Standard Terms and Conditions of Sale for Parts and Components (SA Rev 0420)



These Standard Terms and Conditions of Sale for Parts and Components of Standard Aero Limited – Energy Services (hereinafter "StandardAero"), together with the terms of sale set forth in StandardAero's offer, whether by proposal, quote or catalog ("Offer") submitted to Customer, will be the only terms of sale applicable to StandardAero's provision of parts and components ("Parts") described in the Offer and will comprise the entire agreement ("Agreement").

- 1. Warranty. No warranty is given with respect to any Part which is not manufactured or repaired by StandardAero; StandardAero will pass through to Customer the warranty of the manufacturer or repairer of record for the respective Part. Overhaul of Parts performed solely by StandardAero are warranted to be free from defects in workmanship according to current industry standards for 1 year from date shipped unless stated otherwise. Written notice of a defective or nonconforming condition must be given to StandardAero within thirty (30) days of discovery and the defective or nonconforming Part must be returned to StandardAero promptly after discovery of such defect or nonconformance with all transportation charges, taxes, imposts and duties excises prepaid by Customer. Upon examination by StandardAero the Part must be shown to have been defective or nonconforming due to a breach of this warranty. StandardAero will reimburse reasonable freight charges Customer incurs for transportation for repairs covered by this warranty. The warranty period on such repaired or replaced Part shall be the unexpired term of the original warranty. This warranty is exclusive and in lieu of all other warranties including warranties of merchantability and fitness for a particular purpose. StandardAero will not be responsible for incidental, resultant or consequential damages. This warranty is not assignable without StandardAero's written consent and is applicable only if the Part (a) has been transported, stored, installed, operated, and maintained in accordance with the thencurrent recommendations of the engine manufacturer as stated in its manuals, Service Bulletins or written instructions, as well as StandardAero's recommendations; (b) has not been altered, modified or repaired by anyone other than us; and (c) has not been subjected to accident, misuse, abuse or neglect.
- 2. <u>Indemnity.</u> Customer shall indemnify, defend, save, and hold harmless StandardAero, its Parent, Affiliates, directors, officers, servants, and employees thereof, from and against any and all responsibilities, liabilities, claims, demands, suits, judgments, losses, damages, costs, and expenses for any loss of, damage to, or destruction of any property or any injury to or death of any person arising from Customer's use, operation, repair, maintenance, or disposition of the Part, provided, however, Customer shall not be required to indemnify StandardAero for claims or liabilities arising from StandardAero's negligence or misconduct arising under this Agreement.
- 3. <u>Prices, Taxes and Delivery.</u> All prices are based on delivery to Customer, FCA (Incoterms 2020), StandardAero's facility. Prices do not include transportation, insurance, taxes, imposts, or other similar charges. The amount of all Federal, State or local taxes applicable to the sale, possession, use or transportation of the Parts sold or the work performed and all duties, imposts, tariffs or other similar levies, shall be added to the prices and paid by the Customer, except where the Customer shall furnish 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 Parts sold, plus penalties, interest or reasonable attorney's fees connected with the imposition of any such tax or levy.
- 4. <u>Title/Lien.</u> Title shall pass to Customer upon Delivery.
- 5. Payment. All balances shall be payable net thirty (30) days of invoice date. All sums past due shall bear interest at the maximum rate permitted by law. 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 Customer's account becomes delinquent, StandardAero may consider the Customer in material default of the Agreement and Customer shall pay all attorney fees, expenses and costs incurred by StandardAero in attempting recovery of any sum owed to it by Customer. The additional fees will begin to accrue if Customer has failed to pay any amounts owed within ten (10) days following notice to Customer of the delinquency in payment.
- **6.** <u>Delays.</u> Customer will excuse StandardAero from, and StandardAero will not be liable for, any delay in StandardAero's performance due to causes beyond StandardAero's control, including but not limited to: (1) war, warlike operations, armed aggression, insurrection, riots; (2) fires, floods, explosions, earthquakes, inclement weather; (3) any acts of a Government, governmental priorities, allocation regulations or orders; (4) acts of God or of the public enemy; (5) failure of or delays in transportation; (6) epidemics, quarantine restrictions; (7) inability to procure materials or parts including unavailability of Original Components Manufacturer ("OEM") parts; (8) labor troubles causing cessation, slowdown, work stoppage or interruption of work; and (9) delays of any type that are caused by Customer. In the event of such delay, StandardAero may invoice Customer for any portion of the order already completed.
- **7. Limitation of Liability.** STANDARDAERO'S TOTAL LIABILITY ON ANY AND ALL CLAIMS, OF ANY NATURE (INCLUDING NEGLIGENCE BUT

