

## TERMS AND CONDITIONS FOR WEST STAR AVIATION

1. **LIMITED WARRANTY.** Workmanship for maintenance and modification is warranted against defect for the earlier of 6 months, or 200 flight hours from the date of return to service. Workmanship on modifications and installations incorporating new equipment and/or components is warranted against defects earlier of 6 months, or 200 flight hours from the date of return to service. Paint services are warranted against defects in material and workmanship under normal use for 2 years from the date of return to service. Interior services are warranted against defects in material and workmanship under normal use for 1 year. These warranties apply only if the aircraft/equipment is returned to West Star Aviation facilities at Customer's expense for repair with a written description of the defect. West Star Aviation does not warrant parts, materials, components, equipment or services supplied or performed by other companies, but will give Customer reasonable assistance in enforcing Customer's rights under any such supplier and subcontractor warranty and Customer shall reimburse West Star Aviation's reasonable costs and expenses incurred in rendering such assistance. West Star Aviation's warranties do not extend to (a) Customer furnished parts, materials, equipment or components, (b) installation, in West Star Aviation's determination, which has been repaired, altered, misused or subjected to negligence or an accident, which adversely affect its performance. Additional warranties may apply and are available upon request.

**THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). IN NO EVENT SHALL WEST STAR AVIATION BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUE OR PROFIT AND COST OF REPLACEMENT AIRCRAFT. NO AGREEMENT EXTENDING THIS WARRANTY SHALL BE BINDING UPON WEST STAR AVIATION UNLESS IN WRITING AND SIGNED BY ITS DULY AUTHORIZED OFFICER OR REPRESENTATIVE. THE ABOVE WARRANTY IS THE ONLY WARRANTY GIVEN UNLESS OTHER WARRANTIES ARE ATTACHED AND MADE A PART HEREOF.**

2. **LIMITATION OF LIABILITY.** TO THE FULLEST EXTENT PERMITTED BY LAW, WEST STAR AVIATION'S LIABILITY ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE FOR ANY LOSS (INCLUDING DEATH) OR DAMAGE ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THIS AGREEMENT, OR FROM THE PERFORMANCE OR BREACH THEREOF, OR FROM THE MANUFACTURER, SALE, REDE LIVERY, RESALE, REPAIR OR USE OF ANY ARTICLE OR WORK COVERED BY OR FURNISHED UNDER THIS AGREEMENT SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE ARTICLE OR WORK WHICH GIVES RISE TO THE CLAIM. ANY SUCH LIABILITY SHALL BE CONDITIONED ON CUSTOMER PROVIDING PROMPT WRITTEN NOTICE TO WEST STAR AVIATION 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 WEST STAR AVIATION BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, LOST REVENUE OR PROFIT AND COST OF REPLACEMENT AIRCRAFT OR FOR ANY DAMAGES ARISING FROM OR RELATED TO ACTS OF WAR OR TERRORISM.
3. **TAXES AND DELIVERY.** Prices are based on delivery to West Star Aviation's repair facility, Delivered Duty Paid ("Delivery") and redelivery to Customer at West Star Aviation's facility ("Redelivery"). All Federal, State or local taxes applicable to the sale, possession, use, or transportation of the articles sold or the Work performed and all duties, imposts, tariffs or other similar levies, shall be added to the prices and paid by Customer, unless Customer furnishes an appropriate certificate of exemption. Customer shall indemnify and hold West Star Aviation harmless from the payment or imposition of any tax or levy imposed on any articles sold, or for any Work performed, plus penalties, interest or reasonable attorney's fees connected with the imposition of any such tax or levy.
4. **TITLE/LIEN.** Title to the Work passes to Customer at Redelivery. In addition to West Star Aviation's statutory and possessory lien, which Customer hereby acknowledges, Customer grants to West Star Aviation a continuing, first priority security interest in and lien upon the Work, the Aircraft (and any part thereof) and any proceeds thereof, including but not limited to insurance proceeds or sale or disposition of the Aircraft or any portion thereof and the proceeds of such proceeds (collectively, the "Collateral") to secure prompt payment of any and all amounts owed by Customer to West Star Aviation.
5. **PAYMENT.** Full payment is required prior to Redelivery. A non-refundable deposit of interior, modifications, paint and/or avionics installation(s) is required and will be retained as liquidated damages in the event the project is canceled by Customer. Progress payments are required for projects in excess of \$100,000.00. Payments are due within 30 days of invoice date for Customers with an established credit line or a monthly finance charge of 1.75% will be assessed. If a final invoice cannot be provided at Redelivery, Customer shall deliver payment based upon an estimated invoice and supplementary invoices reflecting the actual charges and balances will be submitted to Customer as soon as practicable and will be reconciled with the amounts previously invoiced to Customer and/or paid. Payments must be in United States Dollars and in the form of certified funds, wire transfer or ACH. If payment is arranged by some other method, potential additional charges may apply.

