

**AIRCRAFT PROPELLER SERVICE, LLC
STANDARD TERMS AND CONDITIONS**

THESE TERMS AND CONDITIONS APPLY TO THE FOLLOWING:

Work Order Quote:_____ **Sales Quote:**_____ **Exchange Quote:**_____

PAYMENT TERMS:_____

1. Terms and Conditions: These Terms and Conditions of Sale ("Terms") are the only terms and conditions which govern all sales made by **APS** to **Customer** and constitute the entire agreement between **APS** and **Customer**. The Terms are posted online at www.aircraftpropellerservices.com/terms-and-conditions-home.html and are incorporated into, and are a binding part of, all Quotes and work with **Customer**. These Terms supersede and cancel any prior discussions, understandings, agreements or representations (oral or written) between **APS** and **Customer**. **APS** hereby excludes **Customer's** general or specific terms and conditions, even if **APS** has not expressly rejected their application. No addition to or modification of these Terms shall be binding upon **APS** unless expressly agreed to by **APS** in writing, and, if these Terms are deemed an offer, acceptance is expressly limited to these Terms.

2. Definitions: Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in Section 19 below.

3. Quotations: **Customer** will purchase Products and/or Services from **APS** by accepting the written quotation provided by **APS** (the "Quote"). These Terms will apply to the Quote and supersede any different or additional terms on the Quote (except to the extent the Quote specifies delivery dates and quantities, the ship-to and bill-to addresses, and the applicable price for each Product and/or Service). The Quote will be valid for thirty (30) days from the Quote Date as indicated on the Quote. **APS** may extend the Quote validity date, in its sole discretion, upon **Customer's** written request. Delivery dates are determined from the date of each Quote and are estimates of the approximate dates of delivery, not a guarantee of a particular day of delivery. **APS** hereby reserves the right to stop work and submit a new Quote to **Customer** should further processing show any previously undetected fault or hidden condition. If a new Quote is issued, any estimated ship date previously provided will be subject to change. **APS** will not conduct any, additional work until **Customer** accepts and executes the new Quote. **Customer** acknowledges and agrees that in order to prepare the Quote, **APS** must incur costs to inspect the Parts sent by **Customer** and **Customer** hereby agrees to pay **APS** an inspection fee listed on the Quote (the "Inspection Fee"). In the event that **APS** stops work and submits a new Quote to **Customer**, **Customer** agrees to pay the Inspection Fee plus the cost of all part(s) and labor used or incurred by **APS** in performing the services prior to stopping work (the "Initial Costs").

4. Purchase Price: **Customer** will pay **APS's** price for such Products in effect at the time of shipment as set forth in the Quote (the "Purchase Price"). **Customer** shall be responsible for the payment of all taxes, withholding, duties and other governmental assessments upon or with respect to the sale, purchase, use, receipt or shipment of Parts, Products and/or Services (other than taxes based solely on **APS's** net income), including sales or use tax or similar taxes, provided that **APS** will not invoice **Customer** for taxes to the extent **Customer** has provided **APS** with evidence that **Customer** is exempt from paying and **APS** is exempt from collecting such tax. The Purchase Price shall be paid in U.S. Dollars.

If Customer uses the APS Exchange program, the blade sent by **Customer** for an exchange must be in “similar condition” and have “equivalent market value” to the blade APS sends to **Customer**. It is solely in the determination of the internal policies of APS whether the **Customer** exchanged blade is in “similar condition” and has “equivalent market value” to the **APS** blade. If the exchanged blade is not in “similar condition” or does not possess “equivalent market value”, then **APS** will charge an additional fee based on the difference in market value of the blades, which will be decided in the sole discretion of **APS**.

