

## CRS PPJR496E

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## STANDARD TERMS AND CONDITIONS

Customer and Premier Aviation Service, or its wholly owned subsidiary Premier Aviation Services DAY, LLC., hereby agree to the following terms and conditions:

### **1. Overtime and Holiday Labor Rates**

Overtime labor rates shall apply for Services performed after normal working hours on weekdays, or anytime on weekends and national holidays, which have been approved by the Customer. These rates shall be assessed at the prevailing straight time rate plus a fifty percent (50%) premium. Holiday labor rates shall be assessed at the prevailing straight time rate plus a one hundred and fifty percent (150%) premium.

### **2. Other Charges**

Charges for parts, outside services, freight, material handling, supplies, fuel, and parking shall be assessed as incurred and at prevailing rates. Unless otherwise indicated in the quote detail, a consumables charge shall be added to each invoice.

On overhaul exchange items, pricing assumes the Customer's core is in acceptable condition to Premier's outside vendor. Charges assessed by these vendors to bring cores up to their exchange criteria shall be invoiced at cost to the Customer. Due to the nature of the overhaul exchange process, there may be a significant lag between aircraft delivery and receipt of these additional charges. The Customer agrees to remit payment for these charges immediately upon receipt of Premier's invoice.

Cancellation by Customer of agreed-upon work before the delivery of the Aircraft to the Premier's site is subject to an additional charge, to be determined in the reasonable discretion of Premier, to cover expenses, including but not limited to unreturnable special-order parts, design and engineering expenses, and any other expenses that in Premier's reasonable judgment cannot be recouped. For certain work scopes, Premier levies a non-refundable reservation fee. Reservation fees, if any, will be specified in the detailed quote.

### **3. Work Site**

Prices herein assume that the Services shall be performed at Premier's facility. Remote Work shall be billed based on a minimum daily charge of eight hours per technician. Reasonable travel-related expenses including airfare, car rental or mileage, lodging and sustenance incurred by Premier for such Remote Work shall be subject to a 15% surcharge.

### **4. Warranty/Exclusions/Limitations**

Except as further provided in the standard Premier Aircraft Paint Refurbishment, Aircraft Interior Modification and Refurbishment Warranty Certificates, Premier warrants exterior paint and interior renovation Services shall be free from defects in material and workmanship under normal use and service for a period of two years after installation.

Premier shall assign or pass through all warranties on parts, accessories, and components ("Components") installed by Premier, as well as any warranty for work performed by any third party or subcontractor ("Outside Service Provider"). If a warranty is assigned to the Customer, Premier shall, upon the Customer's request, assist with the warranty claim(s) asserted by the Customer against the Outside Service Provider. This Warranty does not extend to any Defect caused by (i) the Customer's failure to operate and maintain the Aircraft in accordance with the applicable Aircraft Maintenance Manual; (ii) any Defect caused by ordinary wear and tear; (iii) any Defect caused by FOD, environmental damage, including airborne fallout, chemicals, acid, hail, lightning, floods and other environmental conditions, misuse, improper storage, transportation, repair, or alteration by any party other than by Premier or a Service Provider, or ordinary wear and tear; and (iv) any Defect that would not likely have occurred had the Customer accepted all of the Premier's written recommendations.

The obligations and responsibilities of Premier pursuant to this Warranty shall be limited to repair and replacement, or reimbursement of the Customer's reasonable costs related directly to the repair and replacement, and Premier shall not be liable

for: the costs of shipping to and from Premier, or the cost of flight, including, but not limited to, fuel, freight charges, crew expenses, etc. Premier shall not be responsible for consequential damages. Premier's obligations and responsibilities under the warranty are expressly limited to an amount not to exceed the service charge made for the modification and/or repair service originally performed by Premier for the aircraft. The Warranty and the remedies listed are exclusive to Customer, and the Customer hereby waives, releases, and renounces all other warranties, obligations, and liabilities of Premier or the Outside Service Provider, and all other rights, claims and remedies of the Customer against Premier or the Outside Service Provider express or implied, arising by law or otherwise, with respect to any non-conformance or Defect provided under this Agreement, including:

- (i) Any implied Warranty of merchantability or fitness for a particular purpose.
- (ii) Any implied Warranty arising from course of performance, course of dealing or usage of trade; and
- (iii) Any obligation, liability, right, claim or remedy in tort, whether arising from the negligence of Premier or the Outside Service Provider (whether active, passive, or imputed).

### **5. Proprietary Information**

The information provided by Premier in these Terms and Conditions is disclosed in confidence and is the property of Premier. It may not be used, disclosed to others, or reproduced without Premier's express written consent. In the event permission is given to reproduce this information in whole or in part, this notice shall appear on such reproduction.

