

GENERAL SERVICES TERMS & CONDITIONS

REV201710.01



These General Services Terms and Conditions for Jet Aviation Specialists ("Buyer") will be the only terms applicable to the provisioning of Goods or Services described in our Purchase Order and will comprise the entire agreement ("Agreement") for these Services.

1. DEFINITIONS

As used throughout this purchase order the following terms shall be defined as:

- (a) **"BUYER"** means the party contracting with Seller for Goods and identified as the purchasing entity on the face of the PO.
- (b) **"DELIVERABLES"** the quantifiable Goods or Services named in the PO that must be provided as agreed upon.
- (c) **"GOODS"** means the product(s) supplied by Seller under this PO, including without limitations all articles, supplies, components, raw materials, and intermediate assemblies thereof.
- (d) **"PARTY, PARTIES"** means Buyer and Seller individually a "Party" and collectively "Parties".
- (e) **"PO"** shall mean the Agreement, Purchase Order, Subcontract, or Contract, these Purchasing Terms and Conditions, and any special conditions appended hereto or documents incorporated herein.
- (f) **"SELLER"** means the party contracting to supply the Good(s) with the purchasing entity on the face of the PO.
- (g) **"SERVICES"** work performed by Seller for Buyer by virtue of their job, profession or training.

2. TERMS AND CONDITIONS

These terms shall be applicable to all orders issued by Buyer. Supplier's written acknowledgement or Supplier's full or partial performance, whichever occurs first, will constitute acceptance of all terms and conditions contained herein. Any proposal for additional or different terms or any attempt by Supplier to vary in any degree any of the terms of Buyer's Order is hereby objected to and rejected. Buyer's offer shall be deemed accepted by Supplier without said additional or different terms.

3. DELIVERY OF GOODS AND PERFORMANCE OF SERVICES

- (a) Seller shall deliver the Goods in the quantities and on the date(s) specified in the Purchase Order or as otherwise agreed in writing by the parties (the "Delivery Date"). If Seller fails to deliver the Goods in full on the Delivery Date, Buyer may terminate this Agreement immediately by providing written notice to Seller and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Seller's failure to deliver the Goods on the Delivery Date.
- (b) **Late Delivery Fees:** If Seller fails to have the Goods or Services delivered in the time period stated in the PO or proposal, Buyer has the option to enforce the following late fees: 2% of invoice price after 14 days, 5% after 30 days, 9% after 45 days and 15% of final invoice price after 60 days.
- (c) Seller shall deliver all Goods to the address specified in the Purchase Order (the **"Delivery Point"**) during Buyer's normal business hours or as otherwise instructed by Buyer. Seller shall pack all Goods for shipment according to Buyer's instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are delivered in undamaged condition. Seller must provide Buyer prior written notice if it requires Buyer to return any packaging material. Any return of such packaging material shall be made at Seller's risk of loss and expense.
- (d) Seller shall provide the Services to Buyer as described and in accordance with the schedule set forth on the reverse side of these terms and in accordance with the terms and conditions set forth in these terms.
- (e) Seller acknowledges that time is of the essence with respect to Seller's obligations hereunder and the timely delivery of the Goods and Services, including all performance dates, timetables, project milestones and other requirements in this Agreement.

4. SHIPPING TERMS

Delivery shall be made FOB Delivery Point or in accordance with the terms on the face of this Agreement. The Purchase Order number must appear on all shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence and any other documents pertaining to the Purchase Order. Title and Risk of Loss passes to Buyer upon delivery of the Goods at the Delivery Point.

