

TERMS AND CONDITIONS OF SALE

These terms and conditions are applicable if you purchase Products/Services from Precision Aero Inc, a manufacturer based in the United States of America.

Defined Terms

These terms and conditions of sale ("Terms and Conditions of Sale") are between the buyer and Precision Aero (hereinafter referred to as "Seller") selling the products or services ("Product" or "Service") to a buyer (hereinafter referred to as "Buyer"), collectively referred to as "the Parties".

1. Quotation Validity

Unless otherwise indicated on the quote, written quotations by Seller shall expire automatically thirty (30) days after the date appearing on the quotation unless Seller receives and accepts Buyer's order within that period. Prior to the expiration date any quotation is subject to change by Seller at any time upon written notice to Buyer, unless Seller receives and accepts Buyer's order within the aforementioned validity period.

2. Acceptance of Purchase Orders

2.1 Subject to 2.2 below, each purchase order shall be governed exclusively by these Terms and Conditions of Sale. Such sales order acknowledgement is expressly limited to these Terms and Conditions of Sale. The Seller's failure to object to inconsistent or supplementary provisions contained in the Buyer's purchase order or other communications shall not be deemed to be a waiver or modification of these Terms and Conditions of Sale, or an acceptance of such provisions

2.2 Exceptions to these Terms and Conditions of Sale shall be expressly and mutually agreed by the Parties and confirmed in the Buyer's purchase order and Seller's corresponding sales order acknowledgment.

2.3 Without prejudice to the foregoing, the delivery of Products or the acceptance of Products or any other act or conduct of the Buyer in confirmation of the supply of Products by the Seller shall constitute an unqualified acceptance by the Buyer of these Terms and Conditions of Sale.

3. Price Changes

In the event of any specific requirements (including without limitation any design, specification, inspection, ordered quantity, shipment dates/ changes) representing a price increase, or in the event of changes in market conditions which impact costs, Buyer will be notified and afforded an opportunity to confirm within (3) business days from Seller's notice. In the event that Buyer does neither confirm nor object in writing within (3) business days from Seller's notice, the price increase is deemed accepted by Buyer.

4. Payment Terms

4.1 The decision to issue credit solely resides with Precision Aero and may be changed at any time prior to delivery of product. Should Buyer qualify for credit your payment terms will be thirty (30) days from invoice date unless otherwise indicated in Seller's order acknowledgement. Payment shall be made via wire transfer and received by Seller within this period, unless otherwise agreed in writing by Seller. Should Buyer not qualify for credit Buyer's payment terms will be prepayment and will incur a 3.5% service fee for payment by credit card. Seller reserves the right to define other payment terms or to stipulate a progress payment schedule in the Quotation, including requiring any of the payment terms listed in section 4.2 below.

4.2 In the event of Buyer's fails to perform its payment obligations in accordance with this Clause, or in the event of any change in Buyer's creditworthiness, Seller, at its sole discretion, reserves the right, among other actions to:

- a) Reject any new purchase orders
- b) Require Buyer to immediately pay all outstanding invoices which shall become immediately due
- c) Accept new purchase orders on the basis of revised payment terms, whereby Buyer will be obliged to pay for Products or Services in advance of delivery
- d) Demand and obtain additional securities (such as payment guarantees) from Buyer, in advance of accepting any new purchase orders
- e) Withhold shipment, or cease any performance, until such time as payment is received from Buyer, at which point Seller will notify Buyer of a revised shipment date following the Buyer's payment of outstanding sums due to Seller.

The foregoing is without prejudice to any other Seller's rights or remedies which Seller may have under the applicable law. All collection costs, including reasonable attorney's fees, arising out from Buyer's non-payment in accordance with the terms herein shall be payable by Buyer.

Upon written request by Seller, Buyer shall provide Seller with all then-current financial information necessary at any time to review and confirm Buyer's creditworthiness. Should Buyer not be in a position to furnish any of the payment guarantees required by Seller, Seller shall be entitled to immediately cancel any deliveries and/or purchase orders and/or terminate these Terms and Conditions of Sale by written notice with immediate effect.

4.3 Any overdue invoice will trigger the payment of late payment penalties by Buyer, calculated as eight per cent (8%) above the US Federal Reserve prime lending rate applicable on the date at which payment is due. Seller reserves the right to require Buyer to

reimburse Seller for its costs of debt collection with respect to obtaining payment of overdue invoices.

