



ASTRONICS TEST SYSTEMS INC. ("Seller") CUSTOMER SERVICE TERMS AND CONDITIONS - CS001

PURCHASER ACCEPTANCE

These Terms and Conditions constitute a binding contract between Purchaser and Seller and are referred to herein as either "Terms and Conditions" or this "Agreement". Purchaser accepts these Terms and Conditions by making a purchase from or placing an order with Seller or otherwise requesting products (the "Products"). If, however, for any reason the Purchaser fails to accept this order in writing, any conduct by the Purchaser which recognizes the existence of this order, including but not limited to acceptance of delivery of the items set forth in this order, payment of fees owed to Seller for this order or uses the product in any way shall constitute acceptance of the Seller order and all of its terms and conditions. Any terms proposed by Purchaser which require acceptance of Seller in order to add to or vary from or conflict with these Terms and Conditions are hereby rejected by the Seller unless agreed to in writing by the Seller. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and supersedes and replaces in its entirety any and all prior communications and contemporaneous agreements and understandings, whether oral, written, electronic or implied, if any, between the parties with respect to the subject matter hereof.

PRICES

The Seller will provide a repair quote to the Purchaser for all billable repairs before any repairs are performed. The quoted price can be either in a form of a fixed repair price or may require an initial evaluation fee before a final price can be quoted. A valid purchase order is required before the Seller can proceed with return authorization or repair. Taxes or other fees are not included in the quoted price and are paid by Purchaser as required.

TERMS OF PAYMENT

Terms of Payments on any approved order are net 30 days from date of invoice unless otherwise specifically stated on the reverse side thereof. Interest accrued on overdue invoices at the rate of 1% per month from the original due date of the invoice or the maximum amount allowed by law. Extended terms waiving interest charges must be arranged prior to shipment and approved by Seller. All purchase orders are accepted subject to, and the obligation of Seller to make deliveries is subject to, the right of Seller to require of the Purchaser payment of all or any part of the purchase price in advance of delivery or to make shipments C.O.D. If the Purchaser fails to make advance payment when requested by Seller, or if the Purchaser is or becomes delinquent in the payment of any sum due to Seller (whether or not arising out of the sales order) or refuses to accept C.O.D. shipments, then Seller shall have the right, in addition to any other remedy to which it may be entitled in law or in equity, to cancel the sales order, refuse to make further deliveries, and declare immediately due and payable all unpaid amounts of goods previously delivered to the Purchaser. Each shipment shall be considered a separate and independent transaction and payment thereof shall be made accordingly.

SHIPMENTS

Transportation charges are prepaid by the Purchaser and after repair products will be returned to the Purchaser with the transportation charges collect. Seller agrees to pay outbound transportation charges back to the purchaser for items under warranty and cost of packaging for shipment is included in the quoted price. Special packaging including MIL Standard packaging is available at an extra charge.

All claims for breakage and damage, except on parcel post shipments, should be made to the carrier but Seller will render all possible assistance in securing satisfactory adjustment to such claims. Claims against parcel post shipments should be communicated immediately to the factory for adjustment. Seller assumes no responsibility for delay, breakage, or damage after having made delivery in good order to the carrier, except for parcel post shipments. Shipments shall be made in the manner and by the carrier requested by the Purchaser, but where questions arise concerning suitability of carriers for handling specific instruments, the decision of Seller must be accepted.

PACKAGING

Care should be taken to ensure goods are properly packed and that no damage occurs in transit. To avoid expensive repair charges its recommended products be returned in their original shipping carton. If the original packaging is not available an appropriate size carton or crate with foam inserts should be used. Seller is not responsible for any damages incurred during transit.

DELIVERY

The scheduled shipping or delivery date is our best estimate of the time the order will be shipped from our factory and we assume no liability for loss, damage, or consequential damages due to delays.

TAXES

Federal, state or local excise, sales or use taxes shall be paid by the Purchaser.

WARRANTY

EXCEPT FOR THOSE WARRANTIES EXPRESSLY PROVIDED IN THIS SECTION ALL OTHER WARRANTIES EITHER EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, IS EXPRESSLY EXCLUDED.

Seller warrants it's repaired products from the date of repair for a period equal to the remaining warranty period or 90 days whichever is greater and agrees to repair or at our discretion replace any defects developed within the warranty period.