5. Payment Terms: Unless otherwise stated, Customer shall pay all amounts invoiced within 30 days from invoice date. APS may, at its sole discretion, agree to special terms for individual customers. If APS at any time determines that Customer's credit is not satisfactory, more restrictive terms (such as Cash-in-Advance or Cash-on-Delivery) may be applied at the sole discretion of APS. Payment shall be made by cash, check, wire transfer, or credit card (Visa, MasterCard, Discover and American Express). At **APS's** sole discretion, all sums not paid when due will accrue interest daily at the lesser of an annual rate of eighteen percent (18%), escalating to an annual rate of twenty-four percent (24%) after sixty (60) days past due or the highest rate permissible by law on the unpaid balance until paid in full (the “Late Payment Interest”). **Customer** shall have no right to offset or deduct any amount from the amounts owed to **APS** pursuant to any Quote. In any action by **APS** to enforce its right to payment against **Customer**, **APS** shall be entitled to recover its reasonable attorneys' fees, costs and Enforcement Expenses from **Customer**. **Customer** acknowledges and agrees that **APS** shall have the right to offset any amounts owed by **Customer** against the Parts and Products subject to these Terms, against any other Parts and Products sold by **APS** to **Customer**. **Customer** further acknowledges **APS** may seize any of **Customer's** parts (the “Parts”) provided to **APS** by **Customer** in respect of any Service, in order to satisfy delinquent amounts.

6. Customer Liability for Stored Parts: In the event that any Customer Parts remain at **APS's** facility for more than thirty (30) days following the delivery by **APS** of the Quote and the **Customer** has not accepted the Quote and these Terms, **Customer** shall pay to **APS** a fee of 1% of the amount of the Quote per day past day thirty (30) of the Quote date (the “Daily Fee”) but the aggregated Daily Fees shall not exceed the total amount of the Quote. Daily Fees shall accrue until **Customer** either:

- a. Executes and returns the Quote to **APS** and accepts the Terms; or
- b. Notifies **APS** that **Customer** desires such Part to be returned.

Either of the above a. and b. options constitute a “Valid “Customer Response.” **APS** may waive Daily Fees if **Customer** notifies **APS** that it requires more time to evaluate the Quote and agrees with **APS** to a valid extension in calendar-days.

If **Customer** does not provide a Valid Customer Response within thirty (30) additional days, or sixty (60) total days following delivery of a Quote and Terms, **APS**, at its sole discretion, may elect from the below-following two choices in its sole discretion. First, **APS** may elect to return **Customer's** Part and invoice **Customer** for all costs and expenses incurred in connection with the storage and return of **Customer's** property, including Enforcement Expenses and for the avoidance of doubt, all non-waived Daily Fees, all reasonable attorneys' fees, costs and expenses and all collection and/or shipping fees, costs and expenses. Second, **APS** may seize **Customer's** Part as security for amounts owed under the rights stated in section 8 below.

Furthermore, **Customer** acknowledges and agrees that **APS** has the right to return, designate as scrap, destroy and/or dispose of any Parts of **Customer**, with no recovery to

Customer, if a Valid Customer Response is not received by **APS** within three (3) months of delivery by **APS** of the Quote and Terms, if Customer does not provide return shipping instructions or **Customer** does not provide adequate, advance payment of shipping expenses. In no case shall a **Customer** Part designated as scrap be allowed to remain at an **APS** facility for more than three (3) months following delivery of Quote and Terms.

7. CMM Compliance: Over the course of repairs, if an attribute of a Customer's Part exceeds the Component Maintenance Manual (CMM) limits or fails to meet CMM requirements (a "Failed Component"), the Part is deemed scrap. In certain cases, there is a possibility that a Failed Part may be salvaged via application of proprietary, OEM-developed repair techniques, called SK or RSK drawing(s). APS will make every commercially reasonable effort to salvage a Failed Part. Each Failed Part shall be judged based on its own condition and in comparison to the CMM. While these attempts are successful in some cases, there are other instances where these proprietary repair techniques are not able to salvage a **Customer** Part. In cases where a Part remains in violation of both CMM and OEM engineering limits, APS will make its best effort to offer **Customer** a discounted replacement Part (serviceable or new) which meets the requirements of the current, applicable OEM Commercial Policy.