5. INSPECTION AND REJECTION OF NON-CONFORMING GOODS

Buyer has the right to inspect the Goods on or after the Delivery Date. Buyer, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If Buyer rejects any portion of the Goods, Buyer has the right, effective upon written notice to Seller, to: (a) rescind this Agreement in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If Buyer requires replacement of the Goods, Seller shall, at its expense, promptly replace the nonconforming or defective Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective Goods and the delivery of replacement Goods. If Seller fails to timely deliver replacement Goods, Buyer may replace them with Goods from a third party and charge Seller the cost thereof and terminate this Agreement for cause pursuant to the Termination Section. Any inspection or other action by Buyer under this Section shall not reduce or otherwise affect Seller's obligations under the Agreement, and Buyer shall have the right to conduct further inspections after Seller has carried out its remedial actions.

6. PRICE

The price of the Goods and Services is the price stated on the Statement of Work or the Purchase Order (the **"Price"**) (AS APPLICABLE). If no price is included in the Purchase Order, the Price shall be the price set out in Seller's published price list in force as of the date of the Purchase Order. Unless otherwise specified in the Purchase Order, the Price includes all packaging, transportation costs to the Delivery Location, insurance, customs duties and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Buyer.

7. PAYMENT TERMS

Seller shall issue an invoice to Buyer on or any time after the completion of delivery and only in accordance with the terms herein. Buyer shall pay all properly invoiced amounts due to Seller within 60 days after Buyer's receipt of such invoice, except for any amounts disputed by Buyer in good faith. All payments hereunder must be in US dollars and made by electronic funds transfer or wire transfer as provided by Seller in Appendix B (attached herein). Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller. In the event of a payment dispute, Buyer shall deliver a written statement to Seller no later than 10 days prior to the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed are deemed accepted and must be paid, notwithstanding disputes on other items. The parties shall seek to resolve all such disputes expeditiously and in good faith. Seller shall continue performing its obligations under this Agreement notwithstanding any such dispute. **TAXES.** Unless otherwise specified, prices include all applicable federal, state and local taxes, duties, tariffs, VAT and similar fees imposed by any government, all of which shall be listed separately on the invoice. If Buyer, for any reason, pays for any taxes for which Seller is responsible, Seller shall promptly reimburse Buyer for such payment, along with any expenses thereto.

8. SELLER'S OBLIGATIONS REGARDING SERVICES

Seller shall:

- (a) before the date on which the Services are to start, obtain, and at all times during the term of this Agreement, maintain, all

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- necessary licenses and consents and comply with all relevant laws applicable to the provision of the Services;
- (b) comply with all rules, regulations and policies of Buyer, including security procedures concerning systems and data and remote access thereto, building security procedures, including the restriction of access by Buyer to certain areas of its premises or systems for security reasons, and general health and safety practices and procedures;
 - (c) maintain complete and accurate records relating to the provision of the Services under this Agreement, including records of the time spent and materials used by Seller in providing the Services in such form as Buyer shall approve. During the term of this Agreement and for a period of seven years thereafter, upon Buyer's written request, Seller shall allow Buyer to inspect and make copies of such records and interview Seller personnel in connection with the provision of the Services;
 - (d) obtain Buyer's written consent, which may be given or withheld in Buyer's sole discretion, prior to entering into agreements with or otherwise engaging any person or entity, including all subcontractors and affiliates of Seller, other than Seller's employees, to provide any Services to Buyer (each such approved subcontractor or other third party, a "**Permitted Subcontractor**"). Buyer's approval shall not relieve Seller of its obligations under the Agreement, and Seller shall remain fully responsible for the performance of each such Permitted Subcontractor and its employees and for their compliance with all of the terms and conditions of this Agreement as if they were Seller's own employees. Nothing contained in this Agreement shall create any contractual relationship between Buyer and any Seller subcontractor or supplier;
 - (e) require each Permitted Subcontractor to be bound in writing by the confidentiality provisions of this Agreement, and, upon Buyer's written request, to enter into a non-disclosure or intellectual property assignment or license agreement in a form that is reasonably satisfactory to Buyer;
 - (f) warrant that all persons, whether employees, agents, subcontractors, or anyone acting for or on behalf of the Seller, are lawfully permitted, properly licensed, certified or accredited as required by applicable law and are suitably skilled, experienced and qualified to perform the Services;
 - (g) ensure that all of its equipment used in the provision of the Services is in good working order and suitable for the purposes for which it is used, and conforms to all relevant legal standards and standards specified by the Buyer; and
 - (h) keep and maintain any Buyer equipment in its possession in good working order and shall not dispose of or use such equipment other than in accordance with the Buyer's written instructions or authorization.