Items claimed defective must be returned by submitting a RMA Request form to the seller. All returned material must have a valid RMA number. Seller reserves the right to refuse shipments that do not have an authorized RMA number. Products returned to ATS without a valid RMA number clearly marked on the outside of the package will be returned to shipper via collect freight. RMA number is valid for 60 days from the issue date. A new RMA number will need to be obtained after the validation period expires. RMA numbers previously issued cannot be reused or duplicated.

Seller makes no warranty concerning accessories not manufactured by Seller. In the event of such failures Seller will provide reasonable assistance to the Purchaser in obtaining a solution in respect to the original equipment manufacturers (OEM) warranty and capabilities.

In the event the Seller is unable to procure new parts required to repair a product not under warranty Purchaser authorizes Seller to use reconditioned, used or aftermarket parts in the repair of the product.

The warranty is voided if a) customer alters the Product without Seller's prior written approval b) product is operated not consistent with its published specification or c) damage is caused as a result of repair by an unauthorized personnel.

Seller repair process includes a complete visual, electro-mechanical and operational assessment in accordance to final published test specifications. These results may not allow for a clear identification of the root cause. Further analysis can be jointly agreed upon for an additional fee.

Representations and warranties made by any person, including dealers and representatives of Seller, which are inconsistent or in conflict with the terms of this warranty (including but not limited to the Limitations of the Liability of Seller as set for the below), shall not be binding upon Seller unless reduced to writing and approved by an officer of Seller.

REPAIRS

In the event the Seller is unable to procure new parts; assemblies; or components required to repair a Product which is no longer under warranty, Purchaser hereby authorizes Seller to use reconditioned, used or aftermarket parts, assemblies or components in the repair of the product.

NO FAULT FOUND

Any unit returned for repair or service at which the reported problem could not be confirmed and operates within factory specifications is classified as a No-fault found. ("NFF"). When a unit is diagnosed as "NFF" Purchaser will be contacted for additional information. After gathering more information Purchaser may identify additional tests to verify the complaint. Units diagnosed as "NFF" are subject to a fee equivalent to 40% of the quoted repair price. "NFF" fees are applicable to both warranty and non-warranty returns.

BEYOND ECONOMICAL REPAIR

During the repair cycle seller may classify a unit as Beyond Economical Repair ("BER "). A "BER: condition exists if any of the following applies; a) total cost of parts and labor exceed 60% of the replacement cost of the item b) it is physically damaged beyond repair or c) after extensive testing and repair a unit cannot be brought back to its original specifications. "BER" units can be disposed in house or returned to the purchaser unrepaired with transportation charges collect. A "BER" fee equivalent to 40% of the quoted repair price is applicable.

UPGRADES

Seller reserves the right to perform hardware or firmware upgrades during the repair at own discretion and as necessary. The upgrade may address bug fixes, enhance performance or both. If such upgrades are performed item label will be replaced to display products new released revision. Purchasers who wish not to receive any of the required upgrades must decline the option on the RMA form at the time of the request.

LIMITATION OF LIABILITY

UNLESS SPECIFICALLY SET FORTH IN THIS AGREEMENT, IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF GOODWILL, PROFITS, DATA, (OR USE THEREOF), OR BUSINESS INTERRUPTION ARISING OUT OF EITHER PARTY'S ACT OR FAILURE TO ACT, WHETHER SUCH DAMAGES ARE PREMISED IN TORT, CONTRACT, OR OTHERWISE, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE ENTIRE LIABILITY OF SELLER FOR DAMAGES FROM ANY CAUSE WHATSOEVER WILL NOT EXCEED THE DOLLAR AMOUNT PAID BY PURCHASER FOR THE PRODUCT(S) GIVING RISE TO THE CLAIM. THE LIMITATIONS SET FORTH IN THIS SECTION SHALL APPLY EVEN IF ANY EXCLUSIVE REMEDY IN THIS AGREEMENT FAILS OF ITS ESSENTIAL PURPOSE.

