



TERMS AND CONDITIONS OF SALE

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

2. *Application and Precedence.* These Terms and Conditions of Sale define the relationship of Buyer and Seller and apply to all sales of Seller and exchanges with Buyer of aircraft or aircraft engine equipment, parts, components, supplies, materials, or other personal property (individually and collectively, "Equipment"). Buyer acknowledges and agrees that these Terms and Conditions of Sale 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 or exchange 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) any applicable invoice, (iii) any applicable quotation, (iv) the other Transaction Documents generated by Seller, and finally, (v) any other Transaction Documents generated by Buyer.

3. *Quotation Expiration.* Written quotations are valid as noted by Seller, or if not stated, for thirty (30) days (the "Quotation Validity Period"). Seller has the right to withdraw any quote that has not been accepted by Buyer within Quotation Validity Period. All Equipment is subject to prior sale during the Quotation Validity Period.

4. *Pricing.* Prices for Equipment and other related information shown in any Seller or manufacturer document or product publication, including but not limited to catalogs, brochures, websites, and Transaction Documents are subject to change without notice. Prices do not include related freight charges, or charges whatsoever imposed by any governmental authority unless otherwise expressly noted by Seller. Any purchase prices shown in Seller's Transaction Documentation is shown net of any such charges.

5. *Taxes.* Prices quoted are net of and do not include (and Buyer shall pay) any use tax, sales tax, excise tax, value-added tax, or similar taxes of any nature and fees of any kind that may be levied or imposed on either party by federal, state, municipal, or other

governmental authorities in connection with the sale or delivery of the Equipment by Seller ("Taxes") with the exception of Seller's income tax obligations arising out of the sale of the Equipment. Buyer agrees to indemnify and hold harmless from any Taxes related to the transactions covered by this Agreement.

6. *Terms of Payment.* The Seller may give Buyer payment terms, in its sole discretion. If payment terms are not given, then the total price is due and payable to Seller prior to shipment of the Equipment.

If Buyer has not been given payment terms by Seller, they must pay to Seller prior to shipment the total price (whether outright sale price or exchange price, without setoff or other deductions or charges. If the Buyer does have payment terms with the Seller and are in good standing, they must pay the total price (whether outright sale price or exchange price, without setoff or other deductions or charges within the terms set up by the Seller. Any payment terms must be in writing from Seller. Accounts that are not in good standing may be subject to ship hold and immediately requirement pre-payment moving forward.

Any amounts due by Buyer to Seller that are unpaid on or after thirty (30) days of Seller's invoice date will bear interest at the rate of one and one-half percent (1.5%) per month or the maximum rate permitted by law, whichever is less. The accrual or payment of any interest as provided above will not constitute a waiver by Seller of any rights and remedies in connection with a default by Buyer. Buyer will pay, indemnify and hold Seller harmless from all court costs, attorney fees, collection costs and other costs incurred by Seller in collecting past-due amounts, including interest.

If shipment or delivery of Equipment is delayed by or at the request of Buyer, payment will remain due in full thirty (30) days from the date of Seller's invoice. In such event, Seller may impose, and Buyer shall pay, storage charges and other incidental expenses incurred by Seller as a result of the delay in addition to any interest on late payments as described above.

7. *Core Return.* In an exchange sale, the unserviceable aircraft or aircraft engine part (the "Core") to be exchanged by Buyer shall be delivered to and received by Seller with all required paperwork and core return form within thirty (30) days from the date of Seller's invoice (the "Delivery Period"). The Core shall be delivered DDP (Incoterms 2020) Seller's facility. If core is not returned within 30 days, a fee of 10% of the outright value will be charged 31 days after part's release for shipment, and every 30 days there-after until the core is returned, separate of the core value. Core value to be invoiced after 6 months of late fees applied.

8. *Security Interest.* As security for payment of all amounts due to Seller, Buyer grants to Seller a purchase money security interest in all Equipment sold by Seller to Buyer, and Seller will have all rights of a secured party under the Uniform Commercial Code with

respect to the Equipment. Buyer appoints Seller as its attorney-in-fact with authority, at Seller's option, to take actions as Seller deems reasonable in the circumstance to perfect the above purchase money security interest in any one or more jurisdictions, and Buyer shall pay, indemnify and hold Seller harmless from all applicable filing fees.

