The following terms and conditions apply to, and supplement, all Aero-Zone repair orders and confirmations (each a “Repair Order” or “RO”). These Terms and Conditions prevail over any conflicting terms in the Repair Facility’s quotation, acknowledgement, invoice or shop terms, and the Repair Facility accepts them by acknowledging the Repair Order or beginning any work on the Article.

I. Definitions. For purposes of these Terms and Conditions, the following rules and definitions apply:

The term “Article” or, collectively, “Articles” means any item or items sent by Aero-Zone to the Repair Facility under a Repair Order, including all of their components, subcomponents and removed parts.

The term “Customer” means a company or person that is purchasing or exchanging an Article from Aero-Zone, or for whom Aero-Zone has an Article repaired.

“Repair Facility” means the Authorized Repair Facility, or other repair facility approved by Aero-Zone in writing, that performs, or is asked to perform, the Evaluation, inspection, test, repair, overhaul or other work on an Article under a Repair Order.

The term “Authorized Repair Facility” refers to any facility listed on the Aero-Zone registry of approved repair stations, which have been appropriately vetted, as well as any facility with which Aero-Zone has a contractual agreement for repair services.

The term “Agreement” means the Repair Order together with these Terms and Conditions.

“Outside Provider” means any person, other than the Repair Facility, from whom the Repair Facility obtains parts, materials or services used for an Article, including outside labor and any subcontracted repair, test, inspection or special process.

“Evaluation” means the initial teardown, inspection and testing of an Article needed to determine its condition and to prepare an estimate.

“Teardown Report” means the teardown or inspection report prepared by the Repair Facility, which identifies the findings for the Article and, whenever available, the date of manufacture (D.O.M.).

“Airworthiness Approval Certificate” means a release certificate for an Article, such as an FAA Form 8130-3 or an EASA Form 1, or another authorized release certificate as specified on the Repair Order.

“Minimum Fair Market Value” may be established by the minimum sales price found in records of actual past sales by Aero-Zone, as adjusted by the then industry and market conditions. Where no such records exist, this value may be calculated by Aero-Zone based on other objective factors chosen by Aero-Zone.

Whether an Article is “Beyond Economical Repair” (“BER”) is determined solely by Aero-Zone, independently of any opinion, estimate or recommendation of the Repair Facility, and the Repair Facility has no authority to declare an Article BER. An Article that cannot be repaired at all, such as a sealed unit that cannot be opened, a unit that

has deteriorated beyond the limits specified by the original equipment manufacturer, or an Article for which the Repair Facility lacks the capability, approved data or parts to repair it, is also BER, and the Repair Facility shall report that finding to Aero-Zone with supporting detail in the Teardown Report. Where Aero-Zone determines that an Article is BER, Aero-Zone may elect to have the Article returned or Scrapped, and the Repair Facility is entitled only to the Evaluation charge permitted under Section IV.

The term “As Removed” (“AR”) is a condition code. When used in the context of an Article it means that the Article is in need of repair or inspection, and it is not deemed BER.

The term “Scrap” refers to the mutilation of an Article by grinding, cutting, drilling, recycling, conspicuously marking or other appropriate means to the extent that will preclude the possibility of being restored and returned to service.

The term “Life-Limited Part/s” means any part for which a mandatory replacement limit is specified in the type design, the instructions for continued airworthiness, or the maintenance manual.

The term “Free On Board” (“FOB”) means that the seller delivers the goods on board the vessel or carrier nominated by the buyer at the named port of shipment or collection location or procures the goods already so delivered. The risk of loss or of damage to the goods passes when the goods are on board the vessel or carrier, and the buyer bears all costs from that moment onwards. For purposes of these Terms and Conditions, risk of loss is governed by Section II.

II. Ownership, Custody and Risk of Loss. Title to each Article remains with Aero-Zone or its Customer at all times. The Repair Facility acquires no title to an Article and shall not sell, lease, pledge, cannibalize or otherwise use an Article or any part removed from it, except to perform the work on the Repair Order. Aero-Zone shall pay undisputed invoices in accordance with the payment terms on the Repair Order. The Repair Facility shall not withhold an Article, and shall release it to Aero-Zone or its designated carrier within two (2) business days of Aero-Zone’s demand, and any dispute about an invoice shall be resolved separately and shall not be a basis to retain the Article. No storage, handling or administrative charges apply unless stated in the approved estimate. Notwithstanding any other terminology on the transaction documents, including any FOB term, from receipt until the Article (1) arrives at Aero-Zone, in the case of an Article returned to Aero-Zone, or (2) arrives at the Customer’s facility, in the case of an Article shipped directly to an Aero-Zone Customer, the Article is in the Repair Facility’s care, custody and control, and the Repair Facility bears the risk of loss, theft, damage or destruction and shall maintain insurance for Articles in its care, custody and control while on its premises. If an Article is lost, stolen, damaged or destroyed before risk of loss has passed to Aero-Zone, the Repair Facility shall, at Aero-Zone’s sole discretion, either (1) provide a replacement Article of equal or better condition, with traceable documentation acceptable to Aero-Zone, or (2) pay Aero-Zone the Minimum Fair Market Value of a serviceable Article of the same part number plus all other damages to which Aero-Zone would be entitled, and refund all payments made for the Article.