8. Security for Products: Until **Customer** pays **APS** in full for all Parts, Products or Services purchased pursuant to any Quote, title to the Parts and Products, whether new or overhauled, shall remain in **APS's** name. **Customer** hereby grants a lien and security interest in **Customer's** right, title and interest in all Customer Parts, Products, components, and property, which are possessed by **APS**, shipped to **Customer**, serviced or repaired by **APS** or returned to **Customer** (the "Liened Part"). **APS** shall additionally possess: (i) a statutory lien under the Illinois Labor and Storage Lien Act (the "Lien Act"), (ii) mechanic's liens rights, possessory liens rights, (iii) a first priority purchase money security interest in the Parts and Products and, (iv) to the extent permitted by law, in any other Parts or property owned by **Customer** and located at any of **APS's** facilities to secure the full and prompt payment of all amounts owed to APS by Customer. If **Customer** shall default in any payments or does not provide a Valid Customer Response, **APS** shall possess in the Parts and Products: (i) all the rights of a titleholder, (ii) a secured party under the UCC, (iii) a statutory lienholder and/or (iv) the rights under any other law then in force. **APS** may retain as rental any payments received by **APS** on account of the Purchase Price, whether **Customer's** default shall have occurred before or after delivery. Under UCC Section 9-610 and any other relevant law, **APS** may ten (10) calendar days after payment is past due exercise its above-stated rights and lien rights by selling any Liened Part to any private party by a private sale. **APS** may file one or more financing statements to perfect its security interests in Liened Parts. If necessary, **Customer** shall execute such financing statements upon the request of **APS**. **Customer** agrees that in the event **Customer** fails to pay in full any amounts due under any Quote for Parts, Products or Services within thirty-one (31) days after completion of the Services and notice to Customer of such completion, **APS** shall have the right to recover such amounts by: (i) selling ten (10) days thereafter any of Customer's Parts and property then in APS's possession (whether Services have been performed on such Part or property or not) at a private sale to a private party under UCC Section 9 – 610 or (ii) filing a lien notice with the Lake County, Illinois Recorder of Deeds and selling through foreclosure at public auction as allowed by the Lien Act any of **Customer's** Parts and property then in **APS's** possession, in addition to its rights under any other laws. Any proceeds for selling Parts and Products received by **APS** in excess of the amounts owed by **Customer** to **APS**, including amounts incurred by APS for storage, Inspection Fees, Late Payment Interest, Initial Costs, reasonable attorney's fees, interest, any expenses of sale, out of pocket expenses, amounts allowed under this contract and under law, and any expenses of enforcement of the rights of APS (the "Enforcement Expenses"), shall be remitted to **Customer**. APS reserves the right to ship Parts and Products to Customer only if, in its sole opinion, APS

possesses adequate security to collateralize the Parts and Products requested to be shipped by Customer. APS may request additional collateral at any time if it deems itself insecure. The rights of APS hereunder shall be cumulative with any other rights not herein stated. Customer warrants and represents that the security rights of APS hereunder are first priority and are not subordinate to any other party.

9. Production; Shipping; Title and Risk of Loss: APS reserves the right to repair, produce and ship all or any portion of the Parts and Products specified in any Quote from any one or more of its plants or facilities. APS shall mark all Parts and Products for shipment to Customer's address set forth on the Quote. All Parts and Products are delivered ex Works per INCOTERMS 2010 for international shipments APS's applicable warehouse or place of production. Customer shall include complete shipping instructions on the Quote. APS will use its reasonable commercial efforts to comply with such instructions, provided, however, if Customer does not designate a carrier or method of shipment, APS determines the carrier or method of shipment specified by Customer is unavailable, or APS reasonably determines the carrier or method of shipment is unsatisfactory for shipment of Parts and Products, APS may designate the carrier or method of shipment. In the event of any such change, APS shall promptly notify Customer. Subject to these Terms, APS shall use its reasonable commercial efforts to fill promptly (by full or partial shipment) the Quote, insofar as practical and consistent with APS's then-current lead-time schedule, shipping schedule, access to supplies on acceptable terms, and allocation of available Parts and Products and capacity among APS's customers. Each partial shipment shall be deemed a separate sale and may be invoiced upon such shipment. Customer may not decrease, reschedule or cancel any Quote. Regardless of the shipping terms utilized, title to and risk of loss of the Parts and Products shall pass to Customer at the time the Parts and Products are placed in the possession of the carrier. Upon tender of delivery of Parts and Products, Customer will provide APS with immediate telephone or e-mail notification of any alleged Product nonconformity, including any shortage or other discrepancy or situation which Customer believes may impair the value of the Parts and Products or justify payment of less than the amount invoiced for such Parts and Products. If notice is not so made within 24 hours after tender of delivery of Parts and Products, then Customer shall be deemed to have accepted the Parts and Products as conforming in all respects and will submit to APS full payment therefor on or before the date set forth in Section 5 above. Within five (5) days after any such telephonic or e-mail notice described above, Customer will send APS a detailed written confirmation thereof and will attach all documents relevant to the alleged non-conforming Products. Any payment for less than the amount invoiced must be authorized in advance by APS through assignment of a credit/claim number. The assignment of a credit/claim number shall not constitute final approval of Customer's claim or constitute a waiver of any of Customer's obligations or APS's rights hereunder. No Products shall be returned to APS without APS's written authorization. Customer shall pay a 12% restocking charge on all Products returned to APS.

