



GENERAL TERMS & CONDITIONS

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These terms and conditions of sale apply to all aftermarket inspection and repair services offered by Aerospace Maintenance Supplies & Services, Inc. (doing-business-as AMS) and herein referred to as "AMS". Without limitation, the entity to which AMS is providing Products (as defined in the "Warranty" paragraph below) or services may be referred to herein as "Customer". AMS's acceptance of the Customer's purchase or repair order is conditioned upon the Customer's acceptance of all these terms and conditions. Customer's acceptance of AMS's products and services shall be deemed as Customer's acceptance of these terms and conditions. Any terms and conditions proposed in Customer's purchase order which vary, add to or conflict with these terms and conditions are objected to and are not binding on AMS. Any attempt at modification or addition to these terms and conditions must be accepted in writing and signed by AMS.

PRICES & CATALOGS

All quotations for services offered by AMS are valid for thirty (30) days from the date of issue and prices are quoted FOB the applicable AMS facility. All pricing catalogs are subject to change without advance written notice from AMS.

PAYMENT TERMS AND REMEDIES

If payment for equipment, inspection, repairs, or services provided under this Agreement is not made in accordance with the agreed terms stated in the estimate or purchase order, AMS may retain possession of Customer's equipment parts, or materials until such amounts are fully satisfied. Customer acknowledges and agrees that retention of possession by AMS shall serve as both notice and enforcement of AMS's lien rights. Additionally, AMS reserves the right to pursue further legal remedies, including foreclosure of the lien, as permitted under applicable state and federal laws, including but not limited to Florida Statutes §§ 85.031, 329.51, 713.58 and 677.209.

Customer consents and acknowledges that AMS is entitled to enforce liens against any equipment, parts, or materials that Customer purchases or sends to AMS for inspection, service or repairs, and Customer hereby grants AMS a consensual lien/security interest for all amounts due AMS, and further grants AMS a limited power of attorney to execute all documents necessary to file, perfect, and enforce liens for payment. These liens include, without limitation, liens pursuant to Florida Statute §§ 85.031, 329.51, 713.58 and 677.209. Pursuant to Florida Statute 677.209, any equipment, parts, or materials deposited with AMS are subject to a warehouseman's lien for any unpaid charges for transportation, storage, insurance, labor and for like charges or expenses in relation to charges that are due and owing to AMS. Further, the parties acknowledge and agree that this agreement constitutes a warehouseman's receipt and that AMS may hold all equipment, parts, or materials, covered by this agreement in its warehouse in conjunction with the enforcement of this provision.



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TURN-AROUND-TIME

Turn-Around-Time (TAT) refers to the number of days to perform the work described on the estimate or quote provided by AMS to the customer. Days are counted as business days and exclude weekends and/or Federal National Holidays.

AMS may interrupt its production schedule to accommodate "AOG" repairs. Your consideration toward our other customers will be greatly appreciated. A surcharge will apply and must be agreed to in advance for "AOG" repairs.

NON-DISCLOSURE

Unless the parties otherwise agree in writing, any information, knowledge, or data (including but not limited to pricing and industrial processes) which the parties may disclose to each other shall be held in confidence and may not be either disclosed or used for any purpose except information which is in the public domain. The Customer shall not cause AMS's proprietary information or trade secrets to be used without the authorization of AMS or be entered into the public domain.

LIMITED WARRANTY

AMS warrants to Customer that articles have been inspected, repaired or overhauled as per the Customer Agreement will be free from unapproved defects (as determined by the applicable manufacture maintenance manual) in workmanship at the time that AMS completes work. This Limited Warranty shall be governed by the laws of the State of Florida. All enforcement action must be brought exclusively in Miami-Dade County, Florida, U.S.A.

The Limited warranty duration and conditional term shall vary depending on article status (Inspected, Repaired or Overhauled) as stated on FAA Form 8130-3.

Inspected: This warranty shall remain in effect for a period of thirty (30) calendar days from the date of the end of Inspected (FAA Form 8130 issue date). Article will be re-inspected free of charge to the customer. Customer shall bear all associated shipping costs.

