



10000 Iota Dr.
San Antonio, TX. 78217
Phone: (210) 590 - 6100
Fax: (210) 590 - 6884

MSA PURCHASE ORDER TERMS AND CONDITIONS

1. GENERAL PROVISIONS

By accepting the Purchase Order, and/or performing hereunder, seller agrees to comply fully with the Terms and Conditions of purchase set forth on both the front and reverse sides of this document. Acceptance of the Purchase Order is expressly limited to the Terms and Conditions of this order and none of the seller's Terms and Conditions shall apply in acknowledging this order or in the acceptance of this order. Acceptance by MSA Aircraft Products, Inc. (herein after referred to as MSA) of the goods, service or work delivered under this Purchase Order shall not constitute agreements to seller's Terms and Conditions. Seller may not ship under reservation. Changes, modification, waivers, additions to the Terms and Conditions of this order shall be binding on MSA only if such changes, modifications, waivers, additions or amendments are in writing and signed by a duly authorized representative of MSA.

2. INVOICING

Invoice attention: Accounts Payable, 10000 Iota Drive, San Antonio, Bexar County, Texas 78217.
Date of each shipment is required.

3. TERMS

The delivery dates indicated by MSA for the articles, material or work to be supplied under this Purchase Order are of the essence. Failure to meet agreed upon delivery shall be considered a material breach of the contract; furthermore, Seller agrees to pay MSA any penalty and damages imposed upon or incurred by MSA for failure of Seller to deliver articles, materials or work on such delivery dates. Unless otherwise agreed in writing, Seller shall not make commitments for material or production in excess of the amount or in advance of the time necessary to meet MSA's delivery schedule. It is Seller's responsibility to comply with this schedule, but not to anticipate MSA's requirements. Goods shipped to MSA in advance of schedule may be returned to Seller at Seller's expense. MSA may reschedule the delivery of any unshipped product for a later delivery within ninety (90) days of the originally scheduled delivery date as or specified on this order. Invoice must show cash discount if allowed. If quantity is not sufficient to avoid minimum charge, advise before shipping. The specific quantity order must not be increased without permission.

4. CHANGES

MSA may change from time to time any of the drawings, specifications or instructions for work covered by this Purchase Order and Seller shall comply with such change notices. If such changes



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result in a decrease or increase in Seller's cost or in the time for performance, an adjustment in price and time for performance may be made by the parties in writing, provided, however, that Seller notifies MSA of the request for such adjustments within thirty (30) days after receipt of change notice.

5. QUALITY AND INSPECTION

All material furnished must be as specified and will be subject to inspection and approval after delivery. The right is reserved to reject and return at the risk and expense of the supplier such portion of any shipment which may be defective or fail to comply with specification without invalidating the remainder of the order.

6. ACCEPTANCE AND WARRANTY

Final acceptance of material by MSA will not be until after arrival at the MSA facility from which this order originates, unless otherwise specified herein. Seller warrants that all articles, material and work supplied by Seller under this order conforms to the requirements, specifications, drawing, samples or other descriptions furnished or adopted by MSA and that they are of good material and workmanship and free from all defects in manufacture or design and are of merchantable quality and fit for their intended purpose. Such warranties by Seller shall run to the benefits of MSA, its employees and purchasers from MSA. MSA's approval of designs furnished by Seller shall not relieve Seller of its obligation under this warranty. Seller's warranty shall be effective for a period of time set forth, on the face of this Purchase Order. If no such schedule is set forth on the face hereof, the warranty shall be effective for a period of two (2) years from the date of acceptance of goods by MSA, or for such longer period specified by Seller. All articles and material returned to Seller for breach of warranty hereunder shall be at Seller's expense, including expenses and penalties incurred by MSA in recalling such articles and materials which have been delivered to MSA's customer(s) and all expense of redelivery. Seller agrees that shipment of materials against this order constitutes certification that all articles or goods included in this shipment conform in all respect to the applicable requirements, specifications and drawings. Seller will make process control data, inspection and test reports covering the articles or goods and their parts available for review and subject to examination by MSA or its authorized representatives to verify conformance to such applicable specifications and drawings. However, a certificate of conformance must accompany individual shipments when so specified on applicable drawings, or on the face of this order. Any articles or materials not accepted by MSA may be returned to Seller at Seller's expense for full credit of the purchase price. Inspection may be performed at MSA's option on a statistical sampling basis. The entire lot may be rejected based on defects revealed by such sampling. At MSA's option, the rejected lot will be either returned to Seller for replacement or credit or 100% screened acceptance, and shall not waive the right of



