



TERMS AND CONDITIONS

LIMITED WARRANTY

DK Turbines warranty for a new or overhauled part is six (6) months and a serviceable part is three (3) months from the date of shipment, unless otherwise specified by seller. DK Turbines obligation under this warranty shall be limited to workmanship on labor performed and replacement of any article completed at the time of repair/overhaul. If a part is confirmed to be defective in material or workmanship during the warranty period, DK Turbines will repair the defective part at its own expense with reasonable promptness or refund the invoiced price less prorated charges for time used. The Warranty Return Form filled out with the description of the failure or fault must be provided along with the part being returned. If a warranty replacement part is supplied to customer before claimed defective part is evaluated, DK Turbines will invoice the replacement unit at the current price plus shipping until evaluation can be made on the warranty unit. DK Turbines reserves the right to pass along cost that may incur from the vendor(s) for any warranty that is denied. If during the warranty period, any part is returned for claimed warranty and the part is found to be functional with no defects, the customer will be invoiced the fees incurred to return the unit to the original condition when sold. For high wear items such as brakes, starter generators, etc., the exclusive remedy for a warranty claim will be the repair of the defective unit. If a warranty exchange unit is provided to the customer, the warranty does not extend beyond the original warranty period. DK Turbines reserves the right to deny warranty, if at any time; (1) Customer's account becomes delinquent, (2) the Customer, on their own behalf, purchases a replacement unit from a second source, or (3) the part is subjected to neglect, damage, or improper handling or use. Shipping costs for warranty returns are the customer's responsibility.

THESE WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL DK TURBINES BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT AND/OR EXTRANEIOUS DAMAGES INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

RETURNS POLICY

All returned parts must be received within thirty (30) days of the invoiced date and require a Return Material Authorization (RMA) number. There will be no returns accepted after thirty (30) days without prior approval. If the return is within thirty (30) days, and is because of our error, there will be no restocking fee. All other returns are subject up to a 20% restocking fee and possible recertification fees. All parts must be returned with original documentation and in original packaging or customer will be invoiced for recertification fees. Returned electrical units and gyros may be subject to recertification fees at customers' expense. All shipping charges involved in returning a unit, including any duties, taxes, and customs fees, must be paid by the shipper.

EXCHANGE TERMS

Exchange prices are quoted on the basis that the returned repairable core will be of the same part number, dash number and modification status as the exchange unit provided. A repairable core is a unit that is in the condition as removed from an aircraft that can be economically repaired, and to include intact data plate with complete and legible part number and serial number on it. Returned cores should have the "core return information sheet" included to help expedite the processing of the core. The "core return information sheet" will be shipped along with the exchanged part. Failure to provide service data information can result in core rejection. If abnormal damage is found, either during receipt of part or during overhaul, charges will be billed as they become available. If a core is found to be Beyond Economical Repair (BER), the customer will be billed for the core charge listed on the original invoice plus the core evaluation fee. All cores due within fifteen (15) days. Evaluation of your core may take up to 90 days from receipt, if further time is needed, we will notify you at that time. To avoid late fees and/or outright billing of replacement costs, all cores must be received within sixty (60) days. If a customer chooses to return a core after sixty (60) days, the core acceptance is subject to approval by DK Turbines. If an acceptable core is received after the core has been invoiced, DK Turbines reserves the right to credit the core charge less a 10% late core fee. All shipping charges involved in returning a core, including any duties, taxes and custom fees, must be paid by the

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shipper.

AS REMOVED ORDER TERMS

As removed (AR) parts are sold based on the part requiring an inspection. If a part is determined to be beyond economical repair (B.E.R.), then it can be returned for a full refund within thirty (30) days from the date of sale. Returned parts must have a copy of a work order or teardown report from an approved FAA Repair Station stating the unit is beyond economical repair (B.E.R.). As removed parts returned within thirty (30) days without a teardown report are subject to a 20% restocking fee. Extensions are occasionally granted for special circumstances and must be approved before the end of the thirty (30) day period.

EXCESSIVE CORE OVERHAUL / REPAIR

If the overhaul/repair cost of a core exceeds 85% of the exchange price, we consider the repair cost excessive. In this case, the customer would be invoiced for any above normal parts and labor.

SCRAP/B.E.R. CORES

A part is considered scrap or beyond economical repair (B.E.R.) if the price of repair exceeds 85% of the outright price for that component. For any B.E.R. cores, the customer would be invoiced the core value plus the shop evaluation fee. The customer may request to have their core returned to them at their expense. B.E.R. cores will be scrapped on site thirty (30) days after notification to customer. If a customer would like to provide a second core to replace the first scrap core, they would be responsible for the evaluation fee on the first core. The replacement core must be received within fifteen (15) days of notification. If a customer feels that our outright price is excessive, they may elect to replace a scrap part with an identical overhauled unit under the following terms:

1. The Overhaul Vendor and date of overhaul must be acceptable to DK Turbines. The customer should get approval prior to purchasing a replacement component to avoid any disappointment or misunderstanding.
2. In addition to supplying the overhauled component, the customer will be charged eighteen (18%) of the exchange price for the use of our part. This amount will be deducted from any refunds due to the customer.
3. The customer is responsible for any teardown/evaluation fees charged by the vendor.
4. The customer must supply the replacement component within fifteen (15) days of notification.

