

GENERAL TERMS AND CONDITIONS (SALE OF GOODS)

1. **APPLICABILITY:** These general terms and conditions of sale (these "Terms") are the only terms which govern the sale of the goods (the "Goods") by Air Methods Corporation d/b/a United Rotorcraft, a Delaware corporation ("Seller") to you ("Buyer"). Buyer and Seller are referred to individually herein as a "Party" and together as the "Parties". Notwithstanding anything herein to the contrary, if a written contract signed by Buyer and Seller is in existence covering the sale of the Goods covered hereby, the terms and conditions of such contract shall prevail to the extent they are inconsistent with these Terms. These terms and any such contract and any accompanying invoice delivered by Seller to Buyer (collectively, this "Agreement") comprise the entire agreement between the Parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. None of Buyer's purchase order prices, terms and conditions, or delivery schedule shall be binding upon Seller, and Seller hereby objects to same, unless and until accepted in a writing signed by an authorized representative of Seller. Fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.

2. **EXPIRATION OF OFFER:** All offers of sale by Seller or its authorized representatives are firm for thirty (30) days from the date of offer (unless the offer specifically states a different period of validity) and are subject to change without prior notice after such period.

3. **CHANGE ORDERS:** The prices quoted and agreed by the Parties are expressly for the Goods and delivery schedule agreed upon in writing. If Buyer desires to make changes to the Goods or delivery schedule (including any cessation or interruption of the work), the Parties must first negotiate a change order and agree in writing upon an appropriate price and/or schedule adjustment before the change will be considered effective.

4. **PRICE:** Buyer shall purchase the Goods from Seller at the price (the "Price") set forth in Seller's published price list in force as of the date that Seller accepts Buyer's purchase order. All Prices are exclusive of all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any governmental authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges, costs and taxes; *provided*, however, that Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personnel, or real or personal property or other assets.

5. **PAYMENT TERMS:** Buyer shall pay all invoiced amounts due to Seller within thirty (30) days from the date of Seller's invoice. Buyer shall make all payments hereunder by check or wire transfer in US dollars. Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under

these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller shall be entitled to suspend the delivery of any Goods if Buyer fails to pay any amounts when due hereunder and such failure continues for five (5) days following written notice thereof. Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Seller, whether relating to Seller's breach, bankruptcy, or otherwise.

6. **DELIVERY:**

(a) The Goods will be delivered as provided in the mutually agreed upon delivery schedule. Seller shall not be liable for any loss or damage in transit.

(b) Unless otherwise agreed in writing by the Parties, Seller shall deliver the Goods F.O.B. Seller's facility in Englewood, Colorado, U.S.A. (the "Delivery Point"), using Seller's standard methods for packaging and shipping such Goods. Buyer shall take delivery of the Goods within thirty (30) days of Seller's written notice that the Goods have been delivered to the Delivery Point. Buyer shall be responsible for all loading and transport costs and provide equipment and labor reasonably suited for receipt of the Goods at the Delivery Point and transport therefrom.

(c) Seller may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of Buyer's purchase order.

(d) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Goods shall pass to Buyer; (ii) the Goods shall be deemed to have been delivered; and (iii) Seller, at its option, may store the Goods until Buyer takes physical possession of them, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance). Notwithstanding the foregoing, Seller shall not be held responsible for Goods left at the Delivery Point more than thirty (30) days after delivery of such Goods, unless otherwise agreed to in writing by the Parties.

7. **NON-DELIVERY:** Seller shall not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within ten (10) days of the date when the Goods would, in the ordinary course

of events, have been delivered. Any liability of Seller for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered.

8. **TITLE AND RISK OF LOSS:** Title and risk of loss passes to Buyer upon delivery of the Goods at the Delivery Point. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title, and interest of Buyer in, to, and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Colorado Uniform Commercial Code.

9. **INSPECTION AND REJECTION OF NONCONFORMING GOODS:**

- (a) Buyer shall inspect the Goods within ten (10) days of receipt (the "Inspection Period"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods (as defined below) during the Inspection Period and furnishes such written evidence or other documentation as reasonably requested by Seller. "Nonconforming Goods" means only the following: (i) product shipped is different than identified in Buyer's purchase order; or (ii) product's label or packaging incorrectly identifies its contents.
- (b) If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in its sole discretion (i) replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to the Delivery Point. If Seller exercises its option to replace Nonconforming Goods, Seller shall, after receiving Buyer's shipment of Nonconforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point.
- (c) Buyer acknowledges and agrees that the remedies set forth in Section 9(a) are Buyer's exclusive remedies for the delivery of Nonconforming Goods. Except as provided under Section 9(a), all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased to Seller.