### **6. Payment for Services Rendered**

Payment in full for all services rendered is expected at or before the time of aircraft delivery back to the customer. Some work scopes may require progress payments due to the nature of the work and/or the length of the work scope. Deferred payments may be available at Premier's sole discretion. Payment must be made in U.S. dollars. A 5% fee shall be added to all invoices paid by credit card.

### **7. Consumables**

This quote does not include freight, fuel charges, applicable airport/FBO fees or a 6% consumable fee. The consumables fee will be a charge equal to 6% of the billed labor charges per Premier Aviation Services Work Order and will be added to the final invoice.

### **8. De-Fuel**

Aircraft requiring de-fueling will be assessed a charge per gallon for fuel recertification.

### **9. Customer Supplied Parts**

All customer-supplied parts will be subject to a mandatory incoming inspection process before installation on the aircraft.

Customer-furnished parts will be assessed a 15% surcharge per part, based on the manufacturer's suggested retail price (MSRP). For rebuilt, reworked, overhauled, or refurbished parts where there is no MSRP, Premier Aviation will, at its sole discretion, determine the basis for the surcharge. Customer-supplied parts must be accompanied by a properly executed release for return to service in accordance with FAA regulations and Premier Aviation's Repair Station Manual (RSM) requirements. If such release or documentation is not supplied, any overhaul, upgrade, certification, or repair necessary to comply with the RSM must be accomplished prior to installation of the parts. Any such overhaul, upgrade, certification, or repair is the sole responsibility of the customer. Premier Aviation disclaims all liability for customer-furnished parts and specifically excludes all express, implied, or statutory warranties for such parts including, but not limited to, the warranties of merchantability and fitness for a particular purpose. The customer waives any claim or right to any cause of action against Premier Aviation, its employees, directors, officers, agents, and subcontractors, for the performance of such parts installed by Premier Aviation Services without inspection of such parts.

#### **10. Parts Warranty Programs**

Premier Aviation Services reserves the right to charge a handling fee for parts supplied under parts warranty programs up to \$300 per part.

#### **11. Supplemental Invoices**

Under circumstances when payment is due, but a final invoice is not available prior to aircraft delivery, a preliminary invoice shall be provided for all charges incurred for the work performed. Once final charges have been compiled, a final settlement invoice or credit memo, as applicable, shall be prepared. Settlement invoices shall be billed on terms of net fifteen (15) days. Until all invoice amounts due and owing Premier are paid in full, Premier shall be entitled to assess storage charges and retain possession of the Aircraft (a mechanic's lien) and/or pursue all rights and remedies available to it at law or in equity, including, but not limited to, filing a lien on the Aircraft, and instituting a lien foreclosure suit against the Aircraft and the Owner. The Owner shall be responsible for all reasonable storage fees for the aircraft. In the event of default of invoice amounts due and owing Premier, Premier shall be entitled to recover all invoice amounts, delinquency charges (1 1/2% per month), reasonable attorney's fees and other costs of collection. Customer may obtain possession of the aircraft by wire of funds of the total of the foregoing amounts into an interest-bearing escrow account, the escrow agent to be designated by Premier, or, in the alternative, by posting with Premier a surety bond in such amount. Disbursement of the escrow account and any disputes between the parties, as to billings or otherwise, shall be determined by binding arbitration as provided for in these Terms and Conditions. Notwithstanding anything to the contrary in these Terms & Conditions, any agreement between Premier and the Customer, or in any applicable law, the Customer waives and relinquishes any right of setoff, recoupment, counterclaim, deduction, defenses, or retention regarding any claims it might have against Premier, or payments due from Premier, from amounts that the Customer owes to Premier pursuant to the parties' agreements, these Terms & Conditions, or other applicable law.

#### **12. Prices and Taxes**

Pricing is as described in this quotation. Prices stated herein are quoted in U.S. dollars and are exclusive of federal, state, and local taxes, fees, and freight charges. Unless stated otherwise, quotes are valid for a period of thirty (30) days. Premier reserves the right to adjust pricing in this quotation as necessitated by state and/or federal governmental regulatory changes, if applicable.

All federal, state, or local taxes applicable to this transaction, inclusive of sales, use, personal property, transportation, excise or similar taxes, duties, imports, tariffs, or similar levies are the responsibility of the Customer. Upon presentation of a valid, duly executed tax exemption certificate, Premier shall exempt Customer from state taxes, provided however, that any later claims made by the taxing authority for such taxes and fees shall become due and payable immediately upon request, and provided that such exemption shall be limited only to those taxes and fees specifically covered by such exemption certificate.