SHIPPING DAMAGE

Damage due to shipping must be reported to DK Turbines within forty-eight (48) hours and a claim made with the appropriate freight company. If the container shows signs of visible damage, open at once, inspect the contents, and have the carrier note the nature of damage on all delivery receipts. Original package with packing material should be kept until the package has been inspected and the claim is settled. DK Turbines will replace the damaged part, as described in the warranty clause when the damage is due to improper packaging. DK Turbines will not be liable for damage due to the freight company's neglect, lost shipment, improper handling, delays or damages not reported within the timeframes mentioned above.

INSURANCE

Each shipment valued at \$2,500 or greater will be insured at full replacement value with the carrier unless we have a signed shipping insurance waiver form on file prior to the shipment of your order.

ORDER MINIMUMS

Minimum orders are \$35 for domestic orders and \$75 for international.

EXPORT COMPLIANCE

Customer understands that the Arms Export Control Act (AECA), including its implementing International Traffic In Arms Regulations (ITAR), and the U.S. Export Administration Act (EAA), including its U.S. Export Administration Regulations (EAR), are some (but not all) of the laws and regulations that comprise the U.S. export laws and regulations. Customer further understands that the U.S. export laws and regulations include (but are not limited to): (1) ITAR and EAR product/service/data-specific requirements; (2) ITAR and EAR ultimate destination-specific requirements; (3) ITAR and EAR end user-specific requirements; (4) Foreign Corrupt Practices Act; and (5) anti-boycott laws and regulations. Customer will comply with all then-current applicable export laws and regulations of the U.S. Government (and other applicable U.S. laws and regulations) pertaining to any new or overhauled part (including any associated products, items, articles, computer software, media, services, technical data, and other information). Customer certifies that it will not, directly or indirectly, export (including any deemed export), nor re-export (including any deemed re-export)

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any new or overhauled part from DK Turbines (including any associated products, items, articles, computer software, media, services, technical data, and other information) in violation of applicable U.S. laws and regulations. Customer will include a provision in its agreements, substantially similar to this provision, with its sublicensees, and third-party wholesalers and distributors, which purchase any new or overhauled part, requiring that these parties comply with all then-current applicable U.S. export laws and regulations and other applicable U.S. laws and regulations. In addition, Customer agrees to provide an End Use and End User Certification prior to DK Turbines processing any order.

INDEMNITY

Customer shall defend, indemnify and hold DK Turbines and its members, directors, officers, employees, insurers and agents harmless against liability, loss, damage, claims, suits, actions, judgments, costs and/or expenses, including reasonable attorney's fees, resulting from death or personal injury, or loss of or physical damage to property to the extent caused by the negligence of customer or any other person or entity acting on its behalf in connection herewith.

TAXES

DK Turbines' pricing excludes all taxes (including but not limited to, sales, use, excise, value-added, and other similar taxes), tariffs, duties and charges (collectively "Taxes"). Customer will pay all Taxes arising from any and all orders by customer from DK Turbines, whether imposed, levied, collected, withheld, or assessed now or later. If DK Turbine is required to impose, levy, collect, withhold or assess any Taxes on any transaction, then in addition to the purchase price, DK Turbines will invoice customer for such Taxes unless at the time of order placement, customer furnishes DK Turbines with an exemption certificate or other documentation sufficient to verify exemption from the Taxes. If any Taxes are required to be withheld from amounts paid or payable to DK Turbines, (a) such withholding amount will not be deducted from the amounts due DK Turbines as originally priced, (b) customer will pay the Taxes on behalf of DK Turbines to the relevant taxing authority in accordance with applicable law, and (c) customer will forward to DK Turbines, within thirty (30) calendar days of payment, proof of Taxes paid sufficient to establish the withholding amount and the recipient. In no event will DK Turbines be liable for Taxes paid or payable by Customer.

APPLICABLE LAW

These Terms and Conditions, and all matters related to these Terms and Conditions, will be governed by, construed in accordance with, and enforced under the laws of the State of Michigan, U.S.A. without regard to conflict of law principles. Customer will not bring a legal or equitable action against DK Turbines more than one (1) year after the cause of action arose unless a shorter period is provided by applicable law. Any dispute arising out of or related to these Terms and Conditions will be exclusively resolved in the state or federal courts located in the State of Michigan, U.S.A. Customer will bear all costs of collection by DK Turbines, including reasonable attorney's fees, if payments are not made as agreed.