



**CP-0840-03 Terms & Conditions for Sale of Services
for
Axxeum, Inc.**

Axxeum Inc. Proprietary Information

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Terms & Conditions for Sale of Services

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| Standard: | Corporate Policy | Effective: | 9/2/2021 |
| Status: | Approved | Revision: | 0 |
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These Standard Terms and Conditions of Sale for Services (“Terms and Conditions”), together with the services (“**Services**”) pricing, and other conditions set forth in the Axxeum, Inc. (“Axxeum”) Proposal, Quote, or Purchase Order / Contract (collectively “**Proposal**”) will comprise the entire agreement (“**Agreement**”) between the parties for Services on Customer’s aircraft or parts thereof (collectively “**Equipment**”). “Customer” refers to the entity listed on Axxeum’s Proposal.

| CLAUSE NO. | TITLE / INFO. |
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| G | <p>General</p> <p>Axxeum will perform the Services on Customer’s Equipment in accordance with the specifications listed in the Purchase Order. When the Equipment is returned to Customer (“Redelivery”), Axxeum will provide Customer with copies of all work records required by the applicable aviation authority (“Approved Aviation Authority”).</p> |
| 1. | <p>Terms and Conditions</p> <p>The Terms and Conditions shall apply to all Services set forth in a Purchase Order. Each Purchase Order will be deemed to be accepted by the Customer upon the first of the following occurrences: upon the Axxeum’s first performance thereunder, or upon written acceptance thereof by the Customer. Axxeum hereby notifies Customer of Axxeum’s objection to any additional and/or different terms set forth in any writing from Customer, unless and to the extent Axxeum has expressly agreed to any such additional and/or different terms in the applicable Purchase Order. Each Proposal accepted hereunder shall be a separate and individual contract under this Agreement. These Terms and Conditions shall apply to each such Purchase Order.</p> |
| 2. | <p>Customer’s Maintenance Representative</p> <p>Customer may utilize the services of a third party (“Maintenance Representative”) to manage the maintenance of its Equipment. By signing the Purchase Order Customer or the Maintenance Representative certifies to Axxeum that the Maintenance Representative has the authorization and power to bind Customer or the Owner/Operator of the Equipment regarding all decisions related to the Equipment, including but not limited to, the authority to: approve the Services (including the quality), approve additional work scope and related expenses and bind Customer for the payment of said items.</p> |
| 3. | <p>Export/Import Governmental Regulations</p> <p>Customer will be the importer/exporter of record of the Equipment unless Axxeum otherwise agrees in writing. As importer/exporter of record, Customer will be responsible for obtaining all necessary import/export licenses, permits and other required authorizations including filing (if applicable) any Importer Security Filing (ISF) requirements for ocean imports to the United States with its respective service provider. All expenses related to the ISF filing are at Customer’s expense. All Redelivered items (including technical data) shall at all times be subject to U.S. Export Regulations, International Traffic in Arms Regulations of the U.S., and applicable U.S. Customs Regulations. Customer will not dispose of USA-origin items furnished by Axxeum (including technical data) other than in and to the country of ultimate destination specified in the Purchase Order, government license(s), and authorization(s), except as law and regulation permit. For purposes of this Section, the US Customs & Border Protection (CBP) requires an Importer Security Filing (ISF) be filed for all shipments traveling to the US via ocean carrier. If applicable, Customer must provide all ISF filing data elements to Axxeum at least 72 hours prior to cargo loading on the vessel at the foreign port of exit. Failure to do so may result in a NO LOAD and/or fines up to \$5,000 per occurrence. CBP may also withhold release of cargo where an ISF was not filed. If the ISF information is not supplied in the timeframe requested, all expenses incurred as a result will be at the suppliers/customer’s expense including but not limited to any fines, delays, storage, or demurrage costs.</p> |
| 4. | <p>Taxes</p> <p>Other than income taxes Axxeum owes on monies earned, Customer agrees to pay all taxes, duties, fees, tariffs, charges, or assessments of any nature that are assessed or levied in connection with the Services.</p> |

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| 5. | <p>Prices/Payment</p> <p>Any Service that is not priced in the Purchase Order shall be invoiced at Axxeum’s then current rates. Unless otherwise stated in the Purchase Order, all invoices are due prior to Redelivery and shall be paid by wire transfer as stated on Axxeum’s invoice, immediately available for use and without set-off. If Customer’s account becomes delinquent, Customer will grant Axxeum commercially acceptable assurances of payment. In addition, Customer shall pay all reasonable storage, preservation, attorney fees, expenses and costs incurred by Axxeum in attempting recovery of any sum owed to it by Customer. The additional fees will begin to accrue if Customer has failed to pay any amounts owed within ten (10) days following notice to Customer of the delinquency in payment. Axxeum shall have a lien on all Equipment in its possession for all sums owed or owing to Axxeum. If said sums have not been paid by Customer within ninety (90) days of the date on which the sum was due, Axxeum shall have the right to file for foreclosure of the lien on the Equipment and to sell said Equipment to satisfy the sum due in addition to any other rights it may have at law or under this Agreement. Any amount realized from any such sale in excess of the sums owed shall be credited toward future Services. If a lien may not be placed on the Equipment, Axxeum shall retain possession of the Equipment until such sums are paid. Customer shall indemnify and hold harmless Axxeum as to any claims, suits, and all associated costs in the event a third party claims an interest in the Equipment sold.</p> |
| 6. | <p>Excusable Delay</p> <p>Customer will excuse Axxeum from, and Axxeum will not be liable for, any delay in Axxeum’s performance due to causes beyond Axxeum’s reasonable control, including but not limited to: (1) war, warlike operations, armed aggression, insurrection, riots; (2) fires, floods, explosions, earthquakes, inclement weather; (3) any acts of a Government, governmental priorities, allocation regulