



## Standard Terms and Conditions of Sale

- 1. Agreement:** This Agreement is entered into between Seattle Aviation Solutions, LLC (the “**Seller**”) and Customer for the sale of aircraft and engine parts, goods, and components (individually, a “**Part**” and collectively, the “**Parts**”) and is incorporated by reference in Seller’s quotation (the “**Quotation**”). This Agreement supersedes any and all prior contemporaneous agreements, negotiations, representations, warranties, and communications. This Agreement prevails over any of Customer’s general terms and conditions of purchase whether or not submitted with Customer’s purchase order. Acceptance of Customer’s purchase order does not constitute acceptance of any of Customer’s terms and conditions and does not serve to modify or amend this Agreement.
- 2. Exchange Policy:** Exchange prices are quoted on the basis that the customer will return cores of the same part number as invoiced, in normal, repairable condition, in compliance with any applicable F.A.R.’s, and will include complete traceability data including aircraft registration, time on/off, cycles, etc., and will include a squawk and be signed by a certified technician or corporate officer. The Seller reserves the option to reject any returned units that have been damaged from external causes such as fire, crash, submersion, cannibalization, inept repair, abnormal wear, etc. If abnormal damage is found, either at the time of exchange or later during overhaul, the exchange price will not be applicable. Instead, the customer will be invoiced on a time and material basis for the abnormal work actually performed, plus the cost of the exchange unit. If an exchange core is found to be Beyond Economical Repair, the customer will be invoiced for the core charge listed on the original invoice. If an acceptable core is not received within thirty (30) days of date of invoice, the entire applicable core charge will be billed to the customer’s account. If an acceptable core is received over forty-five (45) days past date of invoice, Seller reserves the right to credit the core charge less a 20% late fee.
- 3. Pricing and Payment:** All payments shall be made in United States Dollars. Quoted prices are valid for thirty (30) days and subject to prior sale. Subject to credit approval, all balances must be payable net thirty (30) days or as otherwise provided for in the Quotation unless Customer is an entity listed in to the United States Office of Foreign Asset Control (“OFAC”) Sectoral Sanctions Index, in which case Section 13(b) of these Terms and Conditions shall supersede this section. All past due amounts shall bear interest at a rate of one and one-half percent (1 1/2%) per month or the maximum amount permitted by law commencing on the due date until the date the invoice amount is paid in full. Customer agrees to pay any and all costs of collection including attorney’s fees in the event it becomes necessary to enforce the payment of Seller’s invoices. Customer shall not have a right to set-off amounts against any amount owed by Seller to Customer. Seller reserves a purchase money security interest in all Parts sold pursuant to the Quotation and proceeds thereof until payment in full is made for all Parts provided in connection with the sale. Customer agrees to execute any financing statement requested by Seller to perfect its security interest in the Parts.
- 4. Order Confirmation:** All orders from Customer must be made in writing and are subject to approval and confirmation upon receipt by Seller and Section 13 of these Terms and Conditions. No order is guaranteed until Seller issues an order confirmation to Customer. Cancellation of orders may not be made without the written consent of Seller and such orders are subject to a 15% cancellation fee. Customer’s orders must be a minimum of \$500 with a line item minimum of \$50 (excluding expendables).
- 5. Returns:** Any unit purchased from Seller stock may be returned for full credit, provided that it is returned sealed (in it’s original unopened, undamaged packaging, with all documentation, just as it left Seller), via appropriate shipping methods within ten (10) days of the date of purchase. A sealed unit returned between eleven (11) and forty-five (45) days from the date of purchase will be subject to a twenty percent (20%) re-stocking fee. For any sealed unit returned more than forty-five (45) days from the date of purchase, acceptance and any return credit will be at Seller’s discretion and will be determined on a case-by-case basis. Additionally, Seller reserves the option to invoice the customer for any restock fees charged by a third-party vendor to Seller, regardless of the return date, for any unit purchased from a third-party vendor by Seller on behalf of the customer. If an unsealed (packaging opened) unit is returned for credit, any costs incurred in the recertification of that unit to the condition stated on the original invoice, plus any applicable restock fees will be deducted from any refund or will be separately invoiced to the customer. Recertification fees will apply to any unsealed units returned without regard as to whether the unit was actually installed or otherwise used.
- 6. Delivery Terms:** Delivery terms are FCA Seller’s facility (Incoterms 2010), or such other facility as Seller may designate, unless otherwise agreed to by the parties in writing. All Parts delivered shall be packaged in accordance with Seller’s standard packing procedures for such Parts. Customer shall, within fifteen (15) calendar days after receipt of the Parts, notify Seller of any nonconforming Parts, return such nonconforming Parts to Seller at Customer’s cost, and permit Seller a reasonable opportunity to replace such nonconforming Parts.



