

**Regional Avionics Repair, LLC**  
**Terms and Conditions**

1. Applicability. These terms and conditions (these “**Terms**”) are the only terms and conditions that govern the sale of the goods (“**Goods**”) and services (“**Services**”) by Regional Avionics Repair, LLC (“**RAR**”) to the customer (the “**Customer**”) named on the accompanying work order estimate and/or invoice (the “**Sales Confirmation**”). The Sales Confirmation and these Terms (collectively, this “**Agreement**”) comprise the complete and final agreement between the parties and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. This Agreement prevails over any of Customer’s terms and conditions of purchase regardless of whether or when 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. Repair Services; Delivery of Goods.

(a) In the case of Goods to be repaired by RAR, Customer must pack and ship the Goods, at its sole expense and risk of loss, to RAR in strict compliance with RAR’s instructions and applicable law. RAR’s instructions may require the use of specific packaging types and methods required or recommended by original equipment manufacturers (“**OEMs**”), including containers required by Collins Aerospace for attitude heading computers (“**AHCs**”). If Customer ships an AHC to RAR other than in an approved container, (i) the limited warranty set forth in Section 8(a) below shall be void, and (ii) Customer must purchase an approved container for return of the repaired Goods by RAR at RAR’s then-current price. If it fails to do so, RAR will ship the repaired Goods to Customer in the container that Customer used to ship the Goods to RAR.

(b) RAR shall deliver the Goods within a reasonable time after the receipt of Customer’s signed Sales Confirmation and full payment of amounts due, subject to availability of parts and other materials that RAR elects to acquire from third parties and, in the case of repair Services, subject to prompt delivery to RAR of the Goods to be repaired. RAR shall not be liable for any delays, loss or damage in transit. Customer is responsible for all costs of shipping Goods to and from RAR. RAR may elect to have Customer pay in advance for parts and materials, including packing and shipping materials. The price of parts and materials is subject to change.

(c) RAR shall ship the Goods to the Customer address listed on the Sales Confirmation (the “**Delivery Point**”) using RAR’s standard methods for packaging and shipping such Goods. Customer shall be responsible for all loading costs and provide equipment and labor reasonably suited for receipt of the Goods at the Delivery Point.

(d) If for any reason Customer fails to accept delivery of any of the Goods, or if RAR is unable to deliver the Goods at the Delivery Point because Customer has not provided appropriate instructions, documents, licenses or authorizations: (i) the Goods shall be deemed to have been delivered; and (ii) RAR, at its option, may store the Goods until Customer picks them up, in which case Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

(e) RAR shall use reasonable efforts to meet any performance dates for the Services specified in the Sales Confirmation, but any such dates shall be estimates only. Delay may result from, among other things, a revised estimate by RAR of the scope or cost of work to be performed, in which event RAR may require Customer to confirm its approval of the revised estimate. Notwithstanding anything to the contrary contained in this Agreement, RAR may, from time to time change the Services without the consent of Customer provided that such changes do not materially affect the nature or scope of the Services or the fees set forth in the Sales Confirmation.

(f) With respect to the Services, Customer shall (i) cooperate with RAR in all matters relating to the Services; (ii) respond promptly to any RAR request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for RAR to perform Services; (iii) provide such customer materials or information as RAR may request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects; and (iv) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Services.

3. Title and Risk of Loss. Title and risk of loss pass to Customer upon shipment of the Goods by RAR. As collateral security for the payment of all amounts due hereunder, Customer hereby grants to RAR a lien on and

security interest in and to all of the right, title and interest of Customer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the California Commercial Code.

4. Customer's Acts or Omissions. If RAR's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Customer or its agents, subcontractors, consultants, or employees, RAR shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Customer, in each case to the extent arising directly or indirectly from such prevention or delay.

5. Return of Goods. RAR has no obligation to accept returns of Goods. If, in its sole discretion, it elects to accept the return of Goods, (a) Customer must pay for packing and ship the Goods, at Customer's expense and risk of loss, to RAR in strict compliance with RAR's instructions, and (b) RAR will charge a restocking fee equal to 20% of cost of the Goods or Services.