- EXCLUDING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT), ARISING FROM, CONNECTED WITH, OR RESULTING FROM PERFORMANCE OR BREACH OF THIS AGREEMENT SHALL NOT EXCEED STANDARDAERO'S INVOICE FOR THE PART GIVING RISE TO SUCH CLAIM. 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, INDEMNITY, BY OPERATION OF LAW, OR OTHERWISE. THE CUSTOMER HEREBY WAIVES, AND RELEASES STANDARDAERO FROM, ANY AND ALL CLAIMS FOR ANY AMOUNT IN EXCESS OF THE AMOUNT SPECIFIED IN THIS SECTION.
- **8.** Exchanges. If core exchange is applicable in the Offer, the Offer requires 100% core return. Exchange cores must be returned freight prepaid, to the StandardAero facility within thirty (30) calendar days from the date of this shipment. Delay in accomplishing a timely return will subject Customer to a core charge as established by StandardAero.
- **9.** Returns. All sales are final; no return of unused Parts will be permitted unless previously authorized in writing by StandardAero. All authorized returns will be subject to a restocking/re-certification charge.
- 10. Governmental Authorizations. In all cases, Customer shall be the importer or exporter of record in accordance with the identified Incoterms, and shall be responsible for timely obtaining any required governmental authorization such as import license, export license, exchange permit or any other required governmental authorization. If Customer asks StandardAero to assist, Customer shall pay for StandardAero's Services. 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 Customer shall not be relieved of Customer obligations to pay for services rendered. All Parts delivered shall at all times be subject to the U.S. Export Administration Regulations and/or International Traffic in Arms Regulation and/or the Customs Regulations and laws of the U.S.A. and applicable countries. Customer agrees not to dispose of U.S. origin items provided by StandardAero other than in and to the country of ultimate destination specified in Customer's purchase order and/or approved government license(s) or authorization(s), except as said laws and regulations may permit
- 11. <u>Trademarks</u>. This Agreement does not give either party the right to use the trademarks of the other or grant any rights to any patent owned or licensed by the other party.
- 12. <u>Confidentiality</u>. Unless agreed in writing, any information shared with each other shall be held in confidence and may not be disclosed to others. This does not apply to information which: (a) is or becomes part of the general public knowledge other than as a result of breach of any confidentiality obligation; or (b) which was known prior to receipt from the non-disclosing party. This Agreement does not give either party the right to use the trademarks of the other or grant any rights to any patent or proprietary data owned or licensed by the other party, which may be accomplished by a separate agreement as needed
- 13. <u>Dispute Resolution and Governing Law.</u> This Agreement shall be governed by the laws of the State of New York, (excluding its conflict of law provisions, the UN Convention on Contracts for the International Sale of Goods, and any laws which govern the validity, perfection, or creation of any lien or security interest hereunder and the exercise of rights or remedies with respect of such lien or security interest for a particular item which will be governed by the laws of the applicable jurisdiction pertaining to liens). If the parties are unable to amicably resolve any dispute within thirty (30) days, the dispute will be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (for US based Customers) or the ICCA (for non-US based Customers) in a mutually agreed location. Either Party may take appropriate legal action as may be required for the enforcement of such arbitration award.
- 14. Terms and Conditions. These terms and conditions of Sale for Parts and Components, together with StandardAero's Offer, will be the only terms of sale applicable to provision of the Parts described in the Offer and will comprise the entire agreement between the parties. Acceptance of StandardAero's Offer shall constitute acceptance of StandardAero's Terms and Conditions. Acceptance by Customer is limited to acceptance of the express terms of StandardAero's Offer and Terms and Conditions, including all relevant business terms (such as price, quantities, delivery schedule or technical requirements) set forth on StandardAero's Offer and any changes to StandardAero's Offer or Terms and Conditions are considered a material alteration

