



121 Alhambra Plaza | Suite 1700
Coral Gables, FL 33134
Office: (305) 764-3200
Fax: (305) 529-6686

**AERSALE, INC. ("AerSale")
STANDARD TERMS AND CONDITIONS OF SALE
Effective August 4, 2014**

- 1. Acceptance & Agreement.** This Agreement is entered into between AerSale and Customer for the sale of aircraft and aircraft engine parts, components and modules (collectively and individually the "part(s)" from time to time by AerSale to Customer (the "Agreement") and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. This Agreement prevails over any of Customer's general terms and conditions of purchase regardless whether Customer has submitted its purchase order or such terms. Fulfillment of Customer's order does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend this Agreement.
- 2. Price and Payment.** All payments shall be made in United States dollars. It is specifically understood and agreed that the title to all goods listed or included in the applicable invoice shall remain AerSale's until full payment of same has been received and the funds have cleared. All prices for parts are net to AerSale and do not include transportation, insurance, taxes, import or export charges or duties, levies, imposts, penalties, interest or other similar charges (including, without limitation, goods and services tax, harmonized sales tax, sales tax, value added tax, withhold taxes and any transfer tax), all of which shall be the responsibility of Customer and payable to AerSale upon demand. Prices as quoted are valid for thirty (30) days subject to prior sale. Unless otherwise set forth in writing by AerSale and the Customer, at the time of sale (prior to shipment) Customer must make arrangements for pre-payment, credit card payment or COD. Alternatively, upon approval of credit all balances shall be payable net thirty (30) days of invoice date. All sums past due shall bear interest at one and five-tenths percent (1 ½%) per month or the maximum amount permitted by law commencing from the due date until the date the invoice amount plus any service charges is paid. Customer agrees to pay all costs of collection including reasonable attorney's fees in the event it becomes necessary to enforce the payment thereof. No set-off is permitted by Customer with respect to any part sold to Customer hereunder against any amount owed by AerSale to Customer unless AerSale has provided its written consent to such setoff.
- 3. Ordering Information.** All orders must be made or confirmed in writing or by electronic data interface and are subject to approval and confirmation upon receipt by AerSale. No order is guaranteed until AerSale issues an order confirmation to Customer. Cancellation of orders may not be made without the written consent of AerSale. All orders are subject to a 15% cancellation fee. The minimum purchase order is \$500.
- 4. Returns.** All returns for credit must be made within fourteen (14) days of the date of purchase. All returns are subject to AerSale approval and a 25% restocking fee. The part shall be returned to AerSale in the original condition in which it was sold to Customer.



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5. **Termination.** AerSale may cancel this order in the event payment is not received within two (2) business days from the date AerSale issued an order confirmation to Customer (if Customer is a corporation domiciled or has offices located in the United States) or within five (5) business days for all other Customers.
6. **Delivery and Inspection.** Delivery terms are ex-works, AerSale's facility in Grapevine, Texas or Roswell, New Mexico (incoterms 2000) or such other AerSale facility designated by AerSale in writing. Unless otherwise agreed, all parts delivered to Customer will be packed for shipment in accordance with AerSale's standard packing procedures for such part, if upon receipt of the parts by Customer, the parts do not conform to the Order (subject to Section 4 hereof), Customer shall, within fourteen (14) days after receipt thereof, notify AerSale of such nonconformance, return such nonconforming part to AerSale at AerSale's cost, and permit AerSale a reasonable opportunity to replace such part. AerSale is authorized to advance the Delivery Date or complete performance of any order, prior to the time set forth in such order unless otherwise agreed, AerSale shall have the right to deliver the parts in partial shipments and invoice Customer for such portion as was shipped.
7. **Warranty.** AerSale warrants covenants and represents that it shall have good, marketable, beneficial and legal title in and to the parts sold to Customer on the date of sale and interest in each part sold, shall be conveyed by AerSale to Customer on the date of sale free and clear of all security interests, claims, liens, encumbrances and rights of others of any nature whatsoever other than those of Customer or anyone claiming through Customer.