**Additionally, for Services covered by approved third party payment (i.e. warranty, insurance, and/or title closing) West Star Aviation will require proof that West Star Aviation is a named payee.** West Star Aviation will have a lien(s) (as describe Section 4, above) on all Collateral or any other personal property in West Star Aviation's possession for all sums owed or owing to West Star Aviation. If any amount due and owing West Star Aviation is not been paid by Customer within ninety (90) days of the due date, West Star Aviation shall have the right to deem the Collateral or any other personal property in West Star Aviation's possession as abandoned and to sell the Collateral or such property as provided in any applicable statute (indulging, but not limited to, the Uniform Commercial Code) to satisfy the amount due and owing West Star Aviation. Such sale is in addition to any other rights West Star Aviation may have at law or under this Agreement. Any amount realized from any such sale in excess of the amount due and owing shall be credited toward Customer's account for future work at West Star Aviation. If a lien is not placed on the Collateral or such other property, West Star Aviation shall retain possession of the Collateral or such other property until all amounts due and owing by Customer to West Star Aviation are paid to West Star Aviation. If the Collateral or such other property is

sold, as provided for in the Section, Customer shall indemnify and hold harmless West Star Aviation as to any claims, suits, and all associated costs related to such sale.

6. **DELAYS.** West Star Aviation shall not be liable for delays in delivery, performance, of failure to perform, manufacture or Redeliver due to causes beyond its reasonable control, or acts of God, acts of Customer, acts of government or military authority, increase in the scope of work requested by Customer, condition of the aircraft, delays in transportation or shortages, or inability due to causes beyond its reasonable control to obtain necessary labor, materials, utilities, components or manufacturing facilities. In the event of any such delay, the date of performance/ Redelivery shall be extended for a period of time as may be reasonably necessary to compensate for any such delay.
7. **GOVERNMENTAL AUTHORIZATIONS.** Customer must timely obtain all required governmental authorizations, including import or export licenses and exchange permit. Customer shall remain importer/exporter of record, regardless of whether West Star Aviation provides Customer with assistance in this area. West Star Aviation shall not be liable if any authorization is delayed, denied, revoked, restricted, or not renewed and Customer shall not be relieved of its obligation to pay for the Work or any services rendered by West Star Aviation. All articles, parts or equipment delivered shall at all times be subject to the U.S. Export Administration Regulations and/or International Traffic in Arms Regulation and/or Customs Regulations and laws of the U.S.A. and any amendments. Customer agrees not to dispose of U.S. origin items provided by West Star Aviation other than in and to the country of ultimate destination specified in Customer's purchase order and/or approved government licenses(s) or authorizations(s), except as these laws and regulations may permit.
8. **INDEMNIFICATION.** West Star Aviation shall indemnify and hold Customer harmless for any loss or damage to the aircraft occurring while it is not in flight, providing such damage to the aircraft is caused by the negligence of West Star Aviation, its employee, independent contractors or agents. In no event shall West Star Aviation's indemnity obligations exceed the amount provided in Paragraph 2 hereof. After the Aircraft leaves the custody of West Star Aviation, Customer shall indemnify and hold West Star Aviation harmless for any claim (including reasonable attorney's fees and litigation or dispute resolution fees) against West Star Aviation in connection with the services provided by West Star Aviation pursuant to this agreement providing the claim results from negligence of Customer, its employees, independent contractors, agent or third parties in operational control of the Aircraft, except to the extent such claim results from the contributory negligence or willful misconduct of West Star Aviation, its employees, independent contractors or agents. Neither party shall have any obligation to indemnify the other for losses or damages that arise from or are related to acts of war or terrorism.
9. **ACCESS TO FACILITIES AND CHANGES.** Customer shall have access during normal business hours to unrestricted areas at West Star Aviation's facilities and the aircraft while the Work is being accomplished and shall observe West Star Aviation's regulations. Customer may request changes to the Work if documented on a West Star Aviation. Customer Service Request and Agreement Amendment, or contract/proposal addendum signed by Customer. Customer acknowledges that changes may affect price and Redelivery and is responsible for any change in price, including overtime required for such change.
10. **DEFAULT.** Should events occur which would give rise to a claim by Customer that West Star Aviation has breached this Agreement or is otherwise in default, Customer shall first give West Star Aviation a thirty (30) calendar day written notice of such claim. Before Customer can submit such claim to any dispute resolution process, West Star Aviation shall have the thirty (30) calendar day period to cure any claim and avoid any liability to Customer. Customer's breach or failure to pay any sum due under this Agreement or any other agreement or contract with West Star Aviation regardless of when the agreement or contract was entered into, will at West Star Aviation's sole option if the breach or nonpayment is not cured within ten (10) calendar days after written notice of the breach, constitute a default of this Agreement and all other agreements and contracts between Customer and West Star Aviation. In such an event, West Star Aviation may at its option withhold performance under this Agreement and any or all of the other agreements and contracts until a reasonable time after all defaults have been cured, and/or do anything else that the law permits.
11. **DISPUTE RESOLUTION.** If a disputed, claim or controversy arising out of or relating to the Agreement occurs (the "Dispute"), either party shall give written notice to the other party requesting that senior management attempt to resolve the Dispute. Within fifteen (15) calendar days after receipt of such notice, the receiving party shall submit a written response. Both the notice and the response shall include a statement of the applicable party's position and a summary of reasons supporting that position. The parties shall cause senior management to meet within thirty (30) calendar days after receipt of the notice, at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to use commercially reasonable efforts to resolve the Dispute in good faith.
12. **ATTORNEY FEES.** The prevailing party in any litigation to enforce this Agreement or any obligation concerning its subject matter shall be entitled to its reasonable costs and attorneys' fees in addition to any relief obtained.
13. **APPLICABLE LAW.** This Agreement shall be interpreted in accordance with the law of the State where the work is accomplished, without regard to conflicts of law principles. The parties consent and hereby submit to the exclusive jurisdiction of the state courts located in the county and state where the work is accomplished for a determination of any and all issues between them relating to this Agreement or its subject matter. Customer Hereby Waives 1) The right to a jury trial in any and all proceedings, 2) Any and all objections to venue and inconvenient forum in the state courts referred to in this section, and 3) Any and all rights to remove any action to the United States District Courts.
14. **AUTHORITY.** ANYONE SIGNING FOR CUSTOMER REPRESENTS THAT SHE OR HE IS EMPLOYED BY CUSTOMER IN THE CAPACITY INDICATED AND IS UNEQUIVOCALLY AUTHORIZED TO BIND CUSTOMER TO THIS AGREEMENT.