III. Repair Facility Certification and Authority. The Repair Facility represents that it holds, and shall maintain for as long as it has an Article, every certificate, approval and rating required by the applicable aviation authorities for the work and the release type stated on the Repair Order, and that the Article is within its approved ratings or capability list. The Repair Facility shall notify Aero-Zone in writing within two (2) business days if any such certificate, approval or rating is suspended, revoked, limited or allowed to expire. If that occurs, the Repair Facility shall stop work on the Article until Aero-Zone gives written instructions.

IV. Estimates, Evaluation and Additional Work. All repairs must include the documentation required by Section VII. Unless the Repair Order states otherwise, the Repair Facility shall e-mail its estimate to the address stated on the Repair Order. A repair estimate must be pre-approved in writing by an authorized representative of Aero-Zone before any work beyond the initial Evaluation is performed, and the Repair Facility shall wait for that approval before performing any additional work. The Evaluation charge is capped at $150.00 per Article unless otherwise authorized in writing by an Aero-Zone representative. Work performed or charges incurred without that written approval are the Repair Facility's responsibility. The Repair Facility shall not decline, abandon or Scrap an Article on the basis of the cost of repair, and shall submit an estimate for Aero-Zone's decision. Where the Repair Facility finds that an Article cannot be repaired at all, it shall stop work, notify Aero-Zone in writing with the supporting findings in the Teardown Report, and Section VIII applies. If Aero-Zone declines the estimate, or the Article is BER, Aero-Zone will pay the Evaluation charge permitted by this Section IV and no other charge, and the Article shall be returned in accordance with Section VIII.

V. Standard of Repair. Repairs must conform to all applicable FAA, EASA and CAA UK regulations, and to the aviation regulations of any other authority stated on the Repair Order, and must follow the most current and applicable manuals, including the Component Maintenance Manual (CMM), and must comply with all applicable Airworthiness Directives (AD). Service Bulletins (SB) are optional and shall be incorporated only when Aero-Zone so instructs in writing. The Repair Facility is responsible for confirming that the data it uses is current and approved. Block 12 of the Airworthiness Approval Certificate shall specify the applicable CMM chapter number and detail all ADs and any SBs accomplished. Life-Limited Parts, including their components and subcomponents and any time, cycle and D.O.M. sensitive material, must be accurately verified by the Repair Facility and listed in Block 12 of the Airworthiness Approval Certificate. Any workmanship or material that does not conform to these requirements is a discrepancy under Section X.

VI. Parts, Materials and Subcontracting.

(a) The Repair Facility shall use only new or serviceable parts and materials that are traceable to an approved source and are accompanied by documentation acceptable to Aero-Zone and the applicable aviation authority. Prior written approval

from Aero-Zone must be obtained before using PMA parts or implementing DER repairs.

(b) The Repair Facility shall not subcontract any part of the work, including testing, inspection, plating or other special processes, to an Outside Provider without Aero-Zone's prior written approval. Where the Repair Order identifies a Customer-designated or approved source, the Repair Facility shall use it. The Repair Facility remains fully responsible for the work of each Outside Provider.

(c) The Repair Facility shall keep records identifying every part and material installed in or used on an Article, with the source and documentation for each.

VII. Documentation and Release.

The Repair Facility shall provide with each Article an Airworthiness Approval Certificate and a Teardown Report. Unless the Repair Order specifies otherwise in writing, Airworthiness Approval Certificates must include release authorization from each of the FAA, EASA and CAA UK. If certifications from CAAC and/or TCCA are available, they should be included alongside those authorizations. The release type stated on the Repair Order applies in addition.

An Article delivered without the Airworthiness Approval Certificate, the Teardown Report and the other documentation required by the Repair Order will be placed in quarantine until acceptable documentation is provided. Such a delay interrupts receiving of the Article and may delay payment. If this occurs, the payment count date will begin on the day the Article is successfully received by Aero-Zone with all acceptable documentation.