6. Price. Customer shall purchase the Goods and Services from RAR at the price(s) (the "**Price**") set forth on the Sales Confirmation. All Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, or other taxes, customs, duties, tariffs and charges of any kind imposed by any Governmental Authority on any amounts payable by Customer. Customer shall be responsible for all such charges, to the extent applicable. RAR will charge Customer for sales taxes, to the extent applicable, unless Customer delivers a reseller certificate or other documentation confirming, to RAR's satisfaction in its sole discretion, that Customer is exempt from sales taxes.

7. Payment Terms. Payment in full is due before RAR delivers any Goods or performs any Services, unless RAR (in its sole discretion) notifies Customer in writing that it is eligible for payment on some other basis. Customer shall make all payments to RAR in U.S. dollars by wire transfer (to an account designated by RAR), corporate check or credit card. RAR does not accept personal checks. For payments by wire transfer, RAR charges a convenience fee of \$35. For payments by credit card, RAR charges a convenience fee of 3.78% of the amount charged. In the case of Goods to be repaired, if RAR tests the Goods and finds no fault, it will charge a bench test fee at RAR's then-applicable rates. Customer shall pay interest on all late payments at the lesser of the rate of 2.0% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Customer shall reimburse RAR for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees and costs. In addition to all other remedies available under this Agreement or at law or equity (which RAR does not waive by the exercise of any rights hereunder), RAR shall be entitled to suspend the delivery of any Goods or performance of any Services if Customer fails to pay any amounts when due hereunder. Customer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with RAR, whether relating to RAR's breach, bankruptcy or otherwise.

8. Limited Warranty.

(a) RAR warrants to Customer that for a period of one year from issuance of an FAA Form 8130 with respect to Goods sold or repaired by RAR (the "**Warranty Period**"), such Goods will be free from material defects in material and workmanship.

(b) EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 8(A), RAR MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS OR SERVICES, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

(c) Products manufactured by a third party ("**Third Party Product**") may constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Goods or Services. Third Party Products are not covered by the warranty in Section 8(a). For the avoidance of doubt, RAR MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR

PURPOSE; (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

(d) RAR shall not be liable for a breach of the warranty set forth in Section 8(a) unless: (i) Customer gives written notice of the defective Goods or Services, as the case may be, reasonably described, to RAR within 30 days of RAR's delivery of Goods; (ii) RAR is given a reasonable opportunity after receiving the notice of breach of the warranty set forth in Section 8(a) to examine such Goods and Customer (if requested to do so by RAR) returns such Goods, at Customer's expense and risk of loss, to RAR's place of business for the examination to take place there; and (iii) RAR verifies Customer's claim that the Goods or Services are defective.

(e) RAR shall not be liable for a breach of the warranty set forth in Section 8(a) if: (i) Customer makes any further use of such Goods after giving the notice described in Section 8(d); (ii) the defect arises because Customer misused or mishandled the Goods or failed to follow RAR's, an OEM's, an aircraft manufacturer's or the FAA's oral or written rules or instructions as to the storage, packing, installation, commissioning, use or maintenance of the Goods; (iii) the defect arises from a Force Majeure Event (as defined below); (iv) Customer ships the Goods in a negligent manner or in a manner not approved by the Goods' OEM; or (v) Customer alters or repairs such Goods without the prior written consent of RAR. Any such misuse, mishandling, failure to follow rules or instructions, Force Majeure Event, improper shipment, alteration or repair of Goods shall void the warranty set forth in Section 8(a).

(f) Subject to Section 8(d) and (e) above, with respect to any such Goods during the Warranty Period, RAR shall, in its sole discretion, either: (i) repair such Goods (or the defective part) or (ii) credit or refund the price of such Goods.

(g) THE REMEDIES SET FORTH IN SECTION 8(F) SHALL BE THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND SHALL CONSTITUTE RAR'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTIES SET FORTH IN SECTION 8(A).

9. Limitation of Liability.

(a) IN NO EVENT SHALL RAR BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT RAR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL RAR'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO RAR FOR THE GOODS AND SERVICES SOLD HEREUNDER.

