



Standard Terms & Conditions of Sale

1. **Definitions** - The “contract” means any agreement between Verus Aerospace and the Buyer for the supply of goods; “the Buyer” means the purchaser of the goods; the “goods” means the subject matter of the contract and includes services; the “price” means the price of the goods and any other payment to be made by the Buyer to Verus Aerospace hereunder; “Verus Aerospace Site” shall refer to the Verus Aerospace facility where the goods are completed and made ready for shipment.
2. **General** - Contracts are entered into and all quotations are given subject to these terms and conditions which may only be varied or waived by written agreement between Verus Aerospace and the Buyer. No contract shall be made until Verus Aerospace has accepted in writing an order placed by the Buyer. If these terms and conditions differ from the terms of any offer made or order placed by the Buyer, any subsequent communication by Verus Aerospace constitutes a counteroffer and not acceptance of such terms. Any quotation is given by Verus Aerospace on the basis that no contract shall come into existence until Verus Aerospace’s acknowledgement of order to the Buyer. The quotation may therefore be varied or withdrawn without notice.
3. **Pricing** - Prices are based on estimated costs at time of quotation. Pricing may be adjusted prior to order or contract acceptance to reflect any changes in costs since date of quotation. Prices quoted do not account for applicable taxes, tariffs, or governmental mandated fees. These charges will be applied as incurred.
4. **Raw Material and Hardware Pricing** – Verus reserves the right to adjust pricing at any time due to changes in raw material or hardware costs.
5. **Order Acceptance** - Acceptance of any order based on the applicable quote and is subject to the availability of capacity at the time of order placement. Quotation pricing is valid for specific quantity requested on the RFQ and PO line minimum is \$500.00 or as defined on the quote whichever is greater.
6. **Lead Times** - The lead times expressed in quotes are based on load and capacity at the time of quote. Due to market volatility, Verus Aerospace reserves the right to adjust lead times, if necessary, at the time of award to reflect the current load and capacity. Lead-times are subject to material availability at the time of order placement. The lead times expressed in this quote begin after receipt of PO, firm engineering, models, and any customer supplied tooling and/or material. No work will be performed and quoted lead-time will not begin until a formal Purchase Order is received, unless specifically agreed to in writing by an authorized agent of Verus Aerospace.
7. **Engineering Design Changes** - Should final Engineering differ from quoted engineering Verus Aerospace reserves the right to modify this quote for cost and/or schedule impact based on engineering changes.
8. **Order Quantity** - Should quantities ordered differ significantly from the quantities quoted, Verus Aerospace reserves the right to modify the quote based on cost and/or schedule impact.
9. **Shipping Terms** – Unless otherwise agreed in writing, all deliveries shall be made EXW INCOTEMS 2020 with the named location the applicable Verus Aerospace Site’s Dock.
10. **Tooling Title** - Title to all tooling will remain the sole property of Verus Aerospace unless or until Verus Aerospace is fully reimbursed by NRE payment, unless otherwise agreed to in writing by an authorized agent of Verus Aerospace.
11. **Source Inspection** - There will be an additional \$250.00 administrative charge per line item requiring DD250 submittal and/or government source inspection.
12. **Supplier Managed Inventory Systems** - Pricing does not include the management or servicing of any Supplier Inventory Management type systems (VOI, VMI, Min/Max, Etc.). Verus Aerospace reserves the right to decline support of any such system and/or reserves the right to reprice to include costs, risks and associated markups required to service any such inventory system.



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13. **Customer Furnished Tooling** - Customer-furnished tooling shall be delivered to Verus in good, safe, fully operational condition and free from defects, excessive wear, or other conditions that may impair its intended use. Verus shall have no obligation to inspect, test, repair, or certify such tooling and may rely upon the Customer's representation that the tooling is suitable for its intended purpose. Verus disclaims all responsibility and liability for any pre-existing or latent defects, design deficiencies, improper maintenance, or normal wear associated with Customer-furnished tooling and shall not be liable for any resulting production delays, nonconforming products, equipment damage, or other losses except to the extent caused by Verus's gross negligence or willful misconduct. Verus reserves the right, at its sole discretion, to return Customer-furnished tooling at any time, with all packaging, handling, shipping, insurance, and transportation costs borne by the Customer. Ownership of the tooling shall remain with the Customer, and all risk of loss or damage shall transfer to the Customer immediately upon the tooling leaving the Verus facility, regardless of carrier or shipping term.