9. CHANGE ORDERS

Buyer may at any time, by written instructions issued to Seller (each a "**Change Order**"), order changes to the Services. Seller shall within five days of receipt of a Change Order submit to Buyer a firm cost proposal for the Change Order. If Buyer accepts such cost proposal, Seller shall proceed with the changed services subject to the cost proposal and the terms and conditions of this Agreement. Seller acknowledges that a Change Order may or may not entitle Seller to an adjustment in the Seller's compensation or the performance deadlines under this Agreement.

10. WARRANTY

Seller agrees to undertake the performance of all Works called for in any Buyer purchase order, to pursue the same diligently, and to complete the same within any time limit specified in the order. With respect to each purchase order, Works contracted for shall be as described in the order, and in any plans, specifications, general conditions, or other papers attached to or referred to in the purchase order, which together with these terms and conditions are hereafter called the Agreement and said Works shall include the furnishing of all materials, tools, equipment, labor, superintendence and facilities necessary therefore, excepting however, any items which are to be specifically furnished or performed by Buyer as

provided in the Agreement. Seller warrants to Buyer that the Works will be of best quality and new, unless otherwise permitted by the purchase order, and that the Works will be free of defects and in strict compliance with the requirements of the Agreement for a period of twelve (12) months, unless otherwise specified in the purchase order. In the event of a warranty defect, Seller shall, at Buyer's discretion, repair or replace the defective Works at no cost to Buyer. This remedy is not exclusive and shall not be in lieu of any other remedy available at law or equity.

11. INSURANCE

Seller shall produce proof or evidence satisfactory to Buyer that the following insurance coverage is in place:

- Commercial General Liability (**CGL**), in the amount no less than \$1,000,000.00 any one occurrence and in the aggregate for bodily injury and property damage. This General Commercial Liability Insurance coverage shall name Buyer as an additional insured and shall include endorsements for: Products and completed operation liability coverage; personal injury; contractual liability; and independent contractors' coverage.
- **Workers' Compensation Insurance** – At all times during the Agreement, Seller will carry and maintain in full force and effect, Workman's' Compensation Insurance as required by applicable law covering all personnel engaged in furnishing of services under this Agreement including Employers Liability Insurance.

12. GENERAL INDEMNIFICATION

Seller shall defend, indemnify and hold harmless Buyer and Buyer's parent company, its subsidiaries, affiliates, successors or assigns and its respective directors, officers, shareholders and employees (collectively, "**Indemnitees**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "**Losses**") arising out of or occurring in connection with the Goods and Services purchased from Seller or Seller's negligence, willful misconduct or breach of these terms. Seller shall not enter into any settlement without Buyer's prior written consent.

13. INTELLECTUAL PROPERTY INDEMNIFICATION

Seller shall, at its expense, defend, indemnify and hold harmless Buyer and any Indemnitee against any and all Losses arising out of or in connection with any claim that Buyer's or Indemnitee's use or possession of the Goods or use of the Services infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall Seller enter into any settlement without Buyer's or Indemnitee's prior written consent.

14. TERMINATION

In addition to any remedies that may be provided under these terms, Buyer may terminate this Agreement with immediate effect upon written notice to the Seller, either before or after the acceptance of the Goods or the seller's delivery of the Services, if Seller has not performed or complied with any of these terms, in whole or in part. If the Seller becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors, then the Buyer may terminate this Agreement upon written notice to Seller. If Buyer terminates the Agreement for any reason, Seller's sole and exclusive remedy is payment for the Goods received and accepted and Services accepted by Buyer prior to the termination.