8. *Limited Warranty—Disclaimer of Warranties.* Any warranties for Equipment sold by Seller will be limited to the warranty extended by the manufacturer of the Equipment or last repair facility, if transferable. The sole remedy available to Buyer with respect to defects in the Equipment will be against the manufacturer or repair facility under any applicable manufacturer's or repairmen's warranty to the extent available to Buyer.

THE EQUIPMENT IS BEING TRANSFERRED AND ACCEPTED HEREUNDER SOLELY ON AN "AS IS, WHERE IS" BASIS AND BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE NOR WILL BE DEEMED TO HAVE MADE ANY TERM, CONDITION, REPRESENTATION, WARRANTY, OR COVENANT EXPRESS OR IMPLIED (WHETHER STATUTORILY OR OTHERWISE), AS TO (a) THE CAPACITY, AGE, VALUE, QUALITY, DURABILITY, DESCRIPTION, CONDITION, DESIGN, WORKMANSHIP, MATERIAL, MANUFACTURE, CONSTRUCTION, OPERATION, DESCRIPTION, STATE, MERCHANTABILITY, PERFORMANCE, FITNESS FOR ANY PARTICULAR PURPOSE OR SUITABILITY OF THE EQUIPMENT OR ANY PART THEREOF, (b) THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, KNOWN OR UNKNOWN, APPARENT OR CONCEALED, EXTERIOR OR INTERIOR, (c) THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHTS, (d) ANY IMPLIED WARRANTY ARISING FROM THE COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, OR (e) ANY OTHER REPRESENTATIONS OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART THEREOF OR ITS RELATED RECORDS, ALL OF WHICH ARE HEREBY EXPRESSLY EXCLUDED, IT BEING UNDERSTOOD THAT NOTHING HEREIN WILL BE DEEMED TO LIMIT THE BUYER FROM AVAILING ITSELF OF ANY WARRANTIES, COVENANTS, AND REPRESENTATIONS OF ANY MANUFACTURER, TO THE EXTENT TRANSFERABLE TO BUYER.

In the event that Buyer sells any of the Equipment, Buyer will include in the agreement for resale, provisions that limit recoveries in accordance with this Agreement. Buyer will indemnify and hold Seller harmless from any liability, loss, cost, damage, or expense (including reasonable attorney fees) arising from all claims arising from the subsequent purchaser.

IN NO EVENT WILL SELLER BE LIABLE FOR ANY REASON FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, SUCH AS LOST REVENUES, LOST PROFITS, OR LOSS OF PROSPECTIVE ECONOMIC ADVANTAGE, RESULTING FROM PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT OR THE TRANSACTION DOCUMENTS.

BUYER ASSUMES FULL RESPONSIBILITY THAT THE EQUIPMENT PURCHASED UNDER THE AGREEMENT MEETS THE SPECIFICATIONS AND/OR INTENDED USE OF BUYER, AND SELLER MAKES NO REPRESENTATIONS WITH RESPECT TO THE EQUIPMENT.

9. *Delivery.* Unless otherwise agreed by the Parties in writing, Equipment shall be delivered EXW (Incoterms 2020) Seller's facility, or such other facility as Seller may designate. All Equipment shall be packaged in accordance with Seller's standard packing procedures. Any delivery dates or other schedule of performance by Seller are approximations, and the sole obligation of Seller with respect to the schedule of delivery or performance will be to use commercially reasonable efforts to deliver the Equipment, or otherwise to perform, consistent with the commercially reasonable standards of the industry. In any event, Seller will have no liability to Buyer or any other person for delays in performance due to strikes or labor disputes of any type; accidents, fire, floods, severe weather, acts of God, or actions or omissions by governmental authorities; epidemics, pandemics, or quarantines; riots, insurrection, acts of criminals or terrorists, war acts, omissions, or delays of Buyer or any other third party; shortages of labor; or without limitation of the above, for any causes beyond the reasonable control of Seller. In the event of any such delay, delivery shall be extended for a period of time as reasonably necessary. Seller will not be liable for lost profits, loss of business or other incidental, consequential, indirect or punitive damages arising out of any delay. Buyer agrees that, for any liability arising out of the transaction, including but not limited to any such delay, Seller is not liable or responsible for any amount of damage above the aggregate dollar amount paid by Buyer for the purchase of the Equipment under this Agreement.