10. Quality Assurance: APS will make every reasonable effort to meet any special quality assurance specifications and/or other requirements of Customer as long as they do not conflict with US Federal Aviation Administration requirements and directives.

11. Default: If Customer (a) fails to furnish shipping instructions for Products within the time specified, (b) fails to order any shipment of Products within the time specified therefor, (c) fails to supply adequate credit within the time specified, (d) fails or refuses to accept any shipment of Products properly tendered, (e) fails to tender any payment when due in accordance with these Terms and the terms of the applicable Quote, (f) is determined by APS to be likely to default on any such payment, including if Customer is unable, or states that it is unable, to pay its debts as and when they become due or if APS reasonably believes Customer will not pay its debts when

due or where a receiver is appointed for all or any portion of the assets of **Customer**, (g) fails to provide a Valid Customer Response or (h) fails in any other respect to perform its obligations in accordance with these Terms, the occurrence of any of the events specified in clauses (a) – (h) above being deemed to constitute a material breach hereof if such material breach is not cured (if capable of being cured) within thirty (30) days thereof, **APS** may treat such default as (i) a total breach of the entire contract, or (ii) a breach only as to the individual shipment or installment, and, in addition to any other rights or remedies which **APS** may have at law or in equity, **APS** may (x) cancel the Quote, (y) terminate the Quote as to the portion thereof in default or as to any unshipped balance, or both, and/or (z) take possession of and sell, after ten (10) days, any of the Parts and Products which have been shipped and which **Customer** has wrongfully failed to accept or refused to accept, and receive from **Customer** the difference between the Purchase Price with respect to such Parts and Products and the sale price to a third party (if less), as well as Enforcement Expenses. All rights and remedies of **APS** shall be cumulative and not exclusive of any other rights or remedies which **APS** would otherwise have at law or in equity. **Customer** shall cooperate with **APS** in **APS**'s enforcement of its rights and remedies hereunder, including granting **APS** access to **Customer**'s facilities for the purpose of retaking possession of any Parts and Products that are the subject of a default, and shall indemnify **APS** for all costs and expenses (including reasonable attorneys' fees and Enforcement Expenses) incurred by **APS** in connection with the repossession, transport and/or disposal of any Parts or Products that perish, become damaged or tainted, or otherwise become unsalable as a direct or indirect result of **Customer** default or **Customer** being unable or unwilling to accept delivery of such Part or Products.

12. Descriptions and Specifications: To the extent permitted by applicable law, all descriptive specifications and other data furnished by **APS** or otherwise contained in catalogues or other advertising materials are approximate only and are intended to be merely a general description of Products and are not incorporated by reference into any agreement between **APS** and **Customer**, under these Terms or otherwise. To the extent permitted by applicable law, any description or visual representation or details of Product provided by **APS** to **Customer** are representative only, and the actual Product delivered may differ.

13. Limited Warranty; Limitation of Liability: **APS** represents and warrants to **Customer** that **APS** has the right to convey good title to Products sold pursuant to a Sales Quote or an Exchange Quote. EXCEPT AS EXPRESSLY SET FORTH IN THE IMMEDIATELY PRECEDING SENTENCE AND IN SECTIONS 13(A) AND 13(B) HEREOF, AS APPLICABLE, **APS** HEREBY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, IN NO EVENT SHALL **APS** BE LIABLE TO **CUSTOMER** OR ANY THIRD PARTY FOR ANY DIRECT OR INDIRECT DAMAGES WHATSOEVER INCLUDING DAMAGES FOR LOSS OF BUSINESS, LOST PROFITS, DAMAGE TO GOODWILL OR REPUTATION, BUSINESS INTERRUPTION, OTHER PECUNIARY LOSS OR OTHER INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES, WHETHER ARISING OUT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, FAILURE TO WARN OR STRICT LIABILITY), CONTRIBUTION, INDEMNITY, SUBROGATION OR OTHERWISE, EVEN IF **APS** HAS BEEN ADVISED OF THE LIKELIHOOD OF SUCH DAMAGES. **CUSTOMER** ASSUMES ALL RISKS AND LIABILITIES FOR ANY LOSS, DAMAGE OR INJURY TO PERSONS OR PROPERTY RESULTING FROM THE USE OR SUBSEQUENT SALE OF THE PRODUCTS, EITHER ALONE OR IN COMBINATION WITH OTHER PRODUCTS. WITHOUT LIMITING THE FOREGOING, **APS**'S MAXIMUM LIABILITY HEREUNDER WILL NOT EXCEED THE AMOUNT ACTUALLY PAID TO **APS** FOR THE