5. Taxes, Charges and others

Price is exclusive of any custom duties, taxes, levies and similar charges, premium freight costs, customized packaging, disassembly, take-back, proper recycling and disposal of waste or other costs ("Charges"). Any such Charges which are liable for payment shall be charged by Seller at the prevailing rate at the time of invoicing.

6. Delivery

6.1 Delivery date(s) shall be in accordance with the Seller's quotation, unless otherwise agreed in writing between the Parties.

6.2 Seller shall be entitled to make partial shipment of product, by providing Buyer prior notice in writing prior to the date of partial shipment, subject to Buyer having five (5) business days from the date of such notice to reject such partial shipment date.

6.3 EARLY DELIVERY - In the event that Seller is able to deliver Products or Services to Buyer prior to the original delivery date advised by Seller in accordance with Clause 6.4, and Buyer accepts such revised delivery date, the payment term specified in Clause 4.1 shall be calculated from the revised date of delivery.

6.4 Buyer must notify Seller of any paperwork errors or required amendments to any certificates or other supplied documentation within seven (7) calendar days of receipt of delivered Products if changes are to be made free to the Buyer. Beyond the seven (7) day period, Seller reserves the right to levy an administration fee of \$400 USD per activity, for all requests of this nature.

7. Packaging

7.1 The cost of standard packaging is included in Seller's price. Any requests for customized packaging (for example, RFID tagging, specialist materials) shall be subject to Clause 5 of the Terms and Conditions of Sale.

7.2 Seller shall advise Buyer of any returnable packaging, which will be clearly indicated by Seller. Failure by Buyer to return such packaging within sixty (60) calendar day, at its own cost and risk, will result in Seller's right to invoice Buyer for the costs of replacement packaging.

8. Shipment Terms

Unless Seller agrees otherwise all shipments shall be FCA at Seller's facility (delivery point) (per ICC Incoterms 2020). Upon Seller's written request, Buyer shall provide within 5 business days Seller with a copy of the export declaration for the Products delivered. Alternatively, if the Product shipments are made between EU Member States, Buyer shall provide Seller with a copy of the transport documentation. In the event that Buyer fails to provide Seller with either the export declaration or a copy of the transport

documentation Buyer shall be liable for any and all fees/ cost, to include but not limited to any Value Added tax, paid by Seller associated with this failure.

9. Retention of Title and Transfer of Risk

9.1 Transfer of Risk: Risk of loss or damage shall pass from Seller to Buyer and delivery shall be deemed to occur upon transfer of possession to the first carrier or Buyer's representative at the delivery point per the applicable shipping term (per ICC Incoterms 2020) in Clause 8 of these Terms and Conditions of Sale.

9.2 Transfer of Title: Title shall pass from Seller to Buyer upon transfer of possession to the first carrier or Buyer's representative at the delivery point per the applicable shipping term (per ICC Incoterms 2020) in Clause 8 of these Terms and Conditions of Sale.

10. Delays or Default in Delivery

Seller shall have no liability to Buyer for Seller's delay or default in delivery due to Force Majeure (Clause 25 of these Terms and Conditions of Sale). Under no circumstances shall Seller have any liability for penalties or other damages of any kind resulting in whole or in part from Seller's delay in delivering, or failure to deliver, any products to Buyer under these Terms and Conditions of Sale, except if such liability exists pursuant to Clause 11.

11. Limitation of Liability

11.1 Notwithstanding anything else in these Terms and Conditions of Sale to the contrary, all liabilities of Seller, its affiliates, officers, directors, employees, agents and suppliers collectively for claims (including without limitation, any claims made by the Buyer for penalties, fines and/or claim(s) for compensation) under these Terms and Conditions of Sale, or otherwise howsoever arising (including without limitation, in contract or torts (including negligence) and/or under any indemnity) is limited to the maximum cap of 100% percent of the Product or Service price (exclusive of Charges) paid by the Buyer to Seller for the purchase of Products or Services under Buyer's purchase order.

11.2 This limit of liability for Products or Services is a total aggregate cap and not per incident (i.e., the existence of two or more claims will not enlarge this limit). The aforementioned limitation shall not apply in the event of third-party bodily harm, injury or death or Seller acting with intent.

11.3 In no event, whether under contract, statutory law or tort, shall Seller or its affiliates, officers, directors, employees, agents, be liable for indirect, incidental, punitive or consequential damages, including but not limited to, loss of profit, loss of use, loss of production, loss of reputation, loss of opportunity, penalty payments of the third parties. Seller's liability that cannot be excluded as per the mandatory applicable law shall not be excluded.