15. **ADDITIONAL CHARGES.** The following additional charges are not included in the quoted prices and shall be paid by upon demand if applicable:
  - a. Repair of any customer-furnished parts, material or equipment found not otherwise suitable for its intended use.
  - b. Rework or additions to customer furnished engineering.
  - c. Fuel, oil, insurance and flight crews required for flight testing, certification and/or ground runs on an aircraft.
  - d. If overtime is required in order to complete the work on the schedule requested by Customer, West Star Aviation will advise Customer of the necessity and estimated cost and Customer will have the option to pay overtime rates or adjust the Redelivery date.
  - e. Necessary replacement parts.
  - f. Removal and reinstallation or modification of interior components.
  - g. Redelivery Flights by West Star Aviation and related freight, transportation, insurance, taxes, imposts, or other similar charges.
  - h. Any replacement parts required in an exchange core overhaul which are not required as part of a normal overhaul.
  - i. Shipping and handling charges in the amount of 2.13% of the total invoice amount will be applied.
  - j. Cores that are returned for credit that are rejected, charged additional fees for excessive damage, or for overhaul charges.
  - k. A consumable charge of 3% will apply to all billed labor charges not to exceed \$3,000.00.
  - l. A minimum 10% handling fee will be assessed to all customer-supplied parts.
  - m. Additional certification costs to meet non-FAA compliance requirements will be billed on a time and material basis.
16. **AVIONICS.** Any proposal for avionics work is subject to West Star Aviation's review of the aircraft's wiring diagrams, availability of adequate space and power on the aircraft, the aircraft's compatibility with the system to be installed and an explanation of Customer's expectations and mission requirements. West Star Aviation requires that Customer send avionics drawing, a photograph of the instrument panels and pedestal and an equipment list.
17. **SUBSTITUTIONS.** West Star Aviation reserves the right to incorporate changes deemed necessary by West Star Aviation to avoid delays or improve product control, performance, reliability, stability, utility, manufacture or appearance of the Work.
18. **PMA PARTS, PRICING AND SHOP RATES.** **Pricing quoted herein is valid for a period of thirty (30) days from the date of this proposal.** Parts pricing is subject to change by the OEM. FAA PMA approved parts may be used. Any parts or assemblies permanently removed from the aircraft as part of maintenance or modification events will become the property of West Star Aviation unless arrangements are made in advance to the contrary. Work is performed on a time and materials basis, unless a flat-rated basis for labor is specified. Pricing may or may not include an agency or finders fee. Quoted prices for inspections include flat-rated labor in accordance with the requirements in the manufacturer's inspection manual. Flat-rated labor is billed at the quoted rate regardless of the actual amount of labor required. Time and Materials items are billed based upon the actual materials, parts, labor and outside services used. West Star Aviation will apply a minimum of 15% markup on all parts and outside vendor services.
19. **MISCELLANEOUS.** This Agreement is the entire agreement and exclusive statement of the Work to be done and the applicable terms and conditions, and supersedes any prior agreements and contemporaneous oral agreements, of the parties concerning its subject matter. No amendment of, or waiver of a right under, this Agreement will be binding unless it is in writing and signed by Customer and West Star Aviation. If a provision of this Agreement is unenforceable, this Agreement will be construed as if the unenforceable provision were omitted. Failure by a party to assert any right under this Agreement shall not be a waiver of such right and no waiver shall be implied from the acceptance of any payment or service. No written waiver of any right shall extend to any subsequent similar or dissimilar breach. In the event of a conflict between this Agreement and any other agreement between West Star Aviation and Customer, the terms of this Agreement shall prevail. The titles and subtitles given to Sections of the Agreement are for convenience only and shall not limit or restrict the context of the Section to which they relate. The provisions of this Agreement are for the benefit of the parties and not for the benefit of any other person.