PRODUCTS SUBJECT TO THE CLAIM. THE PARTIES HERETO AGREE THAT THIS PROVISION SHALL SURVIVE EXPIRATION OR TERMINATION OF THESE TERMS. No action may be maintained by **Customer** unless written notice of the claim is delivered within thirty (30) days after the event subject to the claim first becomes known to **Customer**, but in no case may **Customer** maintain an action unless it is brought within one (1) year after the cause of action accrues.

A. **No Warranty for New Products or Propeller Control Unit Repairs:** **Customer** acknowledges and agrees that all new Products and all propeller control unit repairs are sold and made "AS IS, WHERE IS AND **APS** HEREBY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS. **Customer** acknowledges that when it is purchasing new Products from **APS** in **APS's** capacity as a distributor of such products for the manufacturers of such products. **Customer** acknowledges that it will look solely to the warranty(ies), if any, provided by the manufacturer and that **APS** makes no warranties on its own behalf hereunder.

B. **Limited Warranty for Exchangeable Products and Overhaul Condition Products.** **APS** warrants that the Products received by **Customer** pursuant to an Exchange Quote and all overhaul condition Products repaired by **APS** are at the time of delivery and to the extent of the repairs performed, free from defects in material and workmanship. No warranty is made with respect to (a) any Product that has been subject to negligence, accident or improper storage; (b) any Product that has been improperly installed or maintained; or (c) any Product that has been operated beyond normal or manufacturer recommended replacement intervals. **APS's** obligation under this warranty is limited to the repair or replacement of, or at **APS's** option, the return of the Purchase Price of any Product returned to **APS** or its designated representative (at **Customer's** sole cost and expense) within one (1) year from the date of purchase and which, upon inspection by **APS** is found by **APS** to be defective in material or workmanship. **APS** shall not be responsible for the labor cost of removal for any defective product, or installation of any replacement product. THE AFORESAID WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING, BUT NOT BY WAY OF LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

14. **Exclusive Remedy:** **Customer's** exclusive remedy and **APS's** sole liability for a nonconforming Product or Service, including for breach of the limited warranty set forth in Section 13 above, is expressly limited to, at **APS's** discretion, a refund of the Purchase Price paid by **Customer** with respect to such nonconforming Product or Service, or repair or replacement of such nonconforming Product or the Part on which nonconforming Service was performed. All nonconforming Products, at **APS's** option, shall be either (a) returned to **APS**, at **APS's** expense, or (b) disposed of by **Customer** in a manner mutually acceptable to **APS** and **Customer** with all reasonable costs of disposition to be paid by **APS**. **Customer** shall not return or dispose of any Product except upon receipt of, and in accordance with, instructions provided by **APS**. **Customer** shall properly store all such Product in accordance with industry standards while awaiting such instructions from **APS**. **CUSTOMER EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE REMEDIES GRANTED TO IT HEREUNDER ARE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES WITH RESPECT TO ANY CLAIM BY CUSTOMER IN CONNECTION WITH OR RELATING TO THE PRODUCTS OR THE SERVICES.**

15. Force Majeure: **APS** shall not be liable to **Customer** for, and shall not be deemed to have breached these Terms in the event of, any failure or delay in performance when such failure or delay is caused by conditions beyond **APS's** reasonable control, including war, strike, labor dispute, fire, flood, earthquake, tornado, hurricane, sovereign economic difficulty, government action or intervention, embargo or blockade, explosion, terrorist threats or acts, civil unrest, shortage of raw materials, breakdown, shortage, power outage, or non-availability of transportation facilities or equipment, any other event or circumstance not within the reasonable control of **APS**, or any other national or regional emergency or act of God. If **APS** declares a force majeure event hereunder, the applicable Quote shall continue in effect for a period of thirty (30) days from such declaration. After the expiration of such thirty (30) day period, **APS** may cancel any unperformed portion of the Quote upon written notice to **Customer** without liability to **Customer**.