#### **13. Customer Requirements**

The Customer understands their participation and decision making is a critical element in the completion of the work scope in a timely manner. To facilitate this, it is understood and agreed that the Customer shall designate, in writing, one (1) or more representative(s), who shall be authorized to act on behalf of the Customer in the manner contemplated by the Services. The Customer Representative(s) shall be empowered on behalf of the Customer to: (1) request and authorize additional work; (2) review and approve the performance of all work; and (3) approve the purchase of any parts, materials and supplies procured by Premier to complete the work. The Customer recognizes that delays in decision making on the part of the designated Customer Representative(s) may result in a work slowdown or stoppage and possible charges for standby time at the current published shop rates.

Customer Representative(s) shall have reasonable access to the facility where Services on the Aircraft is performed during normal business hours. The Customer Representative(s) agree(s) to abide by Premier's policies and procedures concerning its employees and facilities. At no time shall Customer Representative(s) have access to restricted areas of Premier facilities.

Customer will provide Premier with access to all aircraft manuals, blueprints, drawings, and technical data required for the work indicated.

In the event special OEM Engineering support or approval is required, the customer will be responsible for all costs incurred.

#### **14. Indemnification; Limitation of Liability**

Premier's liability arising out of any work performed on the aircraft shall be limited to the amount Customer paid Premier for the cost of repair and replacement of any non-conforming parts or supplies.

Premier shall not be liable for, and Customer shall indemnify, defend and hold harmless Premier and its affiliated companies, employees, directors, officers, representatives, agents, licensees and invitees from and against any and all liability, claim, demand, causes of action, judgements, penalties and fines by Customer, its directors, officers, employees, representatives, agents, assigns, licensees and invitees or by any third party, including employees of Premier arising out of the performance of the Services, including, but not limited to, claims for injury to or death of persons, damage to property (including damages for loss of use thereof), and attorney's fees, cost and expenses incidental thereto, unless caused by the gross negligence or willful misconduct of Premier.

IN NO EVENT SHALL PREMIER BE LIABLE TO CUSTOMER FOR CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES, WHETHER BASED ON THEORIES OF CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION, LOSS OF REVENUE OR USE OF PROPERTY, DIMINUTION OF VALUE, EVEN IF PREMIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES ARISING OUT OF WORK PERFORMED ON, OR PARTS AND SUPPLIES PROVIDED TO THE AIRCRAFT.

Notwithstanding anything to the contrary, Premier's liability for personal injury, death, or property damage due to tort shall be limited to the amount of Premier's liability insurance coverage.

#### **15. Insurance Obligations**

Premier shall maintain Aircraft General Liability Insurance with a combined liability of at least (i) \$5,000,000 per occurrence; and (ii) \$10,000,000 annual aggregate (on a per location and/or per job basis). Coverage shall include those perils generally associated with a commercial general liability policy and specifically include contractual liability coverage for bodily injury, death, and property damage, premises and operations coverage, independent contractor's coverage, contractual liability, products and completed operations coverage, coverage for explosion, collapse, and underground property damage, broad form property damage liability and personal injury liability, with the contractual exclusion removed. Coverage shall contain no exclusions for cross liability between insureds. Premier shall also require that all of its Service Providers maintain similar general liability insurance in such amounts as are reasonably related to the scope of work by such Service Providers. Premier shall maintain Workers' Compensation Insurance for all its personnel and Employer's Liability Insurance with limits of a minimum of \$500,000 and shall require that all its subcontractors maintain similar coverage.

Customer represents and warrants that the Aircraft is covered by aircraft hull and liability insurance that meets or exceeds the following:

- Single limit bodily injury and death liability, including passengers, and property damage liability ("Liability Insurance") in an amount not less than five million United States dollars (\$5,000,000), which contains a waiver of subrogation.
- Hull insurance ("Hull Insurance") in an amount sufficient to cover the value of the aircraft, which contains a waiver of subrogation.

#### **16. Force Majeure**

Premier is not responsible for delays incurred as a result of circumstances beyond its control, including, but not limited to, war, terror, insurrections, strikes, riots, fires, explosions, or other casualty, power failure, floods, earthquakes, serious accidents, any act of government including without limitation, delays in the attainment of Federal Aviation Administration ("FAA") approvals, governmental priorities, allocations, regulations or orders affecting materials or facilities, acts of God or the public enemy, epidemics, quarantine restrictions, or labor troubles including without limitation strikes, slowdown, picketing, lock outs, work to rule behavior or boycott, failure of transportation and failure of suppliers and subcontractors to finish labor or materials within their contractual delivery times.

