



TERMS AND CONDITIONS OF PURCHASE

1. *Parties.* "Buyer" as more particularly described in the header of the purchase order which Seller has received from Buyer, a Delaware limited liability company. "Seller" means the entity or person submitting the quote or invoice to Seller and receiving such purchase order.

2. *Application and Precedence.* These Terms and Conditions define the relationship of Buyer and Seller and apply to all purchases by Buyer and exchanges with Seller of aircraft or aircraft engine equipment, parts, components, supplies, materials, or other personal property (individually and collectively, "Equipment"). For clarity and the avoidance of doubt, Equipment includes all parts, components, materials installed therein and all records, serviceability tags, documents, or logbooks related thereto. Seller acknowledges and agrees that these Terms and Conditions are incorporated in, and are a part of, each quotation, purchase order, invoice, release, requisition, work order, shipping instruction, specification, and any other document (each a "Transaction Document" and together, the "Transaction Documents"), whether expressed verbally, in written form or electronic commerce, relating to the sale of Equipment by Seller to Buyer (such documents are collectively referred to as the "Agreement"). In the event of any conflict between this Agreement and any Transaction Document, this Agreement will have precedence and the terms and conditions of any of the Transaction Documents will be treated in the following order of precedence, (i) this Agreement, (ii) the applicable purchase order, (iii) the other Transaction Documents generated by Buyer, (iv) any applicable invoice, and finally, (v) any other Transaction Documents generated by Seller.

3. *Purchase Order Expiration.* Written purchase orders are valid as noted by Buyer, or if not stated, for thirty (30) days (the "Purchase Order Validity Period"). Buyer has the right to withdraw any purchase order that has not been accepted by Seller within the Purchase Order Validity Period.

4. *Pricing.* If Equipment pricing is not indicated, it is agreed that Seller's price shall be Seller's lowest prevailing price, provided such price is not higher than previously quoted or charged to Buyer. If the price is to be higher, Seller must first obtain Buyer's written agreement to the higher price. The Parties agree that there will be no increases or escalations in price without Buyer's written agreement.

5. *Terms of Payment.* Unless specifically addressed in the Purchase Order as installment/scheduled payments, the total price is due and payable to Seller net 30 days of Seller’s invoice. Any terms of payment that are contrary to those stated herein, must be in writing from Buyer.

6. *Core Returns.* In an exchange sale, the core unit to be exchanged by Buyer (the “Core”) shall be delivered to Seller under the following terms, unless agreed otherwise: (i) Buyer shall have no less than thirty (30) days following the date of Seller’s invoice to deliver the Core (the “Delivery Period”); (ii) all Cores will be delivered Ex Works Buyer’s facility, with risk of loss to transfer to Seller as of such time; and (iii) in the event the Core is delivered to Seller following the Delivery Period and a core charge is invoiced, if the Core is delivered within the below time frames, Buyer will receive the listed credits against the Core Charge.

| DAYS LATE FOR OWED CORE | CHARGE FOR LATE CORE RETURN (Core Charge Listed in Invoice) |
|--|--|
| 0 – 10 Days following the Delivery Period | Full credit of the Core Charge issued |
| 11 – 20 Days following the Delivery Period | 50% credit of the Core Charge issued |
| 21+ Days following the Delivery Period | No credit of the Core Charge issued |

7. *Warranties of Seller.* In addition to its standard warranty and/or service guaranty, if any, Seller warrants that all Equipment supplied hereunder shall:

- (a) Be free and clear of all liens and encumbrances, with good legal, beneficial and merchantable title thereto being transferred from Seller to Buyer;
- (b) Be free from any defects in design, material, or workmanship and of good and merchantable quality;
- (c) Conform to Buyer’s specifications, if any, whether set forth herein or in any documents attached to or referred to herein, and to any sample approved by Buyer;
- (d) Not have been subjected to conditions of extreme stress, heat, or environment;
- (e) Not have been previously installed on a public aircraft, such as a government use or military aircraft; and
- (f) Comply with, and Seller has abided by, all applicable U.S. export laws and regulations, and all other applicable Federal, State, or other laws, administrative regulations, and orders.

The foregoing warranties shall survive inspection, delivery, and payment. Buyer shall have the right to return all defective items to Seller at Seller's expense for repair, replacement, or refund at Buyer's option as well as other remedies permitted by law. Buyer shall also be entitled to recover from Seller all costs, damages (including, but not limited to, incidental and consequential damages) which result from the delivery of defective or otherwise non-conforming Equipment. Buyer may also charge a US\$250.00 processing fee for each non-conforming delivery.

8. *Delivery.* Time of delivery is, and shall remain, of the essence for this Agreement. In any event, Seller will have no liability to Buyer for delays in performance due to strikes or labor disputes of any type; accidents, fire, floods, acts of God, or actions by governmental authorities; acts, omissions, or delays of Buyer or any other third party; shortages of labor; or without limitation of the above, for any causes reasonably beyond the control of Seller and without its fault and negligence, provided Seller immediately notifies Buyer of said event and the estimated delay in delivery. Buyer shall have the right to cancel all or any portion of the Agreement which has not been delivered on time. If Buyer accepts a late delivery of all or a portion of the Agreement, such acceptance shall not constitute a waiver of Buyer's claim for damage cause by the late delivery, nor its rights to cancel the remaining portion of the Agreement.