16. Confidential Information; Duty Not to Disclose: **Customer** agrees that it shall not use or disclose, or permit the use or disclosure of, **APS Confidential Information**, except as required by these Terms. All use or disclosure of **APS Confidential Information** shall be for the sole and exclusive benefit of **APS**. **Customer** shall obtain **APS's** written consent prior to any publication, presentation, public announcement or press release concerning its relationship as a **Customer** of **APS**, and shall not disclose the terms of any Quote accepted by **APS** other than to such of **Customer's** employees who have a need to know such information in the ordinary course of **Customer's** business.

17. Intellectual Property Rights: All Intellectual Property Rights of either party hereto, and all modifications thereto, shall at all times be and remain the sole and exclusive property of such party, and neither these Terms nor any Quote submitted by **Customer** hereunder shall constitute a license to either party to use or display the Intellectual Property Rights of the other party, except to the limited extent necessary in connection with its performance under any such Quote.

18. Export Laws; Compliance with Laws: **Customer** acknowledges that sales of the Products may be subject to export and import control laws, restrictions and regulations imposed by the United States, the European Union or other non-US agency or authority. **Customer** shall comply with all applicable statutes and government rules, regulations and orders, including all applicable export and import laws, restrictions and regulations of the United States, the European Union or other non-US agency or authority (including advising **APS** of any requirements of the same to the extent relevant to **APS's** performance under these Terms and the Quote), the Export Administration Regulations, International Traffic in Arms Regulations and all regulations and orders administered by the U.S. Department of Treasury, Office of Foreign Assets Control, the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act and any other anti-bribery laws and regulations of any applicable jurisdictions, including obtaining all necessary licenses or other permissions in connection with the import, export or re-export of Products, and shall not to import, export or re-export, or allow the import, export or re-export of, any Product in violation of any such laws, restrictions or regulations. **Customer** shall be responsible for obtaining all required authorizations and necessary licenses required to perform its obligations under these Terms and any Quote. **Customer** hereby certifies to **APS** that neither it nor any of its customers is on any U.S. government restricted parties list or similar list and that it has obtained any and all necessary licenses or other permissions in connection with the import, export or re-export of Products.

19. General:

(a) Notwithstanding the expiration or termination of these Terms or any Quote, any rights and obligations which by their nature extend beyond such expiration or termination shall survive such expiration or termination, including the provisions of Sections 5, 6, 8, 11, 13, 14, 16, 17 and this Section 19.

(b) These Terms and the Quote will be construed in accordance with, and all disputes will be governed by, the laws of the State of Illinois and United States of America, without regard to its conflict of laws principles or rules. **Customer** irrevocably consents to the exclusive venue and personal jurisdiction of the state and federal courts in and for Lake County, Illinois, and irrevocably waives any claim it may have that any proceedings brought in such courts have been brought in an inconvenient forum. The English language version of these Terms and the Quotes shall govern and control any translation of these Terms and any Quote into any other language. The parties specifically waive application of the United Nations Convention on Contracts for the International Sale of Goods (CISG). The word "including" shall mean including without limitation.

(c) Any notice to be given under these Terms will, unless otherwise provided herein or in the Quote, be in writing and addressed to the party at the address stated in the front of the Quote. Notices will be deemed given and effective (i) if personally delivered, upon delivery, (ii) if sent by an overnight service with tracking capabilities, upon receipt; (iii) if sent by facsimile or electronic mail, at such time as the party which sent the notice receives confirmation of receipt by the applicable method of transmittal; or (iv) if sent by certified or registered mail, within five days of deposit in the mail.

(d) If any court of competent jurisdiction holds that any provision of these Terms or of any Quote is illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining provisions of these Terms and/or of the Quote will not be affected or impaired, and all remaining terms hereof or of the Quote shall remain in full force and effect, provided that this provision shall not be applied to defeat the intent of the parties.

(e) No course of dealing or failure by either party to strictly enforce any term, right or condition of these Terms or a Quote will be construed as a waiver thereof. Any purported waiver by either party will only be enforceable if in writing signed by such party, and will not be deemed to waive any later breach of the same or any other term, right or condition. These Terms and any Quote may not be amended except by written agreement of **Customer** and **APS** expressly referring thereto.