12. Intellectual Property

Buyer shall indemnify, defend and hold harmless Seller or its affiliates, officers, directors, employees and

agents from and against any and all damages, losses, costs, expenses, claims, demands, suits and judgments arising from actual or alleged infringements of any third-party's intellectual property rights caused by:

- a) Seller having followed or used the instructions, specifications, designs or products furnished by the Buyer to be used in the Services or in the manufacturing of the Products or otherwise in relation with the Services or Products;
- b) Seller having used the products or services of the sub-supplier specified by the Buyer;
- c) Buyer's use or combination of the Products or Services in conjunction with other products or services not delivered by Seller where such infringement would not have arisen from the Products or Services itself;
- d) Modification of the Products or Services other than by Seller; or
- e) Buyer's use of the Products or Services after Seller has informed Buyer of modifications or changes required to avoid infringement if the alleged infringement would have been avoided by implementation of Seller's recommended modifications or changes.

13. Design and Technical Information

Unless otherwise agreed in writing between the Parties, Seller claims proprietary rights in the items and all information associated with the purchase order to which these Terms and Conditions of Sale apply, which includes by way of illustration and not limitation programming, fixtures, tooling, travelers, and any other information that does not exist on the Buyer's purchase order or print but is developed in support of the design or manufacturing process of the purchase order and/or print, is and remains the intellectual property of Seller. Drawings and technical information are issued by Seller in confidence for engineering information and mutual assistance only and may not be publicly disseminated, reproduced or used by Buyer without Seller's prior written consent.

14. Repair Services

In respect of repair Services undertaken by Seller, the terms of Appendix 1 to these Terms and Conditions of Sale shall apply. In the event of any conflict between these Terms and Conditions of Sale and Appendix 1, Appendix 1 shall take precedence for repair Services only.

15. Confidentiality

15.1 Each Party agrees to keep confidential all information, including commercial and technical information and materials ("Confidential Information") of the other Party, which comes to its knowledge in the course of the business relationship and is identified to be confidential. Each Party is allowed to share Confidential Information with its affiliates on a need to know basis.

15.2 Confidential Information shall not include information that:

- a) Is publicly known at the time of the disclosing Party's ("Discloser") communication to the receiving Party ("Recipient") or becomes publicly known through no fault of Recipient subsequent to the time of Discloser's communication thereof to Recipient;
- b) Was in Recipient's possession free of any obligation of confidence at the time of Discloser's communication to Recipient;
- c) Is developed independently by Recipient without reference to any of Discloser's Confidential Information, as evidenced by contemporaneous written records; or
- d) Is rightfully obtained by Recipient from a third party authorized to make disclosure without restriction.

16. Defects; Warranty

16.1 Seller warrants that Products sold hereunder shall be free of defects in materials or workmanship. If during the first twelve months of delivery hereunder ("the Warranty Period") by Seller of any Products, such Products supplied are stated to be defective in materials or workmanship the Buyer shall forthwith notify Seller in writing at its principal place of business of the alleged defects and shall (at the Seller's option) return the Products at its own expense to Seller within fifteen (15) days of Buyer's written notification regarding the alleged defect, unless Seller has approved a longer Product return period in writing. Product may not be returned without a Return Merchandise Authorization (RMA) number which will be issued by Seller only after review and confirmation of defect. A buyer who does not obtain an RMA# will be responsible for any and all costs incurred. Seller shall refund reasonable transportation costs, if any, of such Products to Seller's premises (or where otherwise directed by Seller) provided that its obligations to replace or repair any Products shall not apply to:

- a) Any Products which, upon inspection and determination by Seller, have been altered by Buyer or a third party or modified to include third party components.
- b) Any Products which have been subject to accident or damage caused by any negligent act or omission or circumstances beyond the reasonable control of Seller, and provided further that the warranty for Products which have been replaced or repaired pursuant to the provisions hereof shall be only for the unexpired portion of the original warranty period.
- c) Any Products which, having been inspected by Seller are not found to be defective, or outside of the Warranty Period. Seller reserves its right to charge reasonable costs to Buyer for no fault found inspections and associated redelivery costs.
- d) Wear and tear due to the normal use of the Product by Buyer.