Disclaimer of Warranties. OTHER THAN WITH RESPECT TO TITLE AND THE LIMITED WARRANTY SET FORTH IN SECTION 4(B) ABOVE WITH RESPECT TO AS-REMOVED AIRFRAME PARTS, NO WARRANTY SHALL BE PROVIDED BY AERSALE WITH RESPECT TO PARTS SOLD HEREUNDER, AND EACH PART SOLD TO CUSTOMER IS SOLD IN "AS-IS, WHERE IS" CONDITION WITH ALL ASSIGNABLE WARRANTIES FROM THE LAST OPERATOR OR REPAIR FACILITY (IF SUCH WARRANTIES EXIST), AND THE OBLIGATIONS AND LIABILITY OF AERSALE HEREUNDER ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, AND CUSTOMER HEREBY WAIVES AND RELEASES AERSALE FROM ANY AND ALL OTHER WARRANTIES, AGREEMENTS, GUARANTEES, CONDITIONS, OBLIGATIONS, DUTIES, REPRESENTATIONS, REMEDIES OR LIABILITIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PART, ARISING IN CONTRACT OR IN TORT, WHETHER UNDER THEORIES OF NEGLIGENCE, STRICT NEGLIGENCE OR OTHERWISE, INCLUDING WITHOUT LIMITATION: (1) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR INTENDED USE, (2) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, AND (3) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, FOR LOSS OF USE OR DAMAGE TO ANY ENGINE OR AIRCRAFT OR ANY OTHER PROPERTY FOR LOSS OF REVENUE OR PROFIT WITH RESPECT TO ANY SUCH PROPERTY FOR LIABILITY OF CUSTOMER TO ANY THIRD PARTY OR FOR ANY OTHER DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER WITH RESPECT TO ANY PART SOLD HEREUNDER, EXCEPT IN THE CASE OF AERSALE'S WILLFUL MISCONDUCT. THIS DISCLAIMER SHALL NOT BE MODIFIED EXCEPT BY



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WRITTEN AGREEMENT SIGNED ON BEHALF OF AERSALE AND CUSTOMER BY THEIR DULY AUTHORIZED REPRESENTATIVES.

8. **Indemnity.** Customer will indemnify, defend and hold harmless aersale and its affiliates and subsidiaries and their respective agents, directors, employees, officers, shareholders, subcontractors, successors and assigns ("aersale indemnitees") from and against all liabilities, claims, losses and damages of any nature including but not limited to all expenses (including legal fees), costs, and judgments for property damage or injury to or death of any person and any other direct, indirect, incidental, consequential, economic or statutory civil damages any of which arise out of or are in any way related to the provision of services by the AerSale Indemnitees or the use, operation, repair, maintenance, or disposition of parts provided under any order, whether or not arising from breach of contract, strict liability or tort (including negligence), provided however, Customer shall not be required to indemnify the AerSale Indemnitees for claims or liabilities arising from the willful misconduct of any AerSale Indemnitee. Customer shall carry and maintain such insurance in full force and effect and in types and amounts as would be carried by prudent companies engaged in the Customer's industry. Such policies of insurance shall be primary with respect to the Indemnities of Customer set forth in this Agreement and shall contain waivers of subrogation of the insurers in favor of the AerSale Indemnitees. Customer will provide AerSale with certificates of insurance as may be requested from AerSale from time to time.
9. **Limitation of Liability.** AerSale's liability on any claim of any kind including negligence, for any loss (including death) or damage arising out of or connected with, or resulting from this order, or from the performance or breach thereof, or from the manufacture, sale, delivery or use of any goods covered by or furnished under this order shall in no case exceed the price allocable to the component/part which gives rise to the claim. Any such liability shall be conditioned on Customer providing prompt written notice to AerSale of any claim and in any event within one year from the date of occurrence of the claim unless the Parties have agreed in writing to a different claim period. In no event shall AerSale be liable for special, incidental, indirect, punitive, or consequential damages including, without limitation, lost revenue or profit and cost of replacement goods.
10. **Delay.** AerSale will not be liable for any delay in performance due to causes beyond AerSale's reasonable control including, without limitation, embargoes, blockages, seizures or freeze of assets, delays or refusals to grant export or import licenses or the suspension or revocation thereof, or any other acts or omissions of government, fires, floods, severe weather, or any other acts of God, quarantines, labor strikes or lockouts, riots, insurrection, civil disobedience or acts of criminals or terrorists, war, material, shortages or delays in delivery by third parties, and in the event of such delay the date of delivery shall be extended for a period of time as may be reasonably necessary to compensate for such delay. AerSale will not be liable for lost profits, loss of business or other incidental, consequential, indirect or punitive damages arising out of any delay, without limiting the foregoing, Customer agrees that for any liability arising out of delay AerSale is not liable or responsible for any amount of damage above the aggregate dollar amount paid by Customer for the purchase of the part under this Agreement.



