

**Standard Terms and Conditions for Maintenance, Repair and Overhaul Services
Commercial Aviation (Airlines & Fleets)**



1. Terms and Conditions. These standard terms and conditions, together with the terms, if any, set forth in StandardAero's proposal to which these terms and conditions are attached (the "**Proposal**"), in the Estimate (defined below), or in the Workscope (defined below), are binding upon the Parties and form the sole and exclusive terms and conditions applicable to StandardAero's Services, and comprise the entire agreement between the Customer and StandardAero for the Services (the "**Agreement**").

2. Workscope and Estimate Approval. Where StandardAero provides an initial workscope document with respect to the Services requested Customer must, within five (5) days after receipt from StandardAero, approve the initial workscope document or advise StandardAero why the initial workscope cannot be approved (once approved, the "**Workscope**"). StandardAero will provide Customer with an estimate based on the Workscope. Customer must approve the estimate within five (5) working days after receipt of the estimate or advise StandardAero why Customer cannot approve the estimate (once approved, the "**Estimate**"). In the event Customer does not approve either the Workscope or the Estimate, StandardAero has no obligation to proceed further.

3. Services. StandardAero shall perform the services described in the Workscope (the "**Services**"). StandardAero may subcontract any Service to any subcontractor certified and rated by the FAA, EASA, CAA or other equivalent aviation authority. StandardAero may use new, reworked or serviceable parts in performing the Services. StandardAero shall disclose to Customer a list of the material condition embodied into the engine or part(s) requiring Services (the "**Equipment**").

4. Payment. This Agreement is subject to any credit and installment payment terms contained in the Estimate. Unless otherwise stated in the Agreement, Customer shall pay all of StandardAero's invoices net thirty (30) calendar days after the invoice date. All sums past due bear interest at the rate specified in this Agreement or, if no rate is specified, the maximum rate permitted by law. Customer hereby grants to StandardAero a lien on all Equipment on which StandardAero has performed Services for all sums owed or owing to StandardAero by Customer. If Customer have not paid all such sums to StandardAero within 90 days after the date on which the sum was due, StandardAero may, in addition to any other rights StandardAero may have at law or in equity take possession of and sell the Equipment and may apply the proceeds of any such sale to satisfy the sum due. StandardAero shall credit any amount realized by StandardAero from any such sale that is in excess of the sums owed by Customer toward Customer account to be applied against invoices for future Services. If StandardAero, because of operation of law or otherwise, cannot place, enforce, or otherwise realize upon a lien on the Equipment, StandardAero may retain possession of the Equipment until Customer pays all amounts owing to StandardAero. Customer shall indemnify StandardAero from, against and to any claims, suits, and all associated costs suffered by StandardAero in relation to any interest claimed by a third Party in the Equipment retained or sold. Customer shall notify StandardAero of any pricing or payment discrepancy or dispute within 10 days of the date of the relevant invoice. If the Customer has a good faith dispute with respect to any payment or invoice, in whole or in part, the Customer shall pay, notwithstanding that dispute, all undisputed amounts and invoices in accordance with the above payment terms. If payments due under this Agreement are not received in accordance within the payment terms StandardAero may, at its discretion and without prejudice to any other rights or remedies it may have, (i) discontinue all Services provided under this Agreement, including the suspension or discontinuance of any warranty obligations; (ii) any applicable TAT as expressed in the Workscope or Estimate is tolled (suspended) until all outstanding payments (including applicable interest) are received by StandardAero; (iii) StandardAero may consider the Customer in material default of the Agreement; (iv) StandardAero may retain all money paid with respect to this Agreement as liquidated damages in addition to any other rights or remedies StandardAero may have under this agreement or at law; and/or (v) the Customer shall pay all reasonable attorneys fees, expenses and costs incurred by StandardAero in recovering, or attempting to recover, any sum owed to it by the Customer.

5. Prices. Unless otherwise stated on the Estimate, StandardAero's prices do not include shipping, insurance, taxes, or other similar charges. All Federal, State or local taxes applicable to the Services performed and all duties, imposts, tariffs or other similar levies, shall be added to the prices and paid by Customer, except where Customer provide StandardAero with an appropriate certificate of exemption. Customer shall indemnify and hold StandardAero harmless from the payment or imposition of any tax or levy imposed on any Services, plus penalties, interest, and reasonable attorney's fees connected with the imposition of any such tax or levy.

6. Shipping. Customer is responsible for shipping the Equipment to StandardAero DDP (StandardAero Facility) Incoterms 2010. StandardAero will return the Equipment to Customer ExW (StandardAero Facility) Incoterms 2010. Customer is responsible for insuring the Equipment while in transit to and from the StandardAero Facility, and shall bear the risk of any loss or damage to the Equipment while in transit. Customer shall ensure that a container approved by the OEM is used to ship Equipment to the StandardAero Facility. All transportation containers are to be compliant with applicable international shipping regulations. Customer is liable for any damage to the Equipment if the damage results from Customer improper packing or mishandling.