Each Article returned to Aero-Zone must carry its part number, serial number and Repair Order number. Where the Repair Order shows a serial number beginning with "NSN," that number is for Aero-Zone's internal tracking only, and the Repair Facility shall correctly re-identify the serial number or assign a shop serial number to the Article (a shop-assigned serial number or "N/A" is accepted) and record it on the Teardown Report and the Airworthiness Approval Certificate.

All Airworthiness Directives (AD's) represented as having been accomplished must be documented, and the Airworthiness Approval Certificate or Teardown Report shall specify the AD number, date and verification of compliance. All Life-Limited Parts installed by the Repair Facility must have traceability to the OEM and be accompanied by documentation verifying their complete service history. Each part removed from an Article must be tagged or documented with the reason for removal and failure.

For record-keeping, all communications regarding approvals and authorizations must be in writing.

VIII. Disposition of Articles, Removed Parts and Scrap. The Repair Facility shall not Scrap, dispose of, or retain any Article, or any part removed from it, without Aero-Zone's prior written authorization, except (i) consumables and parts replaced in accordance with the CMM or approved data that Aero-Zone has not asked to have returned (any request for return of removed parts to be made in the estimate approval), and (ii) as

required by law or approved data, in which case the Repair Facility shall notify Aero-Zone promptly. In each case the Repair Facility shall keep records identifying each part Scrapped or retained, including its part number, serial number, if any, and the date and reason. Where an Article is BER, or Aero-Zone does not authorize the repair, the Repair Facility shall return it to Aero-Zone with all of its parts, the Teardown Report and any related records, unless Aero-Zone instructs otherwise in writing, and Aero-Zone will schedule the return shipment in accordance with Section IX(f). Where Aero-Zone authorizes Scrap, the Repair Facility shall Scrap the Article as defined in Section I, keep records of the part number, serial number and date, and provide Aero-Zone with written confirmation.

IX. Shipping, Packaging and Insurance.

(a) Articles must be packaged in accordance with ATA-300 specifications, and plastic wrap is required for all components to protect against further contamination.

(b) The Part Number, Serial Number and Repair Order Number must be shown on the shipping label.

(c) If a package is oversized, the Repair Facility shall not ship and shall contact Aero-Zone for an alternate shipping method.

(d) For international shipments, the customs shipping invoice must include the certification statement “Civil Aircraft Part/s” or “All Civil Aircraft Parts,” and the Repair Facility shall affix or upload the shipper’s declaration for Repair or U.S./Foreign Goods Returning.

(e) The Repair Facility shall not insure any shipment to Aero-Zone unless explicitly directed in writing by an authorized representative of Aero-Zone. Aero-Zone arranges its own outside insurance. If the Repair Facility fails to follow exactly the shipping and insurance instructions on the Repair Order and in these Terms and Conditions, the Repair Facility is solely and wholly responsible for all resulting expenses, damage or loss, including any damage or loss resulting from under-insurance or over-insurance.

(f) Aero-Zone schedules the shipment of every Article to and from the Repair Facility at Aero-Zone’s expense and on Aero-Zone’s shipping carrier account number, using the carrier and shipping method stated on the Repair Order or in Aero-Zone’s written shipping instructions. The Repair Facility shall not ship an Article on its own account or by a carrier or shipping method of its choosing. Aero-Zone does not reimburse the Repair Facility for shipping, handling, crating or related charges unless Aero-Zone has authorized them in writing in advance. If the Repair Order does not specify a shipping method, the Repair Facility must await further shipping instructions from Aero-Zone before proceeding. Any deviation from Aero-Zone’s shipping instructions, such as additional crating, dim/weight packaging, an unauthorized carrier or inaccurate delivery location, is strictly prohibited and the additional costs will be borne by the Repair Facility. Where these Terms and Conditions make the Repair Facility responsible for shipping costs, such as for a

rejected or warranty Article, Aero-Zone may ship on its own carrier account number and the Repair Facility shall reimburse Aero-Zone for the actual cost.

X. Aero-Zone Inspection and Acceptance. All Articles are subject to Aero-Zone's inspection and acceptance. Unless otherwise specified on the Repair Order, Aero-Zone has 45 calendar days from the date of delivery to inspect the Article, and will notify the Repair Facility of any discrepancies identified. What constitutes a discrepancy is at Aero-Zone's sole discretion. For each discrepancy, the Repair Facility shall, at Aero-Zone's election and at the Repair Facility's cost and expense, including shipping in both directions, (1) promptly correct the discrepancy and return the Article, (2) refund the amounts paid for the Article, (3) provide a replacement Article, or (4) have the Article corrected by another repair facility at the Repair Facility's cost. Aero-Zone may extend the inspection period by issuing a "Terms Extension Request", which will not extend beyond 90 days from the delivery date.