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- 11. Governmental Authorizations.** In all cases, Customer shall be the importer or exporter of record and shall be responsible for timely obtaining any required governmental authorization such as an import license, export license, exchange permit or any other required governmental authorization.
- 12. Entire Agreement, Authority.** No statements, negotiations, warranties, course of dealing or usage or trade will be part of this agreement between AerSale and Customer. AerSale rejects any of Customer's inconsistent or conditions herein, in purchase orders or however stated, and such shall not be part of this Agreement, unless specific and explicit references to changes to this agreement are made in writing by an authorized representative of AerSale. 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.
- 13. Proprietary Information.** All prices at which any part is sold hereunder and all other commercially sensitive information related to AerSale's business products and practices ("Proprietary Information") shall be held by Customer in confidence and Customer shall use and disclose the same only as specifically authorized by AerSale or as required by any governing authority. Customer further agrees to notify AerSale immediately upon learning of any unauthorized distribution, disclosure, or use of proprietary information.
- 14. Governing Law & Venue.** These terms and conditions will be interpreted under and governed by the laws of the state of Florida, except that Florida's choice of law rules shall not be invoked for the purpose of applying the law of another jurisdiction. In the event of any dispute or claim, the parties hereby agree that any lawsuit or other legal actions shall be filed in the courts of Miami-Dade County, Florida. The parties agree to submit to the jurisdiction of any such court; agree to venue in such court; and waive any defense of forum non conveniens in such court. Customer agrees to pay all costs and expenses including reasonable attorney's fees incurred by AerSale in any action to enforce its rights hereunder.
- 15. Severability.** In the event of any of the aforesaid terms and conditions should for any reason be held ineffective, unenforceable, or contrary to public policy, the remainder of the agreement shall remain in full force and effect notwithstanding.
- 16. Construction.** In the event of an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.
- 17. Export Compliance.** Customer understands that the products and/or the technology to be purchased by it pursuant to this Agreement are subject to export controls under the laws of the United States, including but not limited to: (i) *U.S. Exports Regulations governing the export, transfer or re-export of U.S. manufactured products and products containing U.S. components, software, or technology as set forth in the U.S. Export Administration regulations (EAR), 15 C.F.R. §§ 772 et. Seq.;* (ii) *U.S. Export Regulations and laws restricting U.S. companies and their foreign affiliates and*



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subsidiaries from doing business with certain embargoed countries and entities as set forth in the U.S. Foreign Asset Control Regulations (FACR), 31 C.F.R. §§ 500 et. seq.; and (iii) the International Traffic in Arms Regulations, 22 C.F.R. §§ 120 et seq. Customer agrees, warrants, and represents that it will not export or re-export the products, technology or products manufactured from the technology that are the subject of this Agreement in violation of the export laws of the United States.

- 18. Reclamation and Right of Set Off.** This provision shall apply in the event that AerSale has: (a) delivered the goods to the Customer on credit; or (b) financed the sale of the goods to Customer. As a condition of AerSale allowing the Customer to accept delivery of the goods on credit, Customer represents and warrants to AerSale that Customer is solvent and is not presently a debtor in any bankruptcy case in any court of competent jurisdiction. In the event of Customer's insolvency, the foregoing invoice together with these terms and conditions shall constitute a demand by AerSale for reclamation of the goods in accordance with Section 2-702 of the Uniform Commercial Code and Section 546 (c)(1) of the United States Bankruptcy Code. In the event of Customer's insolvency, Customer does hereby waive any defenses to AerSale's right to reclamation to the goods sold and Customer shall promptly return possession of the goods to AerSale. Customer hereby grants a general lien on and a security interest in, any assets belonging to Customer as a security interest in any assets belonging to Customer as security for the performance of its obligations hereunder or to satisfy any obligation owed by Customer to AerSale under any agreement.