction without breach of these Sales Terms.

VIII. PRICES. The last Product pricing communicated by AllClear for the applicable Product in the accepted Purchase Order shall apply. Unless the Buyer has requested a change to the Products, or AllClear's confirmed delivery date, or has failed to provide AllClear all information necessary for the delivery of the Product, the Product unit price applicable on the date of AllClear's acceptance of the Buyer's Purchase Order shall apply.

IX. TAXES AND CREDIT. AllClear's prices for Products are exclusive of any federal, state or local sales, use of excise taxes, or value added taxes. In the event that AllClear is required to pay such taxes (other than in cases where AllClear has agreed in writing to assume such fees), Buyer shall reimburse AllClear for any such taxes or assessments. All personal property taxes assessable on the Products after delivery to Buyer's designated ship-to location (as indicated on the accepted Purchase Order), and any federal, state or local sales, use of excise taxes, or value added taxes shall be the responsibility of the Buyer. Any credit limits extended to the Buyer will be revoked and/or reduced at any time if AllClear has not received payments for



orders shipped within the agreed payment terms. AllClear reserves the right in its sole and absolute discretion and for any reason to limit the credit limit extended to the Buyer.

X. EXPORT. AllClear will apply for United States Government export authorizations required for delivery of any Products or technical data under a Purchase Order. NOTE: AllClear must be notified and agree if Buyer desires to use its own domestic freight forwarder or domestic office to apply for export licenses in its own name. Buyer will provide all information required by AllClear to complete the export authorization application(s). Buyer will provide accurate end user and end application information. An export license fee may apply. AllClear reserves the right to charge license fees to Buyer. Buyer will comply with all applicable export and import control laws and regulations, including without limitation, the United States Export Administration Regulation (EAR), U.S. Arms Export Control Act, and the U.S. Export Administration Act, and the United States International Traffic in Arms Regulations (ITAR), and will retain documentation evidencing such compliance. Buyer acknowledges that it is aware that U.S. export laws and regulations may impose restrictions on Buyer's use of the goods, services, or technical data, or on their transfer to third parties. Buyer will immediately notify AllClear and cease distribution activities with regard to the transaction in question if Buyer knows or has a reasonable suspicion that the Products, technical data, plans, or specifications may be redirected to other countries in violation of applicable U.S. export control laws. Technical data is controlled for export by the U.S. Department of State and Department of Commerce. Proper export license, exemption, or exception is required to send test reports to foreign parties. AllClear will no longer provide test report to Buyers, unless it has been specifically requested by the Buyer at the time of Request for Quote, specified on the Purchase Order, and Buyer has provided AllClear with all export information that AllClear has requested. Buyer hereby acknowledges that the timing of an export license for technical data may be delayed as AllClear will apply for such license when it has received the test reports with the completed Product unit. To ensure the timely shipment of Products, AllClear may delay shipment of the Product test report until it has obtained the applicable export authorization and as such the test reports may arrive one to two weeks after the applicable Product shipment. AllClear reserves the right, in its sole discretion, to charge Buyer for any export licensing costs or fees AllClear incurs to deliver the Product and Buyer agrees to pay for any applicable license charges.

XI. CANCELLATION/RETURNED GOODS. All sales with AllClear are final. If the Purchase Order or any part of it shall become impossible to perform, AllClear has not received any payment in accordance with AllClear's payment terms, or Products are returned by the Buyer with prior AllClear approval, AllClear shall be entitled to a fair and reasonable proportion of the Product price in respect of the work done up to the cancellation or return date and for this purpose any monies previously paid by Buyer shall be retained by AllClear. AllClear may withhold shipment until payment(s) have been made in accordance with AllClear's payment terms, and may cancel, at its discretion, any Purchase Order that has not been paid in full sixty (60) days after AllClear's notice of late payment. In the event of breach of payment or any cancellation of these Sales Terms, AllClear may recover as liquidated damages any expenses or cost arising from the cancellation costs or breach of these Sales Terms. Such charge(s) may include a restocking charge and/or a cancellation fee. All cancellation requests must be submitted to AllClear in writing.

