



TERMS AND CONDITIONS OF SALE

1. **These Terms and Conditions of Sale (hereinafter "Agreement") represent the terms of sale between IFR, Inc.,** a Michigan corporation d.b.a. Integrated Fabric Resource, Integrated Fabric Resource ULC, IFR DE Mexico S. DE R.L. DE C.V., **and Purchaser of IFR, Inc.'s products.**
2. **Any dates** specified by the parties for the delivery of product are intended to be estimates only. However, IFR, Inc. will use reasonable efforts to supply product purchased within the time requested and in any event within a reasonable period. IFR, Inc. will not be liable for any losses, costs, damages, charges or expenses caused directly or indirectly by any delay in the delivery (even if caused by IFR, Inc.'s negligence) and nor will any delay entitle Purchaser to terminate or rescind the purchase, unless such delay exceeds 80 days, in which event the termination or rescission shall be Purchaser's sole remedy.
3. **All amounts** quoted are in United States Dollars and payment must be in United States Dollars unless quotation is made in another currency. Past due balances shall be subject to a financing fee of one and a half percent (1 ½%) per month. We will accept credit card payment with a 3% processing fee.
4. **Pricing** is FOB shipping point for North American shipments with shipping being the responsibility of the Purchaser. Pricing is DDP destination for European shipments. IFR, Inc. will package the product and prepare it for shipping. Exceptions will be made to these guidelines as needed.
5. **IFR, Inc.** may require that any product to be delivered to a location outside the United States be covered by a confirmed irrevocable letter of credit drawn on a bank acceptable to IFR, Inc.
6. **Neither Purchaser nor IFR, Inc.** shall be liable for failures in performance, including delay or non-shipment, resulting from acts or events beyond its reasonable control, such as acts or events that include, but not be limited to, acts of God, civil or military authority, civil disturbance, fire, strikes, lockouts or slowdowns, factory or labor conditions, inability to obtain necessary labor, materials or manufacturing facilities, delayed issuance of export control licenses, or other "force majeure" events beyond the reasonable control of the non-performing party. In the event of such delay, the date of shipment shall, at the request of IFR, Inc., be deferred for a period equal to the time lost by reason of the delay and otherwise for a reasonable time.
7. **Product supplied by IFR, Inc.** shall be received subject to Purchaser's inspection and approval within five days after delivery. If specifications are not met, Purchaser shall notify IFR, Inc. and provide an opportunity for inspection by IFR, Inc. or its representatives at a time that is mutually agreed upon. If the goods are shown to be defective, all costs incurred by IFR, Inc.'s inspection will be borne by IFR, Inc., but if shown not to be defective, will be a cost of Purchaser. If the product is determined by IFR, Inc. to be nonconforming, IFR, Inc. may repair or replace the nonconforming items at its election, and as Purchaser's sole remedy.
8. **Cancellation: No order accepted by IFR may be cancelled or altered by Purchaser except upon terms and conditions acceptable to IFR as evidenced by written consent signed by a duly authorized representative of IFR.**
9. **Risk of loss** shall pass from IFR, Inc. to Purchaser upon delivery either FOB Zeeland, Michigan or DDP, destination, depending upon the shipment destination (see section 4 above). The procuring of all necessary permits and licenses for shipment and compliance with any Governmental Regulations shall be the sole responsibility of Purchaser for shipments in North America. Purchaser grants and IFR, Inc. reserves the right to retain a security interest in the products furnished to Purchaser, and all modifications or additions thereto, until payment is made in full on all unpaid invoices or active purchase orders for products or services. IFR, Inc. reserves the right to not ship any product or provide any service in the event Purchaser's financial condition or prospects become unsatisfactory to IFR, Inc.
10. **Resolution of any dispute** between the parties shall exclusively be in the State of Michigan, with application of Michigan law, and Purchaser consents to jurisdiction in Michigan. IFR, Inc. does not consent to jurisdiction in any location other than Michigan. IFR, Inc. shall be entitled to all attorneys' fees and costs incurred to enforce this Agreement.