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MSA to return material to Seller which exhibits or develops due to latent causes during or after installation or testing of the end product. Seller shall preserve all special drawings, dies, patterns, tools or other items supplied by or paid for by MSA in good condition, and they are the property of MSA unless otherwise specified. The same such items shall be returned in good condition when the work on the order has been completed or terminated, or at any other time as requested by MSA. No special drawing, die, pattern, tool or other item supplied by MSA or made by Seller for the use or delivery of goods to MSA shall be used by the Seller for any purpose other than supplying MSA, without first obtaining the written consent of MSA thereto. Information, data and specifications regarding tools, dies, patterns and special drawings supplied by MSA to Seller shall be proprietary information belonging to MSA and shall not be used for any purpose other than supplying goods to MSA. Products, parts and subparts manufactured by Seller for MSA shall not be sold to any other Company without first obtaining the written consent of MSA. Seller shall not disclose or confirm the identity of MSA as a Buyer of parts, subassemblies or products of Seller. The Seller shall bear all risk of loss of, or damage to any material, equipment, special drawings, dies, patterns or other items furnished by MSA. The risk of loss shall remain with the Seller from the time of shipment by Seller until redelivery to and acceptance by MSA. If Seller is prevented from delivering, or MSA is prevented from receiving the materials or articles referred to in this order as a result of governmental actions or regulations, except as hereinafter provided, or fires, strikes, accidents, and other unforeseeable causes beyond the control of either party, the obligation to receive or deliver shall be suspended for a reasonable time during which such causes continue to exist.

7. PRICE ADJUSTMENT

MSA will not accept shipment at any increase in price above that indicated on the face of this order. Any general price decrease announcement by Seller in classification of equipment and/or materials similar to the items described on this order shall automatically reduce the price thereof by comparable percentage.

No charges of any kind, including charges for boxing or cartage, will be allowed unless specifically agreed to by MSA in writing. Pricing by weight, where applicable, covers net weight of material, unless otherwise agreed.

8. PATENTS AND COPYRIGHTS

Seller agrees to indemnify and to save MSA, its officers, employees, agents and vendors (mediate and immediate) harmless from any and all loss, expense, damage, liability, claims or demands either at law or in equity for actual or alleged infringement of any patent, design, trademark, service mark, or copyright arising from the purchase, use or sale of materials or articles required by this purchase order, except where such infringement or alleged infringement arises by reason of designs and specifications for such materials or articles originally furnished to Seller by MSA.



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9. INDEMNITY

In the event Seller, its officers, employees and agents or any of them enter premises owned, leased, occupied by or under the control of MSA in the performance of or in connection with this Purchase Order, Seller agrees to indemnify and hold MSA, its officers, agents and its employees harmless from any loss, cost damages, or bodily injury including death, or whatsoever kind or nature arising out of, or incidental to the performance, deliver or installation of this order occasioned in whole or in part by any action or omission of Seller, its employees, officers and agents or any of them. Seller will maintain general comprehensive liability, property damage, product liability and automobile liability insurance, including contractual endorsement and products hazard coverage, in reasonable amounts covering the obligations set forth in the order and, upon request, it will provide MSA with a Certificate of insurance indicating the amount of such insurance.

10. SALES AND USE TAX EXEMPTION

It is hereby certified that the above described property is exempt from the sales and use tax, unless otherwise noted for the reasons that such property is purchased for resale or will become an ingredient or component part of, or be incorporated into, or used or consumed in, a manufactured product produced for ultimate sale at retail. If the property described on this order is purchased tax exempt and subsequent use makes this property taxable, MSA will assess and pay to the appropriate state and/or taxing entity applicable.

11. NON-PERFORMANCE

MSA reserves the right to cancel this order or any portion of same if delivery is not made when and as specified, time being of the essence.

12. APPLICABLE LAW

The validity interpretation and performance of these Terms and Conditions for purchase made hereunder shall be governed by the laws of the State of Texas.

13. AUTHORITY

This Purchase Order is not valid unless signed by Purchasing Agent or Corporate Officer.

14. RECORD RETENTION

Seller will retain all process control data, inspection, test reports, special drawings, dies, patterns, tools covering the articles or goods and their parts for a period not less than five years from its last usage, unless directed otherwise by MSA customer contract.

15. FACILITIES AND PROCESS INSPECTIONS

Seller providing articles and services manufactured or conforming to MSA-approved design data shall be subject to MSA surveillance of their facilities and procedures, as deemed necessary by MSA and a designated representative of the FAA, should the FAA deem it necessary.