10. Abandoned Goods. In the event that (a) Customer fails to pay for Goods, (b) Customer refuses to accept delivery of Goods, or (c) RAR for any reason is unable to deliver Goods to Customer and Customer fails to take possession of such Goods within 60 days after written notice from RAR, then (without limiting any or RAR's other remedies under this Agreement or at law or equity) such Goods shall be deemed abandoned and title to such Goods shall pass to RAR, which may in its sole discretion retain, sell or otherwise dispose of such Goods in any manner.

11. Compliance with Law. Customer shall comply with all applicable laws, regulations and ordinances, including all export and import laws of all countries involved in the sale of the Goods under this Agreement or any resale of the Goods by Customer. Customer shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under this Agreement. Customer assumes all responsibility for shipments of Goods requiring any government import clearance.

12. Additional Documentation. If Customer requests additional copies of Form 8130 or other documentation that RAR (in its sole discretion) agrees to provide, RAR shall charge for the costs incurred to prepare the documents and ship them to Customer at RAR's then-applicable rates.

13. Termination. In addition to any remedies that may be provided under this Agreement, RAR may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.

14. Waiver. No waiver by RAR of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by RAR. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15. Confidential Information. All non-public, confidential or proprietary information of RAR, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by RAR to Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by RAR in writing. Upon RAR's request, Customer shall promptly return all documents and other materials received from RAR. RAR shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Customer at the time of disclosure; or (c) rightfully obtained by Customer on a non-confidential basis from a third party.

16. Force Majeure. RAR shall not be liable or responsible to Customer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of RAR including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage (collectively, "**Force Majeure Events**").

17. Miscellaneous. Customer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of RAR. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. This Agreement may only be amended or modified in a writing stating specifically that it amends this Agreement and is signed by an authorized representative of each party.

18. Governing Law. All matters arising out of or relating to this Agreement are governed by, construed and enforced in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of California.

19. Arbitration; Submission to Jurisdiction

(a) In the event that a claim or controversy arises concerning or related to the Goods, the Services or this Agreement, including the interpretation or enforcement thereof, the parties agree that unless such claim or controversy is eligible for adjudication in California small claims court (in which case it shall be instituted exclusively in state small claims court in Riverside County, California), it shall be resolved exclusively by final, binding arbitration before a single arbitrator experienced in California business law in accordance with the commercial arbitration rules of ADR Services, Inc. (the “**Rules**”), which Rules are incorporated herein by reference, in Riverside County, California. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Each party to the arbitration will have the right to conduct discovery only on a limited and focused basis into matters directly relevant to the parties’ claims and defenses. The arbitrator shall limit discovery as necessary to give effect to the immediately preceding and otherwise as necessary to ensure that discovery is proportionate to the nature of the dispute and the amount in controversy. Without limiting the foregoing, absent a showing of good cause to the arbitrator, each party shall be entitled to conduct only one deposition for a maximum of four hours.

(b) Without limiting subsection (a) above, any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of California in each case located in the City of Riverside and County of Riverside, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. In any such suit, action or proceeding, or in any arbitration proceeding pursuant to subsection (a) above, the prevailing party shall be entitled to recover its reasonable attorneys’ fees and costs from the other party.

20. Survival. Provisions of this Agreement which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Compliance with Laws, Confidential Information, Governing Law, Limitation of Liability, Limited Warranty, Arbitration, Submission to Jurisdiction, Waiver and Survival.

EMAIL ADDRESS

SIGNATURE

DATE

By signing in the box to the left you have hereby read and agreed to the terms & conditions listed above. The parties agree that this agreement may be electronically signed. The parties agree that the electronic signatures appearing on this agreement are the same as handwritten signatures for the purpose of validity, enforceability and admissibility.

You may withdraw your consent to receive electronic documents, notices or disclosures at any time. In order to withdraw consent, you must first notify the sending party that you wish to withdraw consent and request that your future documents, notices and disclosures be provided in paper format. To request paper copies of documents, withdraw consent to conduct business electronically and receive documents, notices or disclosures electronically; or withdraw consent to sign documents electronically, please contact the sending party by telephone, postal mail or email.