- e) Misuse or abuse of the Product, or its operation, storage, maintenance or management in a manner contrary to Seller's instructions.
- 16.2 The undertaking to replace or repair Products which are defective in materials or workmanship set forth in Clause 16.1. herein shall be the full extent of Seller's liability in respect of the sale of Products under these Terms and Conditions of Sale. In no event shall Buyer be released or be entitled to delay payment obligations for defective or allegedly defective Products (including, but not limited to, incorrect or insufficient deliveries); the decision to credit Buyer's account or extend payment time requirements for Buyer solely resides with Precision Aero. All warranties, conditions or representations express or implied (including merchantability, performance or fitness for purpose), statutory or otherwise and whether arising hereunder or under any prior agreement or in oral or written statements made by or on behalf of Seller in the course of negotiations with Buyer or his representative are hereby excluded.
- 16.3 The Buyer shall notify the Seller of defects (including, but not limited to, incorrect or insufficient deliveries) in writing and without delay. Such notice shall no longer be deemed "without delay" where it is not given within ten (10) business days; this deadline shall be deemed to have been met if the notice is posted within this period.
- 17. Schedule Changes and Cancellation**
Changes and/or cancellations to existing schedules or orders are subject to Seller's acceptance, in Seller's sole discretion. Applicable cancellation charges will apply (and price per piece increases are likely due to reschedules). Cancellation charges will be determined by the type of product and the stage of completion.
- In any and all cases unless otherwise agreed in writing by the Seller, Buyer may not cancel any order that falls within twenty (20) business days of the originally scheduled delivery date. Seller may, subject to Buyer providing thirty (30) days' notice in writing, accept requests for temporary holds on orders for rescheduling purposes for a period not to exceed thirty (30) days. Seller is not obligated to accept multiple temporary holds for the same order. If at that time a reschedule is not received, Seller reserves the right to recommence shipments in accordance with the original schedule or cancel the order. Buyer will pay any and all costs, including loss of efficiency, incurred by Seller due to a reschedule and all cancellation charges.
- 18. Compliance with Laws**
18.1 Seller shall comply with all laws and regulations to which Seller is subject pertaining to the manufacture of the Products. For the avoidance of doubt, "laws and regulations" do not include recommendations of standard-setting organizations. Seller shall not be responsible for noncompliance with laws arising out of combination, operation or use of the Products with products not supplied by Seller where use of the Products without such combination, operation or use would be in compliance with such laws.
- 18.2 Buyer acknowledges that the failure to comply with all such Applicable Laws and/or Seller's policies will be deemed a material breach of these Terms and Conditions of Sale, and shall entitle Seller to terminate these Terms and Conditions of Sale (in addition to any other remedies Seller may have at law or equity). Buyer agrees to indemnify, defend and hold Seller harmless from any breach of Buyer's obligation under this Clause.
- 19. Export, Re-export, Transfer and Use Controls**
The Products (or Services) supplied by Seller under these Terms and Conditions of Sale may be subject to export controls under the laws and regulations of the United States (U.S.) and/or the European Union and/or any of the European Union member states. Buyer shall comply with such laws and regulations governing export, re-export, transfer and use of Seller Products and will obtain all required U.S. or other territorial authorizations, permits, or licenses. Seller and Buyer each agree to provide the other Party with information, support documents, and assistance as may reasonably be required by the other in connection with securing authorizations or licenses.
- 20. Termination**
20.1 If a party breaches any of the provisions of these Terms and Conditions of Sale, the non-breaching party may terminate these Terms and Conditions of Sale as follows: (a) immediately upon providing written notice to the breaching Party, and (b) thirty (30) calendar days after providing written notice to the breaching Party the breach remains uncured.
- 20.2 The termination of these Terms and Conditions of Sale in any way whatsoever will be without prejudice to the rights, obligations and liabilities of either Party accrued prior to termination.
- 21. Bankruptcy**
If bankruptcy proceedings are instituted against any contracting Party or an application for bankruptcy proceedings against that Party is not granted for insufficiency of assets, the other Party may terminate these Terms and Conditions of Sale without prior written notice subject to any applicable mandatory law. Notwithstanding the foregoing, Seller's title to the delivered Products shall not be affected by the bankruptcy and/or insolvency proceedings. At its discretion and at any time, Seller shall be entitled to enter Buyer's premises and re-take possession of any Products that have been delivered but remained unpaid by Buyer.
- 22. Assignment**
Either Party shall be entitled to delegate, transfer or assign its rights and obligations arising from these Terms and Conditions of Sale, in whole or in part, to any affiliate company which is owned, directly or indirectly, by the assigning Party. All other requests for assignment shall be subject to mutual agreement between the Parties (both acting reasonably). Seller may, without Buyer's consent, assign the right to receive any amount due. Seller shall be entitled to sub-

contract all or any of its obligations hereunder with or without prior approval from Buyer.