7. Exchanges. If there is a permanent exchange of any Equipment, each of the Customer and StandardAero (the "**Parties**") warrants that their respective titles will be free and clear of all encumbrances for any exchanged item and each shall deliver to the other all documents necessary to transfer title and release any encumbrances. If Customer's interest is that of a lessee or the Equipment is subject to encumbrances, Customer shall provide to StandardAero a transfer of title and/or encumbrance from the owner or encumbrance holder in a form satisfactory to StandardAero. If StandardAero provides Customer with an advance exchange, Customer must return the core unit(s) to the StandardAero facility identified on the Estimate (the "**StandardAero Facility**") within fifteen (15) calendar days (thirty (30) calendar days if overseas) after the date of shipment of the exchange unit from StandardAero to Customer. If Customer fails to return the core to the StandardAero Facility within the applicable period, Customer must pay a core charge established by StandardAero and Customer must also pay for all replacement parts, if any, that StandardAero used in the overhaul of the core not required as part of a normal overhaul (i.e. other than 100% replacement parts). StandardAero will return all non-repairable or non-conforming cores or parts upon Customer's written request, provided that Customer will pay any and all taxes, duties, imposts and tariffs levied on the value of the returned items and all costs of return if any.

8. Warranty. Equipment repaired or overhauled by StandardAero is warranted to be free from defects in workmanship for one (1) year from date shipped. No warranty is given with respect to any new unit or part and StandardAero will pass through to Customer the warranty of the manufacturer or repairer of record for the respective equipment, component, accessory, material or part. To obtain warranty coverage, the Customer must discover defects in StandardAero's workmanship within the warranty period and the Customer must give StandardAero written notice no later than three (3) business days after the date the Customer knew or should have known of the defect. The Customer must return the Equipment, shipping prepaid by the Customer, to the StandardAero Facility no later than 30 Days after such notification is made. The Customer must make any previously attached or related parts available to StandardAero upon request to assist in determining the cause of the defect. Upon StandardAero's examination and confirmation the defect or nonconformity is due to its performance of the Services StandardAero will reimburse reasonable freight charges Customer incurred for transportation for repairs covered by this warranty. The warranty period on such repaired or replaced article is the unexpired term of the original warranty. **This warranty is exclusive and in lieu of all other warranties expressed or implied, including warranties of merchantability and fitness for a particular purpose. StandardAero will not be responsible for consequential, incidental, resultant or punitive damages.** This warranty is not assignable without StandardAero's written consent and is applicable only if, following redelivery to Customer, the Equipment: (a) has been transported, stored, installed, operated, handled, maintained and repaired in accordance with Airworthiness Directives and the then-current recommendations of the OEM as stated in its manuals, Service Bulletins or written instructions; (b) has not been altered, modified or repaired by anyone other than StandardAero; and (c) has not been subjected to accident, misuse, abuse, neglect or foreign object damage. The provisions of this Section 8 may be supplemented or replaced, in whole or in part, by separate warranty terms and conditions in StandardAero's Proposal and, in such event, such separate warranty provisions will have priority over this Section 8.

9. StandardAero's Indemnity. StandardAero shall indemnify the Customer and its affiliates, parent, subsidiaries, and their respective directors, officers, and employees, from and against: (a) any and all claims, demands, suits, judgments, losses, damages, costs (including reasonable legal costs on a solicitor and own client basis), and expenses ("**Claims**") by or of any third party for any loss of, damage to, or destruction of any physical property or any bodily injury to or death of any third party arising from StandardAero's negligence or willful misconduct; and (b) any and all Claims resulting from injuries or damages suffered by employees of StandardAero in connection with the performance of Services hereunder, provided, however, that StandardAero is not required to indemnify Customer: (c) for a Claim if Customer fails to give notice of such Claim to StandardAero within 30 Days after the Customer received notice of the Claim; and (d) to the extent that a Claim results or arises from the Customer's negligence or willful misconduct. The indemnification provided in this Section is the Customer's sole and exclusive remedy for any third party Claims. The indemnity provided in paragraph (a) expires, and StandardAero has no further obligation to indemnify the Customer for any such Claims, at such time as the Equipment is serviced by another service provider.

10. Customer's Indemnity. The Customer shall indemnify StandardAero, its parent, affiliates, and subsidiaries, and their respective directors, officers, and employees, from and against: (a) any and all Claims by or of any third party for any loss of, damage to, or destruction of any physical property or any bodily injury to or death of any person arising from: (i) the Customer's negligence or willful misconduct; and/or (ii) the use, operation, repair, maintenance, or disposition of the Equipment (or part thereof) by the Customer or any third party, whether prior to the delivery of the Equipment to StandardAero and/or after the redelivery of the Equipment to the Customer; and (b) any and all Claims resulting from injuries or damages suffered by employees of the Customer in connection with the performance of their respective employment with the Customer, provided, however, the Customer shall not be required to indemnify

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StandardAero to the extent that a Claim results or arises from StandardAero's negligence or willful misconduct.

11. Limitation of Liability. StandardAero's total liability on any claim, of any nature, arising from, connected with, or resulting from its performance or breach of this Agreement is limited to the amount of StandardAero's invoice for the Services giving rise to such claim. StandardAero shall not be responsible for any loss or damage resulting from unit value depreciation. In no event will StandardAero be liable for any incidental, special, consequential or punitive damages or loss of profits, use, or revenue in connection with any claim, matter or thing under this Agreement, even if StandardAero has been advised of the possibility of such damages or loss. **This limitation of liability applies to the extent permitted by the applicable law and regardless of whether any liability arises from breach of contract, warranty, tort, by operation of law, or otherwise, but does not apply to instances of gross negligence or willful misconduct by StandardAero. The customer hereby waives, and releases StandardAero from, any and all claims for any amount in excess of the amount specified in this Section.**

12. Insurance. Customer shall, at its expense, procure, maintain and keep in full force and effect spares insurance (which may form part of Customer's existing hull insurance) for the Equipment while in StandardAero's possession, such policies to be endorsed to waive subrogation against StandardAero. If StandardAero so requests, Customer shall provide StandardAero with certificates of insurance evidencing policy and waiver of subrogation.

13. Import - Export Compliance. Each Party agrees to comply with all applicable Export Laws. Goods, Services and data required to be provided hereunder, shall only be supplied in accordance with the then applicable Export Laws (defined below). Neither Party shall be required to perform any obligation specified in this Agreement that would result in, or require it, to breach of any applicable Export Laws. All required export licenses and permits must be in place, to StandardAero's satisfaction before applicable goods or data are shipped to or from either Party, and prior to StandardAero commencing performance of the Services. In all cases, Customer is the importer or exporter of record and responsible for obtaining any required governmental authorization, including without limitation any required import license, export license, or exchange permit. If Customer requests StandardAero's assistance with any import or export requirements, Customer shall pay for any additional administrative services StandardAero provides. In all cases Customer shall remain importer or exporter of record. StandardAero shall not be liable if any authorization is delayed, denied, revoked, restricted, or not renewed and performance has commenced, Customer shall not be relieved of its obligation to pay for the Services. Customer acknowledges that the Equipment and any data provided pursuant to this Agreement may be subject to, and controlled by, the export laws and regulations of the United States, Canada, and other countries (collectively referred to as "Export Laws"). StandardAero may refuse any Equipment or data shipped prior to proper licensing or equivalent export authorization being obtained and may return any such Equipment or data to Customer at Customer's cost and expense.

14. Ethics Compliance. If Customer is owned and/or controlled, in whole or in part, by national, state, or local government entity, Customer is deemed to be a government entity and this Section 13 applies. Customer acknowledges and confirms that all amounts paid by StandardAero related to this Agreement are for actual services rendered. Under no circumstances shall either Party, its employees, agents, or other person acting on its behalf, accept, solicit, offer, promise, give, or agree to give any money, gift, loan, or other benefit or advantage, either directly or through intermediaries, to a public official, (or private person in the case of the U.K. Bribery Act), for that official, private person or third Party, to exert influence, act or refrain from acting in relation to the performance of official duties, in order to obtain or retain business or other improper advantage under this Agreement. As used herein, "Public Official" (or "Government Official") includes, without limitation, (i) any official, employee, or agent of, or one who is in any manner connected with, any government or government entity, including any department, agency, instrumentality of any government, government-owned entity, or government-controlled entity, or any person acting in an official capacity thereof; (ii) any candidate for political office, any political Party or any official of a political Party; (iii) any director, officer, or employee of a public international organization (e.g. the United Nations, the World Bank, or the International Monetary Fund); or (iv) any member of a royal or ruling family. Customer represent and warrant to StandardAero that Customer will comply with all laws of the jurisdictions where it operates and which are applicable to this Agreement, including without limitation, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the Corruption of Public Officials Act of Canada and the Organization for Economic Co-Operation & Development Convention on Combating Bribery of Foreign Officials in International Business Transactions (collectively "Ethics Legislation"). Nothing contained herein will require StandardAero to make any payment directly or indirectly under this Agreement, which in StandardAero's good faith determination violates or is inconsistent with the Ethics Legislation.

15. Confidentiality. The Parties shall treat as strictly confidential all provisions of this Agreement and any information disclosed by one Party to the other in furtherance of this Agreement, with the exception that the receiving Party may share information in the following limited circumstances: (a) to its employees or professional advisors on a

strictly need-to-know basis and only after, as applicable: i) advising its such employees of the requirements of this provision; or ii) having any such third party(ies) sign a non-disclosure agreement; (b) as may be required to be disclosed for an investigation by a governmental authority or other mandatory legal process only to the extent legally required and only after giving notice to the disclosing Party with sufficient time to allow that Party to commence a legal process to limit such disclosure; (c) is in the public domain through no breach of the confidentiality obligations contained herein; (d) was independently developed by the receiving Party supportable by documentation; or (e) to the extent reasonably required to be disclosed to commence, in furtherance of, or to enforce any rights or obligations of a Party under this Agreement or any judgment arising out of, any court proceeding or other dispute resolution proceeding related this Agreement.

16. Intellectual Property. This Agreement does not give either Party the right to use the trademarks, patents, or other intellectual property of the other Party or grant any rights to any intellectual property owned or licensed by a Party, or that, which is first reduced to practice in performance of the Services.

17. Force Majeure and Delay. StandardAero is not responsible for any failure or delay in its performance resulting from any cause beyond its reasonable control including without limitation, adverse weather conditions, labor troubles, shortages of materials or services, acts of government, court order, civil unrest, sabotage, or caused by the actions or inactions or delays of the Customer or the applicable OEM(s). In the event of a delay caused by an event of force majeure, the time for StandardAero's performance is extended for a period of time equivalent to the length of any such event.

18. Termination. Either Party may terminate this Agreement, without prejudice to any other rights and remedies it may have at law, in equity, or pursuant to this Agreement, if the other Party remains in default for a period of thirty (30) Days after receipt of written notice that the defaulting Party has (i) acted in breach of any material provision of this Agreement; (ii) refused or omitted to do any act or undertaking required to be done pursuant to this Agreement; (iii) breached any of the covenants contained in any document required to be executed in order to carry out the terms of this Agreement. In addition, StandardAero may terminate this Agreement immediately upon delivery of written notice to Customer in the event Customer files a voluntary or involuntary petition in bankruptcy, becomes insolvent, appoints or has appointed a receiver whether formal or informal, suspends business or makes an assignment for the benefit of its creditors.

19. Governing Law and Dispute Resolution. This Agreement is to be governed by the laws of the State of New York, without reference to its conflicts of laws provisions, and the Parties agree to the exclusive jurisdiction a state or federal court of competent jurisdiction located in the County of New York, State of New York. The provisions of the United Nations Convention on the International Sale of Goods do not apply to this Agreement. Any dispute with respect to this Agreement may be resolved by binding arbitration. StandardAero is entitled, with respect to any judgment or decision rendered in its favor in connection with this Agreement by the other Party, the prevailing Party shall be entitled to recover its reasonable litigation and collection expenses, including attorneys fees on a solicitor and his own client basis, without limitation by any rule of court or statute.

20. Rights and Remedies. The rights and remedies provided in this Agreement are cumulative and are not in lieu of, but are in addition to, the rights and remedies otherwise available at law or equity.

21. Amendment. No amendment, change nor modification to this Agreement is valid or binding unless contained in a written document signed by a duly authorized representative of each Party.

22. Assignment. Except for an assignment by StandardAero to a corporate parent, subsidiary, or affiliate, the rights and obligations of the Parties under this Agreement may not be assigned or transferred to any person without the express, prior written consent of the other Party, which consent will not be unreasonably withheld, conditioned, or delayed.

23. Waiver. No failure to exercise or delay in exercising of any right provided by this Agreement or at law or equity operates as a waiver thereof. Nor waiver of any provision of this Agreement is effective unless in writing and signed by both Parties. No waiver of any breach of this Agreement extends to any subsequent breach. Each provision of this Agreement is severable from all of the others.

24. Severability. If any provision is declared by a court of competent jurisdiction to be unenforceable, the validity of the remainder of the Agreement is not affected.

25. Conflicting Provisions. In the event of a conflict between these terms and conditions and any additional terms in StandardAero's Proposal, in the Estimate, or in the Workslope, these terms and conditions govern unless expressly stated otherwise. StandardAero expressly objects to and rejects any inconsistent or additional terms included in Customer's purchase order, repair order, or any other document Customer provides to StandardAero. For certainty, the provisions in the Agreement govern if there is any conflict between the provisions of this Agreement and Customer purchase order, or any other document, containing inconsistent or additional terms.

26. Survival. Sections 4, 9, 10, 11, 14, 15, 19, and 26 shall survive expiration or termination of this Agreement.