



Terms and Conditions of Purchase

LMJ Aero is herein referred to individually and collectively as the “Buyer” and the person or entity selling goods to Buyer is referred to as the “Vendor.” Buyer and Vendor may hereinafter be individually referred to as “Party” and collectively as “Parties.” Purchase of any goods or services is expressly conditioned on Vendor’s assent to these Terms and Conditions (“TC”).

Any contract, purchase order, repair order, quote and/or general terms agreement (collectively referred to as the “Agreement”) between the Parties, for the purchase of goods or services, shall be formed in accordance with these TC. These TC will apply to all transactions between Buyer and Vendor and are deemed to be accepted by Vendor upon delivery to Buyer of the goods or services purchased. Any acceptance of Vendor’s offer is expressly limited to acceptance of these TCs and Buyer expressly objects to any additional or different terms proposed by Vendor unless expressly agreed to in a subsequent writing signed by an authorized representative of Buyer.

The Agreement and these TC shall be read in conjunction, shall form an integral part of the Agreement, and all references to the “Contract” herein shall include these TC and any Agreement. These TC and/or any Agreement contains all agreements, arrangements and stipulations between the Parties with respect to the goods or services purchased, and supersedes all previous agreements, proposals, arrangements and stipulations with respect to the same subject matter. Vendor acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of Buyer which is not set out in the Agreement.

1. **Acceptance.** This Purchase Order (this "Order") is neither an expression of acceptance of any offer made to Buyer by Vendor nor a confirmation of any contract or agreement between Buyer and Vendor; it is an offer to Vendor to contract on the terms set forth herein, and such offer expressly limits acceptance by Vendor to the terms set forth herein. These TC supersede and replace all terms and conditions appearing or referred to on any proposal, acknowledgement, or acceptance or any other communication issued by Vendor in connection with this Order.
2. **Traceability.** New Parts All new parts must be traceable to the Production Approval Holder (“PAH”). An authorized release document from the applicable civil aviation authority regulating such PAH must accompany the new component. For example, new components released by a U.S., EU or Canadian PAH must be documented as a new part on FAA Form 8130-3, EASA Form 1, or Transport Canada Civil Aviation (“TCCA”) Canadian Form One, as applicable.

Standard Parts Standard parts must be traceable to the manufacturer and accompanied by a conformity statement.

Used Parts Used parts must be traceable to FAA and/or EASA certificated facilities. The used part:

- a. Must include an FAA Form 8130-3 single release, an FAA Form 8130-3 issued as a dual release, an EASA Form 1 dual release, or a TCCA Canadian Form One, in each case as applicable and as specified on the Order.



- b. Must Include a Non-Incident/ Non-Accident letter stating that the parts have not been involved in an incident/accident, subjected to severe stress or heat, or submersed in salt water.
- c. Must comply with all Airworthiness Directives and associated Service Bulletins.

3. **Packaging.** Unless otherwise agreed in writing, delivery terms will be F.O.B. Vendor's facility, and where goods are for export, FCA (Incoterms 2020) Vendor's facility. Transportation from Vendor's facility will be at Buyer's risk and expense. All goods will be packed and marked (including notice of hazardous substances) in accordance with industry standards and will comply with applicable laws and carrier requirements. Goods will be packed in accordance with Aviation Transport Association ("ATA") 300. Each container will be marked with applicable Order number and be accompanied by one copy of the shipping papers. All Material shipped to Buyer must reference on the air waybill the Order number, part number, and serial number if applicable.
4. **Termination for Convenience.** Buyer may at any time prior to delivery terminate this Order for its convenience, in whole or in part, by written (including email) or verbal notice confirmed in writing to Vendor. Upon receipt of notice to terminate, Vendor shall cease all production and provision of goods. If Vendor has specifically manufactured goods to fill this Order and is unable to make other commercially reasonable disposition of such goods, Buyer shall reimburse Vendor the cost incurred for the work performed by Vendor in respect of such goods at the time of written notification by Buyer. Vendor will mitigate such costs to the extent reasonably possible. Buyer's liability under this paragraph will not exceed the aggregated price specified in this Order.
5. **Returns.** Buyer may, in its sole discretion, at any time and from time to time, within (60) days after acceptance of goods, return to Vendor all or any part of such goods for full credit.
6. **Warranties.** Vendor warrants that (a) all goods when delivered will be merchantable and free from defects in workmanship and material, will conform strictly to the specifications, drawings, samples, or other description specified herein or furnished herewith, and will be fit for their ordinary intended purpose and any special purpose specified by Buyer; (b) it has good title to the goods, free from all encumbrances and that it will defend such title against claims of all persons; (c) all goods of Vendor's design or production will be free from defects in design or production; and (d) it has all required authority and approvals to sell the goods to Buyer, including intellectual property rights with respect to any goods designed or manufactured by Vendor. All warranties shall run to Buyer, its successor's assigns, and all persons to whom goods may be resold.
7. **Terms of Payment.** Unless otherwise provided for in the Contract, Vendor shall issue a monthly invoice for the Services and email a copy of such invoice to Buyer. All invoices submitted by Vendor for payment shall be payable in United States Dollars ("USD") and net 30 days (or otherwise agreed terms) at the location identified therein. Payment will be deemed to have been made upon Buyer's wire of payment. If Buyer disputes any charge in an invoice, Buyer shall, prior to the payment due date of such invoice, notify Vendor of the dispute and state the reasons why it believes the disputed amount was improperly invoiced.
8. **Risk of Loss.** Risk of loss or damage to Units remains with Buyer at all times, except while Units are under Vendor's care, custody, and control prior to delivery and acceptance by Buyer.
9. **Warranty.** Vendor confirms any express warranty (oral or written) previously made and warrants that all items shall be free from defects of material or workmanship, shall conform to drawings and specifications and any samples previously delivered shall be of merchantable equality and fit for the purpose for which purchased. Such warranties, together with all other services, warranties, and guarantees of Vendor not including any disclaimers, shall run in favor of Buyer, its employees and its customers. Vendor agrees to indemnify and hold Buyer harmless from any and all liability of Buyer arising out of or in any way connected with a breach of this warranty or the negligence of Seller in the manufacture or design of the items set forth in this order.



10. **Assignment.** Vendor may not assign any rights or obligations arising under the Contract or any Order without the prior written consent of Buyer.
11. **COUNTERFEIT GOODS.** Vendor shall implement an appropriate strategy to ensure that Goods furnished to Buyer under this contract are not Counterfeit Goods. Vendor's strategy shall include, but not be limited to, the direct procurement of items from OEMs or authorized suppliers, conducting approved testing or inspection to ensure the authenticity of items. When items are to be procured from non-authorized suppliers, it is to be done only during DMS (Diminishing Manufacturing Sources) or when obsolescence conditions are present. Vendor must disclose that they are not authorized to sell these parts and must obtain written approval from Buyer. Also required from such non-authorized suppliers are appropriate certificates of conformance that provide one or more of the following: (1) the OEM's original certificate of conformance for the item; (2) sufficient records providing unbroken supply chain traceability to the OEM; or (3) test and inspection records demonstrating the item's authenticity.