XII. INDEMNIFICATION. Buyer shall indemnify and hold AllClear harmless against any and all losses, liabilities, damages, costs, or expenses arising from any and all claims which may be made against AllClear by reason of injury or death which are caused by or alleged to have been caused by the use, sale, transfer, or alteration of the Products or relating to the design of the Products (including its packages or containers) if they are made in compliance with Buyer's design or specifications. Buyer shall also indemnify and hold AllClear harmless from any and all damages or losses to AllClear's property which are caused by any act of omission, negligence or otherwise, of Buyer or any subcontractor of Buyer, or of any of Buyer's employees or agents. These terms benefit solely the Buyer and AllClear and any mutually agreed to in writing successors and assigns. Nothing in these Sales Terms express or implied, confers on any other person or entity any



legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Sales Terms.

XIII. LIMITATION OF LIABILITY. ALLCLEAR'S LIABILITY ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE, FOR ANY LOSS (INCLUDING DEATH) OR DAMAGE ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THESE SALES TERMS, OR FROM THE PERFORMANCE OR BREACH THEREOF, OR FROM THE MANUFACTURE, SALE, REDELIVERY, RESALE, REPAIR OR USE OF ANY PRODUCT, SOFTWARE, OR SERVICES COVERED BY OR FURNISHED UNDER THESE SALES TERMS SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE PRODUCT, SOFTWARE, OR SERVICES WHICH GIVES RISE TO THE CLAIM. ANY SUCH LIABILITY SHALL BE CONDITIONED ON BUYER PROVIDING PROMPT WRITTEN NOTICE TO ALLCLEAR OF ANY CLAIM AND, IN ANY EVENT, WITHIN NINETY (90) DAYS FROM THE DATE OF OCCURENCE OF THE CLAIM UNLESS THE PARTIES HAVE AGREED IN WRITING TO A DIFFERENT CLAIM PERIOD. THE PARTIES AGREE THAT UNDER NO CIRCUMSTANCES SHALL ALLCLEAR BE LIABLE TO THE BUYER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE, LOSS OF USE, OR ANTICIPATED PROFITS, DIMINUTION OR LOSS OF VALUE, USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY OR RECOVERY OF ANY LICENSED SOFTWARE (AS DEFINED BELOW), OPEN-SOURCE COMPONENTS OR THIRD PARTY MATERIALS, OR THE COSTS ASSOCIATED WITH SUBSTITUTION OR REPLACEMENT AIRCRAFT (OR ANY COMPONENTS THEREOF). THE FOREGOING LIMITATIONS SHALL APPLY EVEN IF BUYER'S REMEDIES UNDER THESE SALES TERMS FAIL OF THEIR ESSENTIAL PURPOSE.

XIV. GOVERNING LAW AND ARBITRATION. Any and all disputes, controversies, differences, or claims arising out of or relating to a Purchase Order shall be governed by and construed in accordance with the Laws of the State of Florida, USA without reference to potential conflict with other laws, rules, and regulations and specifically excludes reference to the UN Convention on Contracts for the International Sale of Goods. If AllClear is the prevailing party in any suit or other legal proceeding between Buyer and AllClear, AllClear shall be entitled to its reasonable attorney's fees and costs incurred therein and all sums due under these Sales Terms.

XV. PROPRIETARY RIGHTS; PRIVACY POLICY. Buyer recognizes that the publications, support data, and other information delivered hereunder constitute and incorporate information which is proprietary to AllClear, its affiliates, its licensors and suppliers. Buyer shall use AllClear Proprietary Information solely for its own benefit and not to support or provide services to any third party unless expressly authorized by AllClear in writing. All rights not expressly granted by AllClear hereunder are reserved, including without limitation, all rights in U.S. or foreign patents. Buyer shall not remove or obstruct any copyright notices or other proprietary notices present on any AllClear Proprietary Information. All software of AllClear or its licensors provided with the Product shall be subject to AllClear and/or its licensors standard software license terms, which shall govern all uses of such software.