11. **Purchaser agrees** not to engage in or conduct any reverse engineering or analysis of the product supplied by IFR, Inc., nor cause nor request any other company, person, or entity to do the same for the purposes of analyzing the product supplied by IFR, Inc. without the prior written consent of IFR, Inc. In any event, any analysis information concerning the product supplied by IFR, Inc. shall be considered technical information and know-how under this Agreement. All design features not specifically provided by the Purchaser or purchased from a 3rd party that is not an independent contractor of IFR, Inc. shall be considered technical information and know-how under this Agreement. Purchaser agrees to keep in confidence all technical information and know-how disclosed to it by IFR, Inc. and agrees not to use for any purpose whatsoever, nor disclose to any third party any such technical information and know-how without the express written consent of IFR, Inc.
12. **Nothing in this Agreement,** nor in any performance by IFR, Inc. shall be deemed by implication or otherwise to convey to Purchaser any right under any patents, patent applications or inventions, trade secrets, or confidential information owned by IFR, Inc. nor shall this proposal be deemed a commitment of any kind by IFR, Inc. to enter into any further agreement with Purchaser.
13. **Purchaser** will indemnify and keep indemnified IFR, Inc. from and against any costs, claims, demands, liabilities, damages or losses and all interest, penalties and legal and other professional costs and expenses arising out of or in connection with the Purchaser's use, possession or ownership of the product or any subsequent possessor of the product supplied to Purchaser. This indemnity shall cover (but is not limited to) IFR's liability to third parties arising out of the use or sale of the Product, except to the extent that IFR was solely negligent for the loss.
14. **The items and conditions** of this Agreement only will apply to each order accepted or shipped by IFR, Inc., and Purchaser's acceptance is solely limited to the terms of this Agreement, and is a final expression of the parties agreement notwithstanding the prior or subsequent use or tender by Purchaser of any other document purporting to govern the terms of this purchase. Purchaser may, however, use its standard order form to order products pursuant to this Agreement, provided that only the typed or handwritten provisions on the face of an order specifying the Products, price, quantities and order dates may supplement this Agreement if they are not inconsistent with this Agreement, and all other terms of Purchaser's order will be deemed a material alteration of IFR, Inc.'s terms, and are objected to, rejected and deleted and shall not become a part of this Agreement even if the order is accepted by IFR, Inc. This provision will apply even if Purchaser's request for quote, purchase order or any other document states otherwise. Acknowledgement of receipt of a purchase order does not constitute acceptance or modification, or additions to these terms.
15. **Limited Warranty:**
 - a. **IFR, Inc. hereby undertakes** to repair or replace at IFR, Inc.'s option, or to arrange repair or replacement by IFR, Inc.'s representative of, any product supplied by IFR, Inc. to Purchaser if a defect in materials or workmanship arises under conditions of normal and proper use and maintenance (fair wear and tear, and consumables excepted) for 5 years, provided that:
 - 1.1 The product was purchased and used for a purpose for which it was suitable, was operated and maintained in accordance with the instructions, and was not used in a way which was unsuitable;
 - 1.2 The claim is first notified promptly in writing to IFR, Inc., within the warranty period, and not more than thirty (30) days after the defect was discovered;
 - 1.3 The Product has not been repaired or modified by anyone other than IFR, Inc. or at IFR, Inc.'s direction;
 - 1.5 The defect does not arise from Purchaser's specification or instructions; and
 - 1.6 Purchaser has paid the purchase price for the Product in full.
 - b. **Any repaired** or replaced Product will continue to be warranted for the unexpired period of the warranty. Failing satisfactory repair or replacement, IFR, Inc. may satisfy IFR, Inc.'s liability under this warranty by reducing the purchase price or refunding the purchase price and retaking the Product. In the case of a replacement, Purchaser agrees to take all necessary steps to return the defective product, at IFR, Inc.'s cost if shipping terms are approved by IFR, Inc., within ten (10) days of delivery of the replacement product by IFR, Inc.
 - c. **This is a Limited Warranty** and it is limited only to the express warranty provided in this section. There are no implied warranties except those which the law does not permit to be waived. This limited warranty is exclusive and expressly in lieu of all other warranties, expressed or implied, including the warranties of merchantability and fitness for use. This limited warranty also excludes, without limitation, any obligation with respect to consequential or incidental damages which are expressly disclaimed by IFR, Inc. and waived by Purchaser. This Limited Warranty is in effect for the five year period stated above. In the event a defect in workmanship exists covered by the Limited Warranty, IFR, Inc. has an absolute right to cure, and this Limited Warranty is Purchaser's sole and exclusive remedy, except where prohibited by law. This Limited Warranty and rights under this Agreement are non-assignable, and is enforceable only by the Purchaser that received delivery of the product from IFR, Inc.