10. **TERMINATION FOR CONVENIENCE:** If Buyer cancels its order after acceptance by Seller, Buyer shall pay Seller the actual and substantiated costs of Seller, which may include a reasonable profit, for the work performed in accordance with the Contract up to the effective date of termination plus reasonable termination settlement expenses.

11. **LIMITED WARRANTY:**

- (a) Seller warrants to Buyer that for a period of 12 months from the date of shipment of the Goods (the "Warranty Period"), that such Goods will materially conform to Seller's published specifications in effect as of the date of shipment and will be free from material defects in material and workmanship.
- (b) EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 11(a), SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.
- (c) Products manufactured by a third party (a "Third Party Product") may constitute, contain, be contained in, incorporated into, attached to, or packaged together with the Goods. Third Party Products are not covered by the warranty in Section 11(a). For the avoidance of doubt, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.
- (d) Seller shall not be liable for a breach of the warranty set forth in Section 11(a) unless: (i) Buyer gives written notice of the defect, reasonably described, to Seller within fifteen (15) days of the time when Buyer discovers or ought to have discovered the defect; (ii) Seller is given a reasonable opportunity after receiving the notice to examine such Goods and Buyer (if requested to do so by Seller) returns such Goods to Seller's place of business at Seller's cost for the examination to take place there; and (iii) Seller reasonably verifies Buyer's claim that the Goods are defective.
- (e) The Seller shall not be liable for a breach of the warranty set forth in Section 11(a) if: (i) Buyer makes any further use of such Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods; or (iii) Buyer alters or repairs such Goods without the prior written consent of Seller.

- (f) Subject to Section 11(d) and Section 11(e) above, with respect to any such Goods during the Warranty Period, Seller shall, in its sole discretion, either: (i) repair or replace such Goods (or the defective part) or (ii) credit or refund the price of such Goods at the pro rata contract rate provided that, if Seller so requests, Buyer shall, at Seller's expense, return such Goods to Seller. Replacement Goods or repairs provided by Seller are warranted for the remaining Warranty Period. There shall be no extended warranty period, expressed or implied, unless agreed in writing by Seller and the warranty shall not extend to any costs incurred by the Buyer for removal and/or replacement of the defective product or component part.
- (g) THE REMEDIES SET FORTH IN SECTION 11(f) SHALL BE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 11(a).

12. LIMITATION OF LIABILITY:

- (a) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THE AGREEMENT, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER, OR COULD HAVE BEEN REASONABLY FORESEEN BY BUYER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.
- (b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNT ACTUALLY PAID TO SELLER FOR THE GOODS SOLD HEREUNDER.

13. FORCE MAJEURE: Seller shall not be liable for, nor deemed to be in default by reason of any failure to deliver or any delay in delivery of Goods due to any cause beyond its reasonable control. Such causes shall include, but not be limited to delays resulting from acts of God or the public enemy, acts of a government authority, war or terrorism, accident, fire, flood, epidemic, weather, labor difficulties, interruptions to or unavailability of transportation, inability to obtain supplies, or for any cause interfering with the use its production facilities or those of its sources of supply.

14. PROPRIETARY DATA: Buyer agrees to protect any confidential information, technical data, or drawings delivered to or accessed by Buyer in relation to the Goods if such confidential information, technical data, or drawings bear Seller's proprietary or restrictive legend. Under no circumstances shall Buyer assert any ownership or use rights in or relating to any such confidential information, technical data, or drawings provided by Seller pursuant hereto, except pursuant to a written agreement with Seller. Buyer shall not disclose Seller's confidential information, technical data, or drawings bearing Seller's proprietary or restrictive legend to any third party without Buyer's express written consent. Upon Seller's request or completion of this Order, Buyer shall promptly provide all confidential information, technical data, or drawings bearing Seller's proprietary or restrictive legend to Seller.

15. AMENDMENT; WAIVER: These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each Party. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

16. ASSIGNMENT: Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section 16 is null and void. Unless written consent is first provided by Seller, no Buyer assignment or delegation relieves Buyer of any of its obligations under this Agreement.

17. RELATIONSHIP OF PARTIES: The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.

18. NO THIRD-PARTY BENEFICIARIES: This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms; *provided, however*, that in the event Buyer resells the Goods to another party, such party shall be an intended third party beneficiary of these Terms.

19. GOVERNING LAW: All matters arising out of or relating to this Agreement is governed by and construed in accordance with the internal laws of the State of Colorado, United States of America, without giving effect to any choice or conflict of law provisions thereof.



20. **SUBMISSION TO JURISDICTION:** Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the state or federal courts of the United States of America, in the State of Colorado, located in the City of Denver and County of Denver, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

21. **SEVERABILITY:** If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

SURVIVAL: Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, Section 11 through this Section 21.