15. INTELLECTUAL PROPERTY

Except as specifically set forth in writing and signed by both Parties, Buyer shall retain control and ownership of all inventions, designs and processes, or other intellectual property owned, controlled or possessed by Buyer prior to this purchase order. Buyer shall further retain ownership of all inventions, designs and processes, or other intellectual property, arising from the performance of the Works or related to the Deliverables, or in respect of any uses and any

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applications thereof or any processes related to such applications or uses and Buyer shall be entitled to apply for and obtain in Buyer's own name patents, copyrights, design rights or any other protection relating thereto. Seller shall promptly notify Buyer of any such data, information, invention or discovery. Buyer shall become the sole owner of any and all notes, reports, memoranda, drawings, designs, schematics and any other written information made or prepared in connection with any purchase order placed by Buyer and such information shall not be utilized by Seller without the express written consent of Buyer.

Additionally, Seller agrees that all tangible and intangible property, including, but not limited to tools, tool drawings, materials, drawings, documents or data furnished to Seller by Buyer, or any materials affixed or attached thereto, shall be and remain the personal property of Buyer, and, unless otherwise agreed to in writing by Buyer, shall be used by Seller solely to render Services or provide Goods to Buyer.

16. GENERAL PROVISIONS

- a) **Amendments and Notices** These terms may only be amended or modified in a writing stating specifically that it amends these terms and is signed by an authorized representative of each party. All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth below. All Notices shall be delivered to the addresses of each party as listed above by personal delivery, nationally recognized overnight courier (with all fees pre-paid), e-mail (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.
- b) **Assignment** Seller shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of Buyer. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the Seller of any of its obligations hereunder. Buyer may at any time assign or transfer any or all of its rights or obligations under this Agreement without Seller's prior written consent to any affiliate or to any person acquiring all or substantially all of Buyer's assets.
- c) **Audit Rights.** StandardAero shall have the right to conduct audits of Seller's records for a period of up to twenty-four (24) months subsequent to the effective date of termination or cancellation of this Agreement.
- d) **Confidentiality** All non-public, confidential or proprietary information of Buyer, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Buyer to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the purpose of performing this Agreement and may not be disclosed or copied unless authorized in advance by Buyer in writing. Upon Buyer's request, Seller shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Seller at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.
- e) **Counterparts** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall constitute together but one and the same document.
- f) **Disputes** If any dispute arises with respect to the execution or

interpretation of this Agreement, the Parties shall attempt to settle their differences amicably. If the Parties fail to reach a mutual agreement, the dispute may be resolved by binding arbitration according to the Rules of Arbitration of the American Arbitration Association. Any arbitration shall occur in New York NY unless the Parties agree otherwise. With respect to any judgment or decision, the prevailing party shall be entitled to recover its reasonable actual legal fees and disbursements and collection expenses without limitation by any rule of court or statute. All information and data disclosed by either Party in connection with the arbitration of any dispute relating to this Agreement shall be treated as confidential by the Parties.