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- 7. Delay in Delivery:** Seller will not be liable for any delay in performance due to causes beyond Seller's control including, but not limited to, embargoes, blockages, delays or refusals to grant export or import licenses or the suspension or revocation thereof, or any other acts or omissions of government, fires, floods, severe weather, or any other acts of God, quarantines, labor strikes, riots, insurrection, acts of criminals or terrorists, war, material, shortages or delays in delivery by third parties. In the event of such delay the delivery date shall be extended for a period of time as may be reasonably necessary to compensate for such delay. Seller will not be liable for lost profits, loss of business or other incidental, consequential, indirect or punitive damages arising out of any delay. Customer agrees that, for any liability arising out of delay, Seller is not liable or responsible for any amount of damage above the aggregate dollar amount paid by Customer for the purchase of the Parts under this Agreement.
- 8. Warranty:** Seller will, at its option, repair, replace, or refund the purchase price of goods found defective during the warranty period defined below. New, overhauled, and SV repaired or inspection tag parts, except where otherwise noted, carry a six (6) month, five hundred (500) hour, cycle warranty, whichever occurs first from date of sell. For high-wear items, such as brakes and starter generators, the exclusive remedy for a warranty claim will be the repair of the defective unit. If any unit returned for claimed warranty is found to be functional with no defects, Seller reserves the option to invoice the customer for any costs incurred in the recertification of that unit. In cases where Seller has provided a warranty exchange unit, the warranty does not extend beyond the original warranty period. Refunds for time or cycle-limited units returned for credit on warranty claim will be prorated for actual utilization. Seller reserves the right to deny warranty on any unit subjected to abuse, neglect, improper handling or use, damage or invasion of seals. Warranty repair at any non-Seller facility must receive prior written approval from SELLER. Failure to receive such prior approval will result in nonpayment of repair charges. THE REPAIR AND REPLACEMENT OBLIGATIONS CONTAINED IN THIS PARAGRAPH SHALL BE THE SOLE AND EXCLUSIVE OBLIGATIONS OF SELLER AND THE SOLE AND EXCLUSIVE REMEDY OF CUSTOMER, WITH RESPECT TO PRODUCTS PURCHASED FROM OR THROUGH SELLER.
- 9. Disclaimer of Warranties:** THE WARRANTIES CONTAINED HEREIN ARE EXPRESSLY IN LIEU OF ANY AND ALL OTHER WARRANTIES OR OBLIGATIONS WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, BOTH OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED. Seller shall in no event be liable to customer, nor shall customer recover from Seller, for injury to persons or damage to property or for any loss or damage due to down time or lost profits or any other loss (economic or otherwise) arising out of or in connection with the sale, delivery, assembly, disassembly, repair, use, installation or presence of products (or any part thereof) sold or distributed by or through Seller to customer, whether arising from any claim based upon contract, warranty, tort, products liability, strict liability, failure of essential purpose or any other legal or equitable theory, except in the case of and only to the extent of a willful and wrongful act or omission of Seller, provided, however, in no event shall Seller be liable to customer nor shall customer recover from Seller for incidental, special, indirect or consequential damages, whether arising from contract, warranty, tort, products liability, strict liability, failure of essential purpose or any other legal or equitable theory, even if Seller has been advised of the possibility thereof. Any action for an alleged breach of any contract of sale or of any warranties relating to any product(s) sold by Seller to customer must be commenced by customer within one (1) year of the date on which such cause of action accrued. Some states prohibit or limit the exclusion or limitation of incidental or consequential damages in consumer transactions, so the above limitation may not apply fully to you. You should check your local law to determine the extent of your rights
- 9. Customer's Insurance:** Customer shall carry and maintain such insurance in full force and effect and in types and amounts as would be carried by other companies engaged in the Customer's industry. Such policies of insurance shall be primary with respect to the Indemnities of Customer set forth herein and shall contain waivers of subrogation of the insurers in favor of the Seller Indemnitees. Customer shall provide Seller certificates of insurance upon Seller's request.
- 10. Indemnity:** Customer 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 Parts provided under any order, whether or not arising from breach of contract, strict liability, or tort (including negligence), provided however, Customer shall not be required to indemnify the Seller Indemnitees for claims or liabilities arising from the gross negligence or willful misconduct of any Seller Indemnitee.
- 11. Limitation of Liability:** Seller's liability on any claim of any kind including negligence, for any loss (including death) or damage arising out of or connected with, or resulting from this Agreement or the Quotation, or from the performance or breach thereof, or from the manufacture, sale, delivery, or use of any Parts covered by or furnished under the Quotation shall not exceed the price allocable to the Part which gives rise to the claim. In no event shall Seller be liable