Repaired: This warranty shall remain in effect for a period of thirty (30) calendar days from the date of the end of Repaired (FAA Form 8130 issue date). Article will be re-inspected and repaired again. AMS will pay for reasonable labor costs associated with repairs or replacements under this warranty up to the value of the original quote to the customer. Any additional repair costs outside of the original quote are considered "over-and-above" and shall be billed separately. Customer shall bear all associated shipping costs.

Overhauled: This warranty shall remain in effect for a period of one (1) calendar year from the date of the end of repair (FAA Form 8130 issue date), or until such time as the warranted item is altered otherwise rendered unsuitable for its intended use. If the unit is operated in accordance with manufacturer's operating standards for said unit, it will be re-inspected and repaired again. AMS will pay for reasonable labor costs associated with repairs or replacements under this warranty up



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to the value of the original quote to the customer. Any additional repair costs outside of the original quote are considered “over-and-above” and shall be billed separately. Customer shall bear all associated shipping costs.

AMS, Inc warrants that all repairs will be done per the appropriate manufacturer’s manual, FAA approved data, or as directed by the Customer. Defects and/or normal wear will be repaired. Base metal defects however are as is. If AMS, Inc inadvertently scraps a repairable part during the repair process, the Customer will receive consideration of no more than the overhaul price quoted.

AMS does not assume any responsibility for transportation costs in connection with the repair or replacement for any Product under this warranty, except when such transportation has been authorized in writing by AMS. In connection with the return of any Product, the customer shall state in writing the particulars of the nature of any defects in the Product.

AMS shall not be liable for any defects if the part has been altered, overhauled, used improperly, or repaired (or has been tampered with) by any party other than AMS during the warranty period. This Limited Warranty does not apply to failure that is caused in whole or in part by the failure of another aircraft part or system.

Any defects caused by “poor” workmanship, our error or omissions, will be corrected at no charge. There are no other warranties express or implied. No reimbursement or other compensation will be given for consequential damages, delay, or loss of use.

Customer shall defend, indemnify, and hold harmless AMS for and against all losses, claims, suits, judgments, costs, and expenses, including but not limited to reasonable attorney’s fees and all associated costs therewith, which may accrue against AMS by virtue of a claim by a third party for injury or death to person or damage to property as a result of the negligence performance or non-performance by AMS of its obligations under this agreement, except to the extent that such injury, death, or damage is caused solely and directly to AMS’s gross negligence or willful misconduct.

This warranty will not apply in cases where improper storage, installation, misuse, neglect, or an accident, or an act of war or terrorism rendered the product defective.

INSURANCE

The Customer agrees to obtain and maintain in full force during the term of the Customer Agreement the following insurances: “All Risk’s Insurance”, “All Property Insurance”, and comprehensive “Legal Liability Insurance” in favor of AMS, its personnel, and/or subcontractors. The Customer waives subrogation claims against AMS and its subcontractors.

All parts shall be insured against loss or damage, at Customer’s sole cost and expense, when shipped to or from AMS.

EXPORT COMPLIANCE



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AMS fully complies with all U.S. export control regulations, including the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR). As a Term of Sale, AMS requires its customers to use reasonable efforts to cooperate with, and assist, AMS in the correct identification and classification of items provided by the customer which may be subject to U.S. export control regulations.

Customer hereby agrees to indemnify and holds harmless AMS from any violation and/or penalties which may arise from the inaccurate classification of items and any resulting exports of such items which occurs due to Customer's violation of U.S. export control regulations.

The term "item" (as described above) includes product or hardware, technical data, software, or technology which is subject to any U.S. export regulation. "Item" does not just refer to the physical product itself. AMS will not export restricted items without documented proof of a license or agreement from the appropriate governmental authority, and will follow all terms, conditions and provisos on such license or agreement as a condition of exporting and engaging in business with its customers. AMS shall not be liable in any way to Customers or third parties for delays caused by licensing issues to the extent such licensing issues arise out of Customer's failure to cooperate with and assist AMS in its efforts to accurately classify items provided by the Customer or manufactured to the Customer's requirements, designs and/or specifications.