9. *Title and Risk of Loss.* Title to and risk of loss or damage to the Equipment will pass to Buyer on delivery by Seller DDP (Incoterms 2020) Buyer's facility or as otherwise specifically indicated in the Agreement.

10. *Inspection and Acceptance.* Prior to final acceptance, Buyer will have no less than thirty (30) days from date Buyer receives the Equipment, to inspect the Equipment (including all records, serviceability tags, documents, or logbooks related thereto) for defects and nonconformance and to notify Seller of (i) any defects, nonconformance, or rejection of the Equipment, or (ii) that it has accepted the Equipment. Neither receipt nor payment for the Equipment shall constitute acceptance. Buyer may reject any or all of the Equipment that is nonconforming, as determined by Buyer's sole reasonable judgement. Buyer's failure to inspect and accept or reject the Equipment, or failure to detect defects during its inspection, shall not relieve Seller of any responsibilities for such Equipment not in accordance with the Agreement, nor impose liabilities on Buyer for them. Equipment shipped in quantities in excess of Buyer's stated requirements may be returned at Seller's expense. If Equipment is rejected, it will be held at Seller's risk and expense and Seller shall bear the cost to ship the Equipment back to Seller and the risk of loss or damage to such Equipment until received by Seller.

11. *Return of Equipment.* If Buyer rejects the Equipment within the above described thirty (30) day period, Buyer shall so notify Seller and make the Equipment available for pick up from Buyer's facility at Seller's cost and risk of loss. Before making the

Equipment available for pick up, Seller shall provide Buyer a Return Material Authorization (RMA). Buyer shall, to the extent reasonably practicable, package the Equipment in its original or equivalent packaging, in the same condition as received and with all documentation, including certifications. Buyer shall not be responsible for any restock fee, unless agreed otherwise. Upon confirmation that Equipment has shipped from Buyer's facility, Seller shall credit the sales order as soon as reasonably practicable and provide a credit memo.

12. *Indemnity.* Seller hereby agrees to release, indemnify, defend and hold Buyer, its subsidiaries, affiliates, and shareholders, and all of their respective officers, directors, members, employees, agents, successors, and assigns (collectively referred to as the "Buyer Indemnitees") harmless against any and all losses, liabilities, damages, costs, and expenses resulting or arising (directly or indirectly) from property damage or injury to or death of any person and any other direct, indirect, incidental, consequential, economic, or statutory civil damages any of which arise out of or are in any way related to the provision of services by the Seller, or the use, operation, repair, maintenance or disposition of the Equipment provided under this Agreement, whether or not arising from breach of contract, strict liability, or tort (including negligence), provided however, Seller shall not be required to indemnify the Buyer Indemnitees for claims or liabilities arising from the gross negligence or willful misconduct of any Buyer Indemnitee.

13. *Termination for Cause.* Buyer may, upon written notice to Seller, terminate the Agreement, or any part thereof, without liability if: (i) Seller breaches any of the terms and conditions of the Agreement; (ii) Seller ceases to conduct its operation in the normal course of business; (iii) Seller is unable to meet its obligations as they mature; (iv) proceedings are instituted against Seller under the bankruptcy laws or any other laws relating to the relief of creditors; (v) a receiver is appointed or applied for by Seller; or (vi) any assignment is made by Seller for the benefit of creditors. If Buyer terminates for cause, Buyer shall have no payment obligations to Seller. Should a court of competent jurisdiction subsequently determine that Buyer's termination for cause was wrongful or unjustified, then such termination shall automatically be considered a termination for convenience under Section 14 and Seller shall have all rights under that provision, but no other rights or claims for damages. Buyer also reserves the right to terminate the Agreement for any other reason permitted under the Uniform Commercial Code ("UCC"), and retains all rights and remedies provided under the UCC in addition to any rights and remedies conferred hereunder.

14. *Termination for Convenience.* Buyer may, upon written notice to Seller, terminate the Agreement, or any part thereof, for Buyer's convenience. Upon such notice of termination, Seller shall immediately stop all work and cause its suppliers and/or subcontractors to stop all work in connection with the Agreement. Upon such termination for convenience, Buyer shall only pay Seller for Equipment received and

notified to Seller as accepted as of the date of termination. Buyer shall have no responsibility for work performed after Seller's receipt of notice of termination.