XI. Warranty. The Repair Facility warrants that all work performed and all parts and materials furnished will conform to the Repair Order and these Terms and Conditions, will be free from defects in workmanship and material, and will be suitable for return to service. The warranty period starts from the date of delivery of the Article to Aero-Zone and extends for one year for overhauled Articles and six months for inspected or repaired Articles, or any longer period stated on the Repair Order or offered by the Repair Facility. If an Article is found to be discrepant within the warranty period, it may be returned to the Repair Facility, which shall bear the cost of return shipping and, at Aero-Zone's election, shall correct the discrepancy or issue full credit and refund the full payment to Aero-Zone within 5 calendar days of receiving the returned Article.

XII. Timing. In all Repair Orders, unless stated otherwise, time is of the essence regarding the Repair Facility's obligations, including each date stated on the Repair Order or in an approved estimate. The fifteen (15) business days for the Evaluation, which applies where the Repair Order states no turnaround time, is a guideline and not a deadline. Because repair times vary by transaction, the Repair Facility shall keep Aero-Zone informed of the status of each Article and shall notify Aero-Zone in writing as soon as it becomes aware of any delay or change to the expected completion date. The Repair Facility shall provide the airway bill number for each return shipment by the shipping deadline. Failure to meet any deadline stated on the Repair Order or in an approved estimate, or to provide the airway bill number, constitutes a material breach. Upon such breach, Aero-Zone reserves the right to cancel the Repair Order at its sole discretion and require the return of the Article, with its parts and records, at the Repair Facility's cost. Approved work completed before cancellation is payable only if the Article is delivered conforming to the Repair Order.

XIII. Quality Requirements and Flow-Down. In addition to, and not in limitation of, Sections III through XII, the Repair Facility shall, at its own cost, comply with the following, and shall flow down to every Outside Provider the applicable requirements of this Section XIII, including in every case paragraphs (e), (f), (h), (i) and (k):

(a) **Quality system.** Maintain a quality system that meets the requirements of its certificates and of the applicable aviation authorities, and that controls the work, inspection, test and release of the Article.

(b) **Flow-down of requirements.** Flow down to each Outside Provider the applicable requirements of the Repair Order and these Terms and Conditions, including any Customer requirements identified by Aero-Zone on the Repair Order or in writing before work begins, and remain responsible for each Outside Provider's compliance.

(c) **Competence and authorization.** Ensure that all work, inspection, test and release is performed only by persons who are qualified, trained and authorized under the Repair Facility's certificates, using calibrated equipment and approved data.

(d) **Approvals.** Obtain Aero-Zone's prior written approval for any subcontracting, any use of PMA parts or DER repairs, any process or method not covered by approved data, and any release of the Article by a person or in a form other than that required by the Repair Order.

(e) **Unapproved and counterfeit parts.** Prevent the use of suspected unapproved, unapproved and counterfeit parts in any Article, and notify Aero-Zone within two (2) business days if the Repair Facility becomes aware that a part or Article is or may be one. The Repair Facility shall quarantine any such part or Article and shall not return it to the market. Notwithstanding Sections X and XI, no time limit applies to a suspected unapproved or counterfeit part or Article. Aero-Zone may quarantine it, retain it as evidence and report it to the authorities, the Repair Facility shall not require its return, and the Repair Facility shall remedy the matter as provided in Section II, including by providing a replacement Article or paying the Minimum Fair Market Value of a serviceable Article plus all other damages, and shall refund the full price and bear Aero-Zone's costs, including those of any recall, rework or regulatory action.

(f) **Nonconformities and changes.** Notify Aero-Zone, before shipment, of any nonconformity of an Article or of the work known to the Repair Facility, and of any change from that stated on the Repair Order to the parts, processes, Outside Providers, location of the work, or the status of the Repair Facility's certificates, and obtain Aero-Zone's approval of the disposition. Approval may be given by email from an authorized Aero-Zone representative, is not an amendment under Section XIX, and is not a waiver of Aero-Zone's rights under Sections X and XI. Notice does not cure a failure of an Article to conform to the Repair Order.

(g) **Certificates and test reports.** Provide with each Article the documentation required by Section VII and, as applicable, test reports and inspection reports, together with the documentation for parts and materials installed, including the supplier's certificate of conformity or other documentation of origin for those parts and materials.