23. Personal Data Processing

Each party undertakes to treat Personal Data strictly confidential and to use them only within the limits authorized by Seller and in accordance with the applicable data protection laws and regulation. If necessary and upon request of Seller, Buyer shall procure from its employees, agents or subcontractor that they sign Seller standard individual forms regarding the protection of Personal Data.

24. Governing Law

These Terms and Conditions of Sale shall be exclusively governed by and construed in accordance with the substantive laws of the State of Arizona, United States, excluding its conflict of laws principles and excluding the UN Convention on Contracts for the International Sale of Goods. Any dispute, controversy or claim arising out of or in connection with these Terms and Conditions of Sale, including validity and governing law that cannot be settled amicably within sixty (60) days shall fall within the exclusive jurisdiction of the competent court at the registered office of Seller in the United States. Trial of any dispute will be before a judge, and the parties expressly waive any right to a trial by a jury. For the avoidance of doubt, each Party shall bear its own costs and fees in respect of the resolution of such dispute, controversy or claim.

25. Force Majeure

Neither Party will be held responsible for its failure to fulfill any of its obligations (except for Buyer's payment obligations hereunder) if and to the extent that such failure is due to acts of God (such as floods, storms, fires and earthquakes), acts of war, strike, failure of public utilities, terrorism or general civil insurrection, government and competent authorities orders, embargoes and trade limitations, changes in law or regulation, or any other matters beyond the reasonable control of, and not due to, any fault or negligence of such affected Party. Performance shall be deemed to be suspended during the force majeure period. This shall include any failure to perform, or delay in performance by Seller of, its obligations resulting from the COVID-19 pandemic or any future epidemic. Upon cessation of the force majeure event, Seller shall be granted an extension in its period of time to perform, commensurate with the duration of the force majeure event. In the event the force majeure continues for more than ninety (90) days, either Party may terminate the Agreement upon providing written notice to the other Party.

25.1 In the event of either Party electing to terminate the Agreement pursuant to Clause 25.1, Buyer shall be obligated to purchase from Seller:

- a) Products and/or Services which may have been completed prior and up to such date of termination, at the agreed prices; and

- b) In respect of partially completed Products and/ or Services, or Seller's work in progress, Seller's justified expenses and/or unavoidable costs

26. Acceptance of Products/Services

Except as otherwise stated herein the Products shall be deemed to have been accepted by Buyer thirty (30) calendar days after delivery of Product or repaired item, unless Buyer notifies Seller in writing within that period of the reasons of non-acceptance. Notwithstanding the foregoing, use of the Products by Buyer, its agents, employees or customers shall constitute acceptance of the Products by Buyer.

27. Quality

Products and/or Services shall be delivered in accordance with Seller's then-applicable quality management system. Buyer's specific quality terms and requirements shall only be complied with where such terms have been expressly agreed in writing by Buyer and Seller as being applicable to a particular order.

28. Survivability

Clauses 8, 9, 11, 12, 13, 14, 15, 16, 18, 19, 24, 27, 29, 30, 31 and Appendix 1 will survive the expiration or termination of this Agreement, in addition to any provisions that by their nature should, survive or extend beyond expiration or termination of this Agreement.

29. Severability

If any condition (or part thereof) of these Terms and Conditions of Sale shall be found to be invalid ineffective or unenforceable the invalidity, ineffectiveness or unenforceability of such condition (or part thereof) shall not so far as possible affect any other condition (or part thereof) and accordingly all such conditions (or parts thereof) not affected by such invalidity, ineffectiveness or unenforceability shall remain in full force and effect.

30. No Waiver

No failure on the part of either Party to exercise any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right hereunder preclude any other or further exercise thereof or the exercise of any other right, unless expressly waived by the relevant Party in writing.

31. Order of Precedence

In the event of a conflict between these Terms and Conditions of Sale and any other documents issued pursuant to these Terms and Conditions, the order of precedence shall be as follows for determining which provision controls:

1. Sections 1-31 of these Terms and Conditions
2. Appendices and attachments to these Terms and Conditions
3. Purchase Order

Appendix 1 Additional Clauses applicable to Returns/Repair/Warranty/Defects Orders

1. Repair Warranty

Repair work undertaken by Seller i.e. component replacement, rework, disassembly and assembly, is warranted to be free of defects in material and workmanship for twelve (12) months from date of dispatch from Seller's facility. All other terms and conditions of warranty are as per Clause 16 of the Seller's Terms and Conditions of Sale. Where any repair is satisfied by replacement with either new or a service exchange item then the full warranty as per Seller's Terms and Conditions of Sale shall apply.