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for special, incidental, indirect, punitive, or consequential damages including, but not limited to, lost revenue or profit and cost of replacements Parts.

- 12. Governing Law; Venue:** All matters arising under or in connection with this Agreement shall be construed and governed according to the laws of the State of Washington. Any disputes or claims shall be filed in the courts of King County, Washington or as otherwise agreed to in writing by the Parties. Customer agrees to pay all costs and expenses, including reasonable attorney's fees incurred by Seller in any action to enforce its rights hereunder. Customer 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.
- 13. Export Compliance:** (a) Customer understands that any Parts, technology, or products purchased from Seller are subject to export controls under the laws of the United States, including but not limited to: (i) U.S. exports regulations governing the export, transfer, or re-export of U.S. manufactured products, and products containing U.S. components, software, or technology as set forth in the U.S. Export Administration Regulations (EAR), 15 C.F.R. §§ 772 et seq.; (ii) U.S. export regulations and laws restricting U.S. companies and their foreign affiliates and subsidiaries from doing business with certain embargoed countries and entities as set forth in the U.S. Foreign Asset Control Regulations (FACR), 31 C.F.R. §§ 500 et seq.; and (iii) the International Traffic in Arms Regulations, 22 C.F.R. §§ 120 et seq. Customer agrees, warrants and represents that it will not export or re-export any Parts, technology, or products purchased from Seller in violation of the export laws of the United States. Customer shall provide any and all import and export documents as requested by Seller in order to comply with the requirements herein. Should Customer fail to provide such documents, Seller shall be entitled to cancel the order. (b) Entities subject to OFAC's Sectoral Sanctions are limited in the credit terms Seller can offer. As such, Customer shall receive net-5 payment terms with Seller retaining a purchase money security interest in the Parts sold. By purchasing from Seller, Customer acknowledges that should Customer fail to pay within the net-5 payment period, Seller shall execute its purchase money security interest and foreclose on the Part(s) sold to Customer, thus terminating any and all credit extensions for that Part.
- 14. Entire Agreement:** Seller rejects any of Customer's inconsistent conditions in purchase orders or however stated and such shall not be part of this Agreement, unless specific and explicit references to changes to this Agreement are made in writing by an authorized representative of Seller.
- 15. Confidentiality:** Customer acknowledges that it may obtain confidential information provided as a result of this Agreement, including, without limitation, all provisions of the 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 Customer's possession and not otherwise confidential or which was received from third parties having a right to disclose such information. Customer 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. Customer 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 to keep this Confidential Information confidential in accordance with the terms of this Order. If so required, Customer 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.
- 16. 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.
- 17. Survivability:** If this Order expires, is completed, or is terminated, Customer shall not be relieved of those obligations contained herein. All the provisions will survive the termination.