(f) **Customer** shall not assign any Quote or any interest therein without **APS**'s prior written consent. Any attempted assignment in violation of the foregoing shall be void and of no force or effect and shall entitle **APS** to cancel such Quote immediately upon written notice to **Customer**.

(g) All capitalized terms used in these Terms, to the extent not defined elsewhere in these Terms, shall have the following meanings:

- i) **"APS"** means Aircraft Propeller Services, LLC, an Illinois limited liability company and each of its parents, subsidiaries and affiliates (which shall include any corporation or entity which, directly or indirectly, controls, is controlled by or is under common control with, Aircraft Propeller Services, LLC), and each of their respective successors and assigns, individually and collectively.

- ii) **“APS Confidential Information”** means **APS’s** commercial, business and/or technical information, such as its business plans (including its contemplated future business and prospects), operations, specifications, formulas, processes, methods, inventions, concepts, ideas, applications, ingredients, recipes, know-how, discoveries, technology, intended use or sale of products, capabilities, systems, pricing, controls, standards, customers, suppliers and any other information that **APS** regards as confidential, proprietary or private in nature, all of which is the valuable property of **APS**, including **APS’s** trade secrets and certain proprietary, technical and business information furnished to **APS** by third parties on a confidential basis. APS Confidential Information includes all APS Confidential Information to which **Customer** may become privy, whether in writing, oral, by visual observation, or any other form, even if not marked as confidential, restricted, proprietary or other similar designation. APS Confidential Information supplied by **APS** to **Customer** prior to the issuance of the Quote shall be considered in the same manner and be subject to the same treatment as the APS Confidential Information made available after the issuance of the Quote. APS Confidential Information shall not include information that (a) was in **Customer’s** lawful possession prior to its receipt of the same from **APS** and is not otherwise subject to non-disclosure or agreement of confidentiality; (b) is now or becomes generally available to the public through no illegal or unauthorized act or omission on the part of **Customer** or **Customer’s** employees; (c) was received by **Customer** without restriction from a third party who was lawfully in possession of such information and who was not in breach of any agreement or any confidential relationship, direct or indirect, with **APS**; or (d) is or was independently developed by **Customer’s** employee(s) to whom APS Confidential Information was not divulged or available.
- iii) **“Customer”** means the **Customer** identified in the Quote and **Customer’s** subsidiaries, affiliates, and business entities controlled indirectly or directly by **Customer**, or under common control with **Customer**, and **Customer’s** owners, parent entities, partners and shareholders, and any and all businesses, entities, enterprises, and organizations in which **Customer** has any ownership, voting or profit and loss sharing percentage interest.
- iv) **“Intellectual Property Rights”** means any and all: (i) copyrights and other rights associated with works of authorship throughout the world, including moral rights and mask works, and all derivative works thereof; (ii) trademark, service mark and trade name rights and similar rights; (iii) trade secret rights; (iv) patents, designs, algorithms, utility models, and other industrial property rights, and all improvements thereto; (v) all other intellectual and industrial property rights (of every kind and nature throughout the world and however designated, including rights in inventions, processes, techniques, recipes, formulas, know-how and methods) whether arising by operation of law, contract, license, or otherwise; (vi) all registrations, applications, renewals, extensions, continuations, continuations in part, divisionals, or reissues thereof now or hereafter in force (including any rights in any of the foregoing); and (vii) all tangible embodiments or descriptions of any of the foregoing.

- v) **“Products”** means, individually and collectively, **APS**’s currently generally available new or overhauled aircraft propeller parts, subassemblies and propeller controls and any other products that are otherwise sold to **Customer** pursuant to any Quote.
- vi) **“Services”** means, individually and collectively, the repair and/or overhaul of aircraft propeller parts, **Customer** Parts, propeller controls, governors and subassemblies, hub, blade and fiberglass components and any other service that is otherwise provided to **Customer** pursuant to any Quote.
- vii) **“UCC”** means the Illinois Uniform Commercial Code.

We greatly appreciate the opportunity to work with your organization. Please sign below signifying your acceptance of these Terms. The signed copy of these Terms may then be sent via email or facsimile to our office.

Please feel free to contact us at any time with any questions you may have.