



Sequoia Aircraft Corporation 2000 Tomlynn Street
P.O. Box 6861
Richmond, Virginia 23230
804/353-1713
FAX 804/359-2618

COMPONENT PURCHASE AGREEMENT

THIS AGREEMENT, dated _____, 20____, by and between Sequoia Aircraft Corporation, 2000 Tomlynn Street, Richmond, Virginia 23230, a Virginia Corporation, hereinafter referred to as Seller, and _____ whose address is _____, of _____, State of _____, hereinafter referred to as Purchaser;

BACKGROUND:

Purchaser desires to construct and assemble an experimental aircraft known as the F.8L Falco from plans purchased from Seller, and desires to purchase from Seller component parts for use in such assembly, and Seller is agreeable to provide such components provided that Purchaser agrees in writing to the following terms and conditions;

AGREEMENT:

NOW, THEREFORE, the Purchaser and Seller do agree as follows with respect to the purchase of component parts for the F.8L Falco aircraft:

1. Pricing: All prices are F.O.B. at the point of shipment and are subject to change without notice.
2. Taxes: Unless stated otherwise, state and local taxes, where applicable, are for the account of the Purchaser. All taxes should be remitted directly to the appropriate tax agency.
3. Terms: Payment in full is required prior to delivery.
4. Loss or Damage in Transit: Once the carrier accepts the Purchaser's order, it is the carrier's responsibility to deliver the order to the Purchaser in good condition. Purchaser should use extreme care in receiving shipment. Purchaser should note any discrepancies on the Delivery Receipt before signing. Seller cannot be held responsible for shortage or damage encountered during shipment if Purchaser has not made these notations upon receipt of shipment. Claims must be reported in writing within 30 days after receipt of shipment.
5. LIMITED WARRANTY: Seller warrants parts sold by it to be in accordance with the plans and specifications for the F.8L Falco aircraft, unless otherwise noted. Such parts are intended only for use in the assembly of an experimental aircraft, and the Purchaser assumes full responsibility for inspection of such parts, and their use in the assembly of the aircraft. If, for any reason whatsoever, the Purchaser is not satisfied with any parts sold herein, such parts will be replaced (or at the Seller's option, the full purchase price will be refunded) upon written notice to Seller within 30 days of delivery, and upon the subsequent return of the defective parts to the Seller. EXCEPT AS OTHERWISE STATED HEREIN, SELLER GIVES NO OTHER EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR OF ANY OTHER KIND.

6. PURCHASER'S REMEDY: Purchaser and Seller expressly agree that the PURCHASER'S SOLE AND EXCLUSIVE REMEDY AGAINST THE SELLER FOR BREACH OF THIS AGREEMENT FOR SALE OF PARTS SHALL BE LIMITED TO A RETURN OF THE PURCHASE PRICE PAID, OR REPLACEMENT OF ANY UNSATISFACTORY PARTS, THAT SELLER SHALL IN NO EVENT BE LIABLE FOR CONSEQUENTIAL DAMAGES NOR SHALL THE SELLER BE LIABLE TO THE PURCHASER FOR MORE THAN THE AMOUNT PAID TO THE SELLER FOR SUCH PARTS.

7. Purchaser hereby agrees and recognizes: (a) that Seller does not represent, guarantee or warrant the structural integrity, performance, safety or airworthiness of the F8L Falco to be assembled under this Component Purchase Agreement or any other agreement, (b) that, while Seller gives no representation that the F8L Falco as assembled by Purchaser will be licensed by any governmental authority, licensing in the United States of America by the Federal Aviation Administration will probably be in the "Experimental" category, (c) that the aircraft as assembled will be operated entirely at the risk of the Purchaser, (d) that the PURCHASER SPECIFICALLY ASSUMES ALL RISKS WHATSOEVER OF LOSS OF LIFE, INJURY, OR PROPERTY DAMAGE, ARISING OUT OF THE CONSTRUCTION, OPERATION, OR USE OF THE F8L FALCO AIRCRAFT, (e) that the Seller assumes no liability for any loss of life, personal injury, or property damage resulting from the construction, operation, or use of such aircraft.

8. This Agreement shall inure to the benefit of and be binding on the heirs, legatees, administrators, executors, successors and assigns of the parties hereto.

9. All notices to the parties hereto may be sent to the addresses hereinabove given until such addresses are changed by notice in writing to the other party.

10. This Agreement shall be construed in accordance with the laws of the State of Virginia.

11. This Component Purchase Agreement constitutes the entire agreement between Seller and Purchaser and may not be amended except by subsequent agreement in writing signed by both Seller and Purchaser and conspicuously labeled "Modification of Warranty Agreement".

PURCHASER

By _____
Date _____

Accepted:

SEQUOIA AIRCRAFT CORPORATION

By _____
Date _____

INSTRUCTIONS

1. Sign and date two copies of this agreement.
2. Mail both copies of this agreement to Sequoia Aircraft Corporation, 2000 Tomlynn Street, P.O. Box 6861, Richmond, Virginia 23230. Your copy of the executed agreement will be returned to you. This agreement must be signed before any components will be shipped.