GOVERNING LAW

THESE TERMS AND CONDITIONS, ANY STATEMENTS OF WORK, AND ANY SALE OF PRODUCTS HEREUNDER WILL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO CONFLICTS OF LAWS RULES. ANY ARBITRATION, ENFORCEMENT OF AN ARBITRATION OR LITIGATION WILL BE BROUGHT EXCLUSIVELY IN ORANGE COUNTY, CALIFORNIA, AND PURCHASER CONSENTS TO THE JURISDICTION OF THE FEDERAL AND STATE COURTS LOCATED THEREIN, SUBMITS TO THE JURISDICTION THEREOF AND WAIVES THE RIGHT TO CHANGE VENUE. PURCHASER FURTHER CONSENTS TO THE EXERCISE OF PERSONAL JURISDICTION BY ANY SUCH COURT WITH RESPECT TO ANY SUCH PROCEEDING. Except in the case of nonpayment, neither party may institute any action in any form arising out of these Terms and Conditions more than one (1) year after the cause of action has arisen. The rights and remedies provided Seller under these Terms and Conditions are cumulative, are in addition to, and do not limit or prejudice any other right or remedy available at law or in equity.

EXPORT RESTRICTIONS

Purchaser shall not export, re-export or transfer, directly or indirectly, any product or technical data received hereunder, to any country or end user to which such export, re-export or transfer is restricted by United States Export Control Regulations or local country law or regulation, without first obtaining any required export license, authorization, certification or approval. If Purchaser resells or otherwise disposes of any Product purchased hereunder Purchaser will comply with any export restrictions applicable to such transfer.

Purchaser shall indemnify, defend and hold Seller harmless from and against any loss, liability, cost or expense (including reasonable legal fees) related to any action arising from Purchaser's failure to comply with this Section.

ARBITRATION

Any claim, dispute, or controversy (whether in contract, tort or otherwise, whether preexisting, present or future, and including, but not limited to, statutory, common law, intentional tort and equitable claims) arising from or relating to the Products, the interpretation or application of these Terms and Conditions or any Statement of Work or the breach, termination or validity thereof, the relationships which result from these Terms and Conditions or any Statement of Work (including, to the full extent permitted by applicable law, relationships with third parties who are not signatories hereto), (collectively, a "Claim") WILL BE RESOLVED EXCLUSIVELY AND FINALLY BY BINDING ARBITRATION. Arbitration will be conducted pursuant to the Rules of the American Arbitration Association. Neither Seller nor Purchaser will have the right to litigate that Claim in court or to have a jury trial on that Claim or to engage in pre-arbitration discovery, except as provided for in the applicable arbitration rules or by agreement of the parties involved. **Further, Purchaser will not have the right to participate as a representative or member of any class of claimants pertaining to any Claim.** Notwithstanding any choice of law provision included in these Terms and Conditions, this arbitration agreement is subject to the Federal Arbitration Act (9 U.S.C. §§ 1-16). The arbitration will take place exclusively in Irvine, California. Any court having jurisdiction may enter judgment on the award rendered by the arbitrator(s). Each party involved will bear its own cost of any legal representation, discovery or research required to complete arbitration. The existence or results of any arbitration will be treated as confidential. **Notwithstanding anything to the contrary contained herein, all matters pertaining to the collection of amounts due to Seller arising out of the Products will be exclusively litigated in court rather than through arbitration.**

MISCELLANEOUS

Seller may assign or subcontract all or any portion of its rights or obligations with respect to the sale of Products or assign the right to receive payments, without Customer's consent. Customer may not assign these Terms and Conditions, or any of its rights or obligations herein without the prior written consent of Seller. Subject to the restrictions in assignment contained herein, these Terms and Conditions will be binding on and inure to the benefit of the parties hereto and their successors and assigns. No provision of this Agreement or any Statement of Work will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by both parties. The relationship between Seller and Purchaser is that of independent contractors and not that of employer/employee, partnership or joint venture. If any term or condition of this Agreement or a Statement of Work is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or conditions hereof or thereof or the whole of this Agreement or the applicable Statement of Work. Notices provided under this Agreement will be given in writing and deemed received upon the earlier of actual receipt or three (3) days after mailing if mailed postage prepaid by regular mail or airmail or one (1) day after such notice is sent by courier or facsimile transmission. Any delay or failure by either party to exercise any right or remedy will not constitute a waiver of that party to thereafter enforce such rights.