2. Quotations

2.1 Subject to any other pre-existing written agreement between the Parties (for example a long-term fixed price repair agreement), Seller shall issue a quotation for each unit returned by Buyer for repair on a time and materials basis. When Buyer returns a unit for repair it irrevocably commits to pay for the initial fault identifications, as part of the total repair price. In the event of a no fault found or a beyond economic repair (BER) survey charge being applicable, Seller shall invoice Buyer for such charges as per Seller's issued quotation (where included) or, in the absence of such quotation, at the price advised by Seller in writing following completion of the Service. A minimum no fault found fee of \$500, per lot, will be administered on all returns meeting that designation.

2.2 In the following circumstances Seller reserves the right to amend any quotations at any stage of the repair in any of the following circumstances:

- a) Exceptional and material and administrative errors brought to the Buyer's attention immediately on discovery and prior to completion of repair.
- b) The identification of additional defects, missing components or other remedial work that are identified during the repair and after the initial repair quotation is issued ("Emergent Work").
- c) Seller, after inspection, identifies Emergent Work which would render the Product to be BER.
- d) The discovery of third-party Parts Manufacturer Approval components installed in the Product, which require removal and/or replacement.

2.3 All quotations are valid for a period of thirty (30) calendar days from their issuance date unless otherwise advised and Seller therefore reserves

the right to revise the said prices after this validation period, unless Seller receives and accepts Buyer's order within the aforementioned validity period.

2.4 In the case of partial completion of any purchase order for reasons attributable to Buyer, Buyer shall pay Seller a fair and reasonable amount in respect of all work completed and unavoidable commitments made such as without limitation spare parts or materials.

3. Turnaround Time

Seller will suspend calculated turnaround time where a repair cannot proceed and is pending action from Buyer. This includes but is not limited to time taken by Buyer to provide purchase orders, amend purchase orders where mistakes have been made, respond to order related queries or accept quotations, or collect repaired Products from Seller's facilities. This time will be deducted from the turnaround time that Seller reports.

4. Buyer Failure To Respond To A Quotation or Disposition Instructions

4.1 In the event that Buyer does not provide within sixty (60) calendar days of Seller issuing a quotation (or request for disposition instructions) a response on whether Buyer accepts the repair quotation or requires the unit be returned unrepared, then Seller shall be entitled to issue a final notice to Buyer requesting disposition instructions within a further thirty (30) calendar days. In the event that Buyer does not respond to the final reminder, Seller reserves the right to sell or dispose of the unclaimed Item at any time thereafter without any compensation owed to Buyer.

4.2 Buyer shall be responsible for all reasonable costs (including storage and handling costs) which Seller may incur where Buyer fails to respond to repair quotations with sixty (60) calendar days.

5. Transfer of Title

5.1 Where Seller and Buyer agree that a repair shall be satisfied by replacement with a service exchange item, title of the Buyer's unit sent in for repair shall transfer to Precision Aero and title of the Service exchange unit shall transfer to the Buyer simultaneously when the service exchange unit is dispatched by Precision Aero, in accordance with the delivery terms of these Terms and Conditions of Sale.

5.2 Title to any unit sent in for repair shall be transferred as of right to Precision Aero in the event that the Buyer does not respond to the

Precision Aero's final reminder as stated in Appendix 1 Clause 4 above. In this instance the item shall be considered as abandoned by the Buyer.

6. Sub-contracting

Seller shall be entitled to sub-contract all or any of its obligations hereunder with or without prior approval from Buyer.

7. Service Exchanges

Upon acceptance of a service exchange unit the Buyer must provide the flight hours and cycles in addition to full unit history of the item that is exchanged into Precision Aero's possession before the transaction will be authorized other than in

exceptional circumstances. In these exceptional circumstances the Buyer has sixty (60) days to provide this information after which time the Buyer will be required to pay an additional amount which equal to the World List Price (WLP) of a new unit (or 65 % of WLP for a used unit) less the costs already invoiced.

8. Miscellaneous Requests

8.1 If the repair is not under warranty, photographs will only be provided if requested prior to request for quotation. The standard fee is \$100 USD per photo. Requests for photographs after point of quotation is issued will be rejected without exception.