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to the terms of this Agreement. Other than as set forth in the Offer, any proposal for additional or different terms and conditions (whether included in Customer's purchase order, acceptance, acknowledgement, or any other document) are hereby expressly rejected and shall be null and void unless Customer provides a written objection to any additional or different terms and any additional or different terms shall only be incorporated into the Agreement to the extent they are mutually agreed to as evidenced solely by a written agreement signed by both Parties.

- 15. Termination. StandardAero 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 Customer 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.
- **16.** <u>Assignment.</u> This Agreement or a related purchase order, or any related rights of obligations may not be assigned by Customer without the prior written consent of the StandardAero.
- **17.** <u>Language.</u> All correspondence and documentation connected with this Agreement will be in English, given in writing, effective upon receipt.
- **18.** Waiver. Failure or delay in the exercise of any right or remedy under this Agreement will not waive or impair such right or remedy. No waiver given will require future or further waivers.
- 19. Waiver of Immunity. If Customer is incorporated or based outside the United States, to the extent that Customer or any of Customer's property becomes entitled to sovereign or other immunity from any legal action, Customer waives Customer's immunity in connection with this Agreement.
- **20.** Severability. Any portion of this Agreement determined to be contrary to any controlling law, rule or regulation shall be revised or deleted and the remaining balance of this Agreement will remain in full force and effect.
- 21. <u>Title/Subtitles</u>. The titles and subtitles given to Sections of the Agreement are for convenience only and shall not in any manner be deemed to limit or restrict the context of the Section to which they relate. The words "hereof", "hereunder", "herein", "herewith", and similar terms are not to be deemed restrictive and refer to the entire Agreement including all Exhibits.
- **22.** <u>Modification.</u> This Agreement may only be modified, supplemented, or amended by a writing duly signed by both parties hereto.
- 23. Entire Agreement, Authority. No prior statements, negotiations, warranties, course of dealing or usage of trade will be part of this Agreement. StandardAero objects to Customer's inconsistent or additional terms, however stated, and such shall not be part of this Agreement. ANYONE SIGNING FOR THE CUSTOMER REPRESENTS THAT SHE OR HE IS EMPLOYED BY THE CUSTOMER IN THE CAPACITY INDICATED AND IS UNEQUIVOCALLY AUTHORIZED TO BIND THE CUSTOMER TO THIS AGREEMENT. In the event of a conflict between the Offer and this Agreement, this Agreement shall take precedence.
- 24. Ethics. Customer acknowledges and confirms that all amounts paid or related to this Agreement shall be for actual services rendered. Under no circumstances shall either party, its employees, agents, or other person operating, accept, 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. United Nations, World Bank, or International Monetary Fund); or (iv) any member of a royal or ruling family. Customer represents and warrants to StandardAero that it will comply with all laws of the country(ies)/territory(ies) where Customer operates which are applicable to the performance under this Agreement, including without limitation, the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act ("U.K. Act"), the Corruption of Public Officials Act of Canada ("CFPOA") and the Organization for Economic Co-Operation & Development ("OECD") 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. The Parties represent and

warrant that no agent, finder, or commercial intermediary was instrumental in arranging or bringing about this transaction and that there are no claims or rights for commissions, fees or other compensation by any person or entity claiming by, through or in connection with this transaction.

25. <u>Survival.</u> Sections 2, 5, 7, 12, 13 and 25 shall survive expiration or termination of this Agreement.