- g) **English Language.** Except as the parties may otherwise agree, this Agreement, data, notices, shipping invoices, correspondence and other writings shall be written in the English language. In the event of any inconsistency between any terms of this Agreement and any translation thereof into another language, the English language meaning shall control.
- h) **Entire Agreement** This Agreement and its appendices constitute the entire agreement between the Parties with regard to the subject matter herein and supersede all other contracts, purchase orders or understandings of the matters herein subject, to include the issuance of any agreement or invoicing terms provided by Seller. Annexes shall be applicable as specified in the Agreement. In case of any conflicts or inconsistencies between the provisions of this Agreement and the Appendices attached hereto, the provisions of this Agreement shall prevail.
- i) **Export Compliance.** Seller will be the importer/exporter of record of the Equipment and, unless we otherwise agree in writing, Seller will be responsible for obtaining all necessary import/export licenses, permits and other required authorizations. All delivered items (including technical data) shall at all times be subject to all applicable import and export regulations including, without limitation, the U.S. Export Regulations, International Traffic in Arms Regulations of the U.S., and applicable U.S. Customs Regulations. Seller will not dispose of USA-origin items furnished by StandardAero (including technical data) other than in and to the country of ultimate destination specified in the PO, government license(s), and authorization(s), except as law and regulation permit.
- j) **Force Majeure** Neither Party to this Agreement shall be liable for its failure to perform hereunder due to circumstances beyond its reasonable control, including but not limited to strike, riot, war, fire, act of God, accident, plant breakdown not caused by the fault or neglect of such Party, compliance with any law, regulation or order, whether valid or invalid, of the United States of America or any other governmental body.
- k) **General Compliance** Seller represents, warrants, and covenants that it shall supply all Goods in compliance with all applicable federal, provincial, international, national, state and local laws, legislation, rules, codes, regulations and governmental agencies standards, including, but not limited to anti-bribery, labor, environmental, health and safety laws and regulations, having jurisdiction over activities relating to this PO. Seller agrees to comply with Buyer's Code of Ethics outlined at the following link (available) <http://www.standardaero.com/AboutUs/CompanyInformation.aspx>
- l) **Governing Law and Submission to Jurisdiction** This Agreement shall be governed by the laws of the State of New York without reference to its conflict of law provisions. The Parties hereby consent to the exclusive jurisdiction of the courts of New York.
- m) **Independent Contractor** It is understood that Seller is an independent contractor of Buyer. Nothing in this Agreement shall constitute Seller an employee, partner, or agent of, or attorney for Buyer for any purpose. Nor is Seller granted any right or authority to assume or to create any obligation or responsibility, whether express or implied, on behalf of or in the name of Buyer or to in any way bind Buyer. Seller shall not hold itself out as having any authority to bind Buyer.
- n) **Limitation of Liability** IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL,

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OR PUNITIVE DAMAGES OR EXPENSES OR LOST PROFITS (REGARDLESS OF HOW CHARACTERIZED AND EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES) UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY ORDER UNDER THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION (WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, STATUTORY LIABILITY OR OTHERWISE). Nothing in this Agreement shall exclude or limit (a) Seller's liability under this Agreement, or (b) Seller's liability for fraud, personal injury or death caused by its negligence or willful misconduct.

- o) **Releases and Publicity** No public release of information regarding this purchase order shall be made without the prior written approval of Buyer.
- p) **Security Interests** Seller hereby waives represents and warrants that its Services or Goods provide will be free and clear of any and all security interests, liens, claims, charges and encumbrances of any nature whatsoever.
- q) **Severability and Interpretation** If any such provision is declared by a court of competent jurisdiction to be invalid and unenforceable, the validity of the remainder of the Agreement shall not be affected. Each provision of this Agreement is severable from the other. Headings in this Agreement are for the purpose of convenience only and shall not be used in the interpretation of any part of this Agreement. In this Agreement, the use of the singular includes the plural and vice versa and the use of any one gender includes all genders.
- r) **Survivability.** When this Agreement expires for any reason whatsoever, is completed or terminated, the following articles of this Agreement will continue to be binding on the Parties beyond such expiration or termination:
 - Confidentiality
 - Counterfeit Goods
 - Disputes
 - Export Compliance
 - Governing Law
 - Indemnity
 - Insurance
 - Intellectual Property
 - Records
 - Releases and Publicity
 - Warranty
- s) **Third Party Benefit.** Except as herein expressly provided to the contrary, the provisions of the Agreement are for the benefit of the parties hereto and not for the benefit of any third party.
- t) **Waiver** No waiver by Buyer of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Buyer. No failure to exercise, or delay in exercising, any right, 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.