XVI. EXCUSABLE DELAY; FORCE MAJEURE. AllClear will make every reasonable effort to ship ordered products in a timely manner. However, AllClear will not be liable to Buyer for any failure to meet its obligations due to any cause beyond its reasonable control including, but not limited to, government embargoes or any other government acts that interfere with performance; blockades; seizure or freeze of assets; delays or refusals to grant an export license or the suspension or revocation thereof; fires, floods, pandemics, severe weather conditions; any other acts of God, quarantines or regional medical crisis; labor strikes or lockouts; riots, strife, insurrection, civil disobedience, armed conflict, terrorism or war (declared or not) or impending threat of any of the foregoing, if reasonably expected to cause injury to people or property; and shortages or inability to obtain materials or components or any other excessive supplier delay or refusal to ship to AllClear. The due date of any performance affected by such an event will be extended by the period of time that AllClear is actually delayed.



XVII. NON-WAIVER. AllClear's failure to insist upon the strict performance of any term or condition herein shall not be deemed a waiver of any of AllClear's rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. No waiver of any term or condition hereunder shall be valid unless in writing and signed by an authorized representative of AllClear.

XVIII. SOFTWARE. Subject to the license and use terms set forth in any vendor's license terms for the Software procured in any applicable Purchase Order (the "**Licensed Software**") and those set forth herein, AllClear hereby grants to the Buyer a non-exclusive, non-sublicensable and non-transferable, limited license to use the licensed software and documentation solely for the permitted use during the authorized term of the applicable Licensed Software. Unless narrower restrictions exist in any other applicable software license terms of the manufacturer or vendor, the Buyer may (i) install, use and run one copy of the Licensed Software on its computer(s) at a time/on its network; and (ii) make copies of the Licensed Software solely for testing, disaster recovery or archival purposes. Any copy of the Licensed Software made by the Buyer: (a) will remain the exclusive property of AllClear and its licensor(s); (b) be subject to the terms and conditions of these Sales Terms and any other terms set forth in the Purchase Order; and (c) must include all copyright or other intellectual property rights notices contained in the original. Upon receipt of full payment for each procured Licensed Software, AllClear shall ensure that it or its licensor(s) provide such Licensed Software for download to the Buyer. The Buyer shall be deemed to accept the Licensed Software upon delivery; provided however, any applicable warranties set forth in the Purchase Order shall apply for the duration of the applicable warranty period. AllClear or its licensor's may provide the Buyer with maintenance and support in connection with Buyer's authorized use of the Licensed Software. Such maintenance and support shall be purchased separately from the Licensed Software and is optional. If the Buyer opts to purchase maintenance and support from AllClear, a separate Software and Maintenance Agreement will be entered into by the parties. AllClear may subcontract any or all of its obligations to provide the Licensed Software and any maintenance or support for such software hereunder to one or more qualified parties without the Buyer's prior consent, unless otherwise restricted in the Purchase Order for the Licensed Software or any attachment thereto.

XIX. SEVERABILITY & SURVIVAL. If any provisions of these Sales Terms are held by a court of competent jurisdiction or arbitrator to be illegal, invalid, or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that the Sales Terms shall otherwise remain in full force and effect and enforceable to the fullest extent permitted by law. All provisions of this Sales Terms which by their nature should apply beyond its term will remain in force after any termination or expiration of these Sales Terms, including, but not limited to, those addressing the following subjects: Export, Price, Payment, Repairs, Purchase Order, Limitation of Liability, Warranty, Indemnification, Software, Audit, Governing Law, and Severability & Survival.

THESE TERMS AND CONDITIONS CONSTITUTE THE STANDARD TERMS AND CONDITIONS OF SALE FOR ALLCLEAR AND ARE INCORPORATED IN THEIR ENTIRETY BY REFERENCE INTO ALL PRODUCT, SOFTWARE, AND REPAIR SALES MADE BY ALLCLEAR TO BUYER UNLESS OTHERWISE EXPRESSLY SPECIFIED HEREIN. ANY MODIFICATION OF THESE TERMS AND CONDITIONS FOR THE PRODUCTS SUBJECT TO THESE SALES TERMS SHALL REQUIRE THE SIGNATURE OF AN AUTHORIZED REPRESENTATIVE OF EACH PARTY.