#### **17. Applicable Law**

The parties agree that these Terms and Conditions are entered into in the state in which the Premier facility servicing the aircraft under these Terms and Conditions is located and the interpretation, performance, and all rights and liabilities of the parties under these Terms and Conditions shall be governed under the laws of the state of the Premier facility which services the aircraft under these Terms and Conditions.

#### **18. Mediation**

If a dispute, claim, or controversy arising out of or relating to the work scope occurs (the "Dispute") cannot be settled promptly, either party shall give written notice to the other party requesting that Senior Management attempt to resolve the Dispute. Senior Management shall mean Vice President or higher-level personnel within each party. Within fifteen (15) calendar days of 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.

#### **19. Arbitration**

Except for claims covered by insurance, in the event resolution by Senior Management is unsuccessful, the parties agree that all claims and disputes which may arise between the parties in regard to the aircraft shall be decided by arbitration in accordance with the rules of the American Arbitration Association, except as otherwise provided herein or otherwise mutually agreed to by the parties in writing. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final and binding on the parties, and judgment upon the award may be entered in any court of competent jurisdiction.

All arbitration hearings shall be held at a place designated by the arbitrators in the county of the Premier' maintenance facility which services the aircraft under these Terms and Conditions. The parties agree to submit themselves to the jurisdiction of the state and/or federal courts of the state of the Premier facility which services the aircraft, and the Owner waives all objections to venue and personal jurisdiction being proper in the county and state of the Premier' facility which services the aircraft.

The parties agree that any arbitration hearings demanded under these Terms and Conditions shall be heard by three (3) arbitrators having the following qualifications: each arbitrator shall be between the age of thirty (30) and sixty five (65) years and have (1) an FAA mechanic certificate with airframe and powerplant ratings and inspection authorization, (2) no less than seven (7) years of experience in the general aviation aircraft service and maintenance industry, and (3) familiarity with the prevailing hourly rates for the servicing of general aviation aircraft in the United States.

The provisions governing discovery under the Federal Rules of Civil Procedure, as amended, shall apply to any arbitration proceeding. The parties agree to cooperate with one another by furnishing, within fifteen (15) days after receiving a request for production of documents, subject to limitations on the availability of reproduction facilities, any business records, correspondence, and other documents reasonably related to the subject matter of the arbitration which are not the proper subject of privilege under the Federal Rules of Civil Procedure.

Duplication costs shall be borne by the party requesting the documents. Demand for arbitration must be made in writing to the other party and promptly filed with the American Arbitration Association. In no event shall arbitration or other legal recourse be available to either party based on any claim that would be barred by any statute of limitations of the state of the Premier facility which services the aircraft.

#### **20. Notice**

All notices shall be given in writing and sent by overnight delivery, with a copy by email, to the person executing this Agreement, at the mailing and email addresses provided in this Agreement.

#### **21. Modification**

Any and all additional terms, provisions or conditions stated in any purchase order of the Customer which are in addition to, in conflict with, or inconsistent with, the terms, provisions and conditions contained in these Terms and Conditions are void and of no effect unless expressly agreed to in writing and signed by a duly authorized representative of Customer and Premier, such writing to be dated subsequent to the date hereto. These Terms and Conditions and those of any Credit Agreement supersede the terms of all other agreements between the parties hereto and contain the full agreement of the parties hereto. If any provisions of these Terms and Conditions or of any Credit Agreement shall be deemed unenforceable by a court of competent jurisdiction, then said provisions shall be stricken, but the remaining terms shall remain enforceable.

#### **22. Aircraft Configuration**

This proposal is based on what is known at the time and does not include any unforeseen elements such as unknown equipment compatibility and/or special configuration of systems or wire routing that may affect work as identified in this Proposal. Any unforeseen items noted will be presented to the customer and will be addressed and billed separately. Premier has attempted to make this proposal as accurate as possible.

#### **23. Entire Agreement, Severability and Authority**

The parties hereto agree that at the time of execution hereof, there are no other agreements, understandings, conditions, warranties, guarantees or representations, oral or written, express or implied, with respect to the subject matter of these terms and conditions that are not hereby merged or superseded. Should any of the provisions and conditions prove unlawful, as against public policy, or be found unenforceable, the remainder of this Agreement shall be valid. In case of conflict between this Agreement and any change orders, the change orders shall take precedence.