15. *Confidentiality.* Seller acknowledges that it may obtain confidential information provided as a result of this Agreement including, but not limited to, information about Buyer's business, its operating procedures, or its customers (the "Confidential Information"). Confidential Information will not include information which is already in the public domain or which is already in Seller's possession and not otherwise confidential or which was received from third parties having a right to disclose such information. Seller agrees to keep the Confidential Information strictly confidential and will not disclose nor permit the disclosure of nor use the Confidential Information for any purpose whatsoever, except as provided herein. Seller may disclose the Confidential Information to such of its officers, directors, attorneys, accountants, lenders, members and employees who are required to know the Confidential Information in the course of performance of this Agreement or their professional services ("Disclosees"). All Disclosees will be informed of the confidential nature of the Confidential Information and will, prior to obtaining access thereto, agree in writing to keep this Confidential Information confidential in accordance with the terms of this Agreement. If so required, Seller may also disclose the Confidential Information in connection with the enforcement of this Agreement or pursuant to any valid court order, regulation or other lawful order or process compelling such disclosure but only after notifying Buyer of such disclosure prior to its occurrence.

16. *Changes.* Buyer reserves the right, from time to time, to correct any typographical or clerical errors, including errors in mathematical computation, that may exist in the Agreement or any of Buyer's Transaction Documents.

17. *Limitation of Liability.* BUYER'S TOTAL LIABILITY RELATING TO CLAIMS THAT ARISE, DIRECTLY OR INDIRECTLY, UNDER OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT PAID BY BUYER FOR THE EQUIPMENT. BUYER SHALL NOT BE LIABLE TO SELLER, ITS EMPLOYEES, REPRESENTATIVES, AGENTS, SUPPLIERS, OR SUBCONTRACTORS FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR PUNITIVE DAMAGES INCLUDING, WITHOUT LIMITATION, LOST REVENUE OR PROFITS.

18. *Modifications and Waiver—Entire Agreement.* Neither party has rights, warranties, or conditions expressed or implied, statutory or otherwise, other than those contained in the Agreement. The Agreement contains the entire agreement between Buyer and Seller and can be modified or rescinded only by a writing signed by both parties. No waiver of any provision of the Agreement will be binding unless in writing signed by an authorized representative of the party against whom the waiver is asserted, and unless expressly made generally applicable, will apply only to the specific case for which the waiver is given. Failure of either party to insist on strict performance of the Agreement will not be construed as a waiver of any term or condition of the Agreement.

Any document submitted by Seller to Buyer confirming its intention to sell Equipment will be deemed to constitute a confirmation and acceptance of the Agreement and Buyer's Transaction Documents, even if the document states terms in addition to or different from those in the Agreement. All agreements between Buyer and Seller will be governed solely under the terms and conditions as set forth in Section 2 above, and Buyer objects to any and all additional or different terms contained in any of Seller's Transaction Documents. Any execution by Buyer of any of Seller's Transaction Documents in connection with the purchase of Equipment does not constitute acceptance of or agreement to any terms and conditions in addition to or different from those contained in the Agreement and the Buyer's Transaction Documents, but will constitute only acknowledgment of receipt of such Seller's Transaction Documents. In addition, notwithstanding any terms contained in any Seller's Transaction Documents, the delivery by Seller of any Equipment will constitute a course of conduct constituting Seller's agreement to the terms and conditions of this Agreement and Buyer's Transaction Documents, to the exclusion of any additional or different terms and conditions.

19. *Compliance with Laws.* Seller will be responsible for compliance with any and all federal, state, or local laws or regulations respecting safety or respecting use of the Equipment and shall indemnify and hold Buyer harmless from and against any and all claims of violations of laws or regulations or other claims of personal injury or property damage directly or indirectly related to the installation, maintenance, or operation of the Equipment.

20. *Export Control.* Equipment supplied by Seller may be subject to various export laws and regulations. It is the responsibility of the Seller and, if different, exporter to comply with all laws and regulations. Notwithstanding any other provision to the contrary, if federal, state, or local law requires export authorization for the export or re-export of any Equipment or associated technology, no delivery can be made until export authorization is obtained, regardless of any otherwise promised delivery date. If any required export authorization is denied, Buyer will be relieved of any further obligation relative to the sale and delivery of the Equipment subject to denial without liability of any kind relative to Buyer or any other party. Buyer will not comply with boycott-related requests except to the extent permitted by federal law and then only at Buyer's discretion.

21. *Severability.* If any term, clause, or provision contained herein is declared or held invalid or enforceable by any court of competent jurisdiction, such declaration shall not affect the validity or enforceability of any other term, clause, provision hereof.

22. *Survivability.* If this Agreement expires, is completed, or is terminated, Buyer shall not be relieved of those obligations contained herein. All provisions will survive such expiration, completion, or termination.

23. *Governing Law; Venue.* The Agreement, and all matters arising under or in connection with it, will be governed by and construed in accordance with the laws of the State of Michigan, USA. Any dispute or claims shall be filed in the courts of Muskegon County, Michigan, or as otherwise agreed in writing by the Parties. Seller agrees to pay all costs and expenses, including reasonable attorney's fees, incurred by Buyer in any action to enforce its rights hereunder. Seller hereby waives: (a) the right to jury trial in any and all proceedings; (b) any and all objections to venue and inconvenient forum in the state and federal courts referred to in this section; and (c) any and all objections to service of process by certified mail, return receipt requested.