(h) **Retention of records.** Retain documented information relating to each Article, including the Teardown Report, work and inspection records, test results, calibration records for equipment used, traceability records for parts and materials installed, the Airworthiness Approval Certificate and any release or approval records, for not less than seven (7) years from the date of delivery to Aero-Zone, or any longer period required by applicable law or by a Customer requirement identified on the Repair Order, protected against damage, alteration, deterioration and loss. The Repair Facility shall provide copies within five (5) business days of request, and shall give Aero-Zone at least thirty (30) days' written notice and the opportunity to take copies before destroying any such records or ceasing business.

(i) **Right of access.** Allow Aero-Zone and its Customers access, upon reasonable advance notice, during normal business hours and scheduled to minimize disruption to the Repair Facility's operations, subject to the Repair Facility's reasonable safety and security rules and customary confidentiality (and excluding pricing and other Customers' information), to the applicable areas of the Repair Facility's facilities and to the applicable documented information, including for verification, inspection and witnessing of work that they intend to perform at the Repair Facility's premises. The Repair Facility shall allow remote or electronic access to records as an alternative to a site visit where practicable, shall allow regulatory authorities such access as they require, at any level of the supply chain, and shall obtain equivalent access rights from its Outside Providers.

(j) **Performance monitoring.** Cooperate with Aero-Zone's monitoring of the Repair Facility's performance, including providing status, turnaround and discrepancy information on request, and respond promptly to any corrective action request, including root cause and corrective action, within a reasonable time stated in the request.

(k) **Awareness.** Ensure that its personnel are aware of their contribution to product conformity, their contribution to product safety, and the importance of ethical behavior.

A breach of this Section XIII is a material breach. Where the breach affects an Article, its documentation or the traceability of parts and materials installed, Aero-Zone may also cancel the Repair Order and receive a full refund, and the Repair Facility shall bear Aero-Zone's resulting costs, including attorneys' fees under Section XVIII. This Section XIII survives completion, cancellation or termination of the Repair Order.

XIV. Compliance. The Repair Facility warrants that all Articles shipped by or on behalf of the Repair Facility, and all work performed, comply with U.S. and EU laws as well as all applicable laws of any jurisdiction in which the work is performed or through which the Articles transit or are delivered, including applicable export, import, customs and sanctions laws. The Repair Facility shall not export, re-export or transfer an Article or technical data except as permitted by those laws and by any export classification instructions on the Repair Order, and warrants that neither it nor any Outside Provider is a restricted or denied party under those laws.

XV. Indemnification. The Repair Facility agrees to defend, indemnify, and hold harmless Aero-Zone, its affiliates, its Customers, and their respective directors, officers, employees, and agents from and against any and all current and future liabilities, losses, damages, demands, fines, penalties, and claims of any nature whatsoever. This includes all costs, expenses, and reasonable attorneys' fees associated therewith, including the costs of any recall, rework or regulatory action, which may arise from or be related to any damage to property or any injuries or fatalities caused by the work performed, the parts and materials furnished, or a breach of these Terms and Conditions, including Section XIII.

XVI. Customer Property and Confidentiality. Technical data, drawings, manuals and other information furnished by Aero-Zone or its Customer remain their property, shall be used only to perform the Repair Order, and shall be kept confidential and returned or destroyed on request, except for information that is or becomes public through no fault of the Repair Facility, information the Repair Facility must disclose by law, and records the Repair Facility must retain under Section XIII(h) or by law, which remain confidential.

XVII. Jurisdiction. These Terms and Conditions and all Agreements executed by Aero-Zone are governed by the laws of the state or country in which the Aero-Zone entity named on the Repair Order is located, excluding its conflict of laws principles and excluding the United Nations Convention on Contracts for the International Sale of Goods. Any legal action arising from or related to the Agreement shall be brought in the courts of that state or country, except that, where the Article is held at an Aero-Zone facility in a different state or country, Aero-Zone may elect to bring an action concerning that Article, or the records or access required by Section XIII, in the courts of the state or country where the Article is located. Both parties submit to the jurisdiction and venue of those courts.

XVIII. Costs and Attorneys' Fees. Should either party employ the services of a collection agent, attorneys, or engage in arbitration, mediation, or any legal proceedings to collect amounts due or to enforce any rights or obligations under an Agreement or these Terms and Conditions, the non-prevailing party shall reimburse the prevailing party for all associated costs and fees, including but not limited to attorneys' fees, incurred directly or indirectly in connection with such actions.

XIX. Rejection of Amendments or Additions. No amendments or additions to these Terms and Conditions of the transaction will be accepted unless they are in writing and signed by both Aero-Zone and the Repair Facility.