THE CUSTOMER REPRESENTATIVE REPRESENTS THAT HE OR SHE IS UNEQUIVOCALLY AUTHORIZED TO BIND THE CUSTOMER TO THIS AGREEMENT.

#### **24. Survival**

Sections 4 and 13 and the right of Premier to collect all amounts due and owing shall survive and continue in full force in accordance with the terms of this Agreement notwithstanding any expiration or termination of this Agreement or redelivery of the Aircraft.

#### **25. Assignment**

This transaction may not be assigned in whole or in part by the Customer to a third party without the prior written consent of Premier. Any such assignment or transfer of the Customer's right, title and interest in its property or the work covered by these Terms and Conditions shall not relieve the Customer of its obligations hereunder.

#### **26. Non-Waiver, Counterparts**

The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver of any such provision or affect the validity of this Agreement.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

#### **27. Commissions**

Premier may pay commissions to outside parties who have played an important role in bringing business to Premier. Premier shall not pay commissions to a person or company who is already being compensated by the owner of an Aircraft for managing, maintaining, or piloting the aircraft unless the Aircraft owner agrees in writing to the payment of the commission. Commissions paid to people who are already being compensated by the owner of an Aircraft shall appear on the invoice.

Commissions to third parties shall only be paid if they have been agreed to in advance and in writing with Premier.

## **28. Anti-Bribery, Anti-Corruption**

Customer represents and warrants that neither Customer nor its affiliates, owners, shareholders, officers or directors own or are controlled by a "Restricted Person," which is defined as (1) the government of any country subject to an embargo imposed by the United States government, (2) an individual or entity located in or organized under the laws of a country that is subject to an embargo imposed by the United States Government, (3) individuals or entities ordinarily resident in any country subject to an embargo imposed by the United States government, or (4) individuals or entities identified by a government or legal authority with whom User or its affiliates are prohibited or restricted from dealing with, including persons designated under the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC) List of Specially Designated Nationals and Other Blocked Persons (including terrorists and narcotics traffickers); and similar restricted party listings, including those maintained by other governments pursuant to United Nations, regional or national trade or financial sanctions.

Customer represents and warrants that Customer is not engaging in this transaction in furtherance of a criminal act, including acts in violation of applicable anti-corruption laws. If Customer learns that conduct relating to this Agreement has or may have occurred in violation of this Section, Customer shall notify Premier within thirty (30) days.

## **29. REMEDY FOR BREACH OF WARRANTY**

The responsibility of Premier and the sole exclusive remedy available to Customer for a warranty claim is limited to the repair, correction, or replacement by Premier, without charge, as determined by Premier, provided that the aircraft is returned or otherwise disposed of as directed by Premier, or the following conditions are met:

1. NOTICE: Customer must notify Premier in writing of a warranty claim as soon as practical after discovery of the defect. The claim notice must include current aircraft times and cycles as well as photos of the affected area(s). Premier must be granted the opportunity to inspect the aircraft and aircraft documentation as Premier may reasonably request.

2. DETERMINATION OF REMEDY; Premier shall have the sole right to determine whether to repair, correct or replace the defective condition and which manner is the most practical and feasible. Premier will make every reasonable effort to match newly applied paint with the color of the existing material.
3. RETURN FOR REPAIR; The aircraft must be returned to the Premier facility, which originally completed the work at a mutually agreeable time. The cost of returning the aircraft to and from the Premier facility shall be borne by the customer.

## **30. DISCLAIMER OF OTHER WARRANTIES**

There are no other warranties, express, implied, or statutory, with respect to merchantability or fitness for a particular purpose, applicable to labor and parts, accessories, equipment, or materials installed on the aircraft. Customer agrees that the only warranty, if any, on parts, accessories, equipment, or material is that given by the manufacturer, and customer agrees that Premier shall not be liable to customer for any defects in parts, accessories, equipment, or materials installed on the aircraft by Premier.

The parties agree that the liability of Premier arising out of any work performed on the aircraft shall be limited to the cost of the work performed by Premier or to the repair and replacement of any non-conforming goods and parts. The parties agree that in no event shall premier be liable for any loss of use, consequential, incidental, or punitive damages, whether based on theories of contract or tort, including without limitation, loss of revenue or use of property, even if premier has been advised of the possibility of such damages arising out of work performed on the aircraft.

This warranty is given in lieu of any other warranties, guarantees, or representations. No agreement or understanding varying or extending the terms of this warranty will be binding on Premier Aviation Services DAY, LLC unless expressed in writing and executed by a duly Authorized Representative of Premier Aviation Services DAY, LLC. This warranty does not apply to any repairs or other work done by Premier other than interior refurbishment.