10. *Title and Risk of Loss.* Title to and risk of loss or damage to the Equipment will pass to Buyer on delivery by Seller EXW (Incoterms 2020) (a) Seller's facility, (b) Seller's supplier's facility when Equipment is shipped directly from the manufacturer, or (c) as otherwise specifically indicated in the Agreement.

Title to and risk of loss or damage to a Core will pass to Seller on delivery by Buyer DDP (Incoterms 2020) Seller's facility.

11. *Inspection and Acceptance.* Buyer will have fifteen (15) calendar days from the date of delivery to inspect the Equipment for nonconformance and to notify Seller, in writing, of such nonconformance, or rejection of the Equipment (other than defects or nonconformities due to damage, shortage, or errors in shipping that will be reported as set forth below). Claims for shipping damage, errors, or shortages must be made in writing to Seller no more than one (1) business day after receipt of shipment. After this period, Buyer will be deemed to have irrevocably accepted the Equipment, if not previously accepted. After acceptance, Buyer will have no right to reject the Equipment for any reason or to revoke acceptance. Claims for damage due to shipping must be made by Buyer to the freight carrier. For clarity and the avoidance of doubt, once modified or installed onto an aircraft or aircraft engine, all Equipment shall be deemed irrevocably accepted, regardless of any remaining inspection period.

Seller will have thirty (30) calendar days from receipt of a Core from Buyer, under an Exchange, to inspect the Core. Seller's obligation to accept a Core will be subject to the following conditions:

- (a) the Core has become unserviceable during and/or as a consequence of normal use. It being understood that "incidents" and "accidents" with the Aircraft, as defined under the Common Support Data Dictionary, will not be considered "normal use" for the purposes hereof;
- (b) there is no external evidence of deterioration, wear (except for normal wear and tear), breakage, damage, or any other defect arising from any use, storage, preservation, or packing methods, which are not in accordance with the applicable manufacturer's manuals;
- (c) the Core has not been altered, repaired, modified, or tampered with by Buyer or any third party, without written authorization from Seller;
- (d) the Core is not determined to be beyond economic repair;
- (e) after investigation performed by an authorized service center, substantiated by a shop findings report, the Core has not become unserviceable due to:
 - (i) inadequate use or operation;
 - (ii) damages caused by external agents not resulting from normal operation, including but not limited to ingestion of foreign objects, ice or liquids; and
 - (iii) any other defect resulting from handling, storage and packing, not in accordance with the applicable manufacturer's manuals;
- (f) the Core is the same part number, dash number and mod status as the Component received by Buyer (unless otherwise agreed in writing by Seller) and accompanied by a completed Core Return Form with a signed non-incident statement (as provided by Seller), material certificate showing traceability to a regulated source (airline, MRO, etc.) and back up documents such as packing slip and invoice, etc.; and
- (g) the Core has not been subjected to conditions of extreme stress, heat or environment or previously installed on a public aircraft, such as government use or military aircraft.

12. *Return of Equipment.* It is at Seller's sole discretion whether a return of any Equipment is accepted. Any return accepted by Seller shall be pursuant to Seller's instructions. Buyer

must contact Seller for a Return Material Authorization (RMA) before returning any Equipment. All returns must reference the RMA number along with the original invoice number and the reason for return. Non-warranty returns of normal stock products that are unused and are in resalable condition will be subject to Seller's return policies in effect at the time, including applicable restocking and transportation charges and other conditions of return. All returns are subject to a fifteen percent (15%) restocking fee. Seller reserves the right to deny RMAs for parts shipped thirty (30) days or more after the invoice date. All original documentation, including certifications, must be returned with the part(s).

13. *Buyer's Insurance.* Buyer shall carry and maintain such insurance in full force and effect and in types and amounts as are customary in the industry.

14. *Indemnity.* Buyer hereby agrees to release, indemnify, defend and hold Seller, its subsidiaries, affiliates, and shareholders, and all of their respective officers, directors, members, employees, agents, successors, and assigns (collectively referred to as the "Seller 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 Indemnitees, 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, Buyer shall not be required to indemnify the Seller Indemnitees for claims or liabilities arising from gross negligence or willful misconduct of any Seller Indemnitee.

15. *Limitation of Liability.* Seller's liability on any claim of any kind including negligence, for any loss, including but not limited to death, or damage arising out of or connected with, or resulting from this Agreement or any documents under it, or from the performance or breach thereof, or from the manufacture, sale, delivery, or use of any Equipment covered by or furnished under the Agreement shall not exceed the amount actually paid by Buyer allocable to the Equipment which gives rise to the claim. In no event shall Seller be liable for special, incidental, indirect, punitive, or consequential damages including, but not limited to, lost revenue or profit or cost of replacement Equipment.

14. *Confidentiality.* Buyer acknowledges that it may obtain confidential information provided as a result of this Agreement, including, without limitation, all provisions of any quotation, drawings, specifications, schematics, and formulae (the "Confidential Information"). Confidential Information will not include information which is already in the public domain or which is already in Buyer's possession and not otherwise confidential or which was received from third parties having a right to disclose such information. Buyer 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. Buyer 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, Buyer 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 Seller of such disclosure prior to its occurrence. Further, Buyer may disclose any necessary trace documentation for the Equipment to any future purchaser of the Equipment.

15. *Cancellation or Termination.* In the event of cancellation of the Agreement by Buyer, or in the event of default under the Agreement by Buyer that is not cured within thirty (30) days after notice by Seller, Buyer will pay to Seller on demand all direct and indirect costs (including, without limitation, all applicable restocking or cancellation charges and reimbursement for direct costs assessed by the manufacturer) incurred directly or indirectly by Seller in connection with the Agreement, all as reasonably determined by Seller, plus any profit to be negotiated with Buyer. In no event, however, will any amount payable by Buyer under the Agreement exceed the total price payable by Buyer for the Equipment.

16. *Changes.* Seller 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 Seller’s Transaction Documents.

17. *Technical Support.* Unless otherwise specifically provided on the quotation or invoice, the Agreement does not include any services of Seller in connection with installation, testing, or evaluation of the Equipment.

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 Seller and Buyer 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 Buyer to Seller confirming its intention to purchase Equipment will be deemed to constitute a confirmation and acceptance of the Agreement and Seller’s Transaction Documents, even if the document states terms in addition to or different from those in the Agreement. All agreements between Seller and Buyer will be governed solely as set forth in Section 2 above, and Seller objects to any and all additional

or different terms contained in any of Buyer's Transaction Documents. Any execution by Seller of any of Buyer'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 Seller's Transaction Documents, but will constitute only acknowledgment of receipt of the such Buyer's Transaction Document. In addition, notwithstanding any terms contained in any Buyer's Transaction Document, the acceptance of delivery by Buyer of any Equipment will constitute a course of conduct constituting Buyer's agreement to the terms and conditions of this Agreement and Seller's Transaction Documents, to the exclusion of any additional or different terms and conditions.

19. *Compliance with Laws.* Buyer 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 Seller 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 Buyer and, if different, the 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, Seller and Seller's supplier 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. Seller will not comply with boycott-related requests except to the extent permitted by federal law and then only at Seller's discretion. Buyer agrees, represents and warrants that it will not export or re-export any Equipment, technology, or products purchased from Seller in violation of the export laws of the United States. Buyer shall provide any and all import and export documents as requested by Seller in order to comply with the requirements herein. Should Buyer fail to provide such documents, Seller shall be entitled cancel the order.

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 of the term, clause or 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. Buyer agrees to pay all costs and expenses, including reasonable attorney's fees, incurred by Seller in any action to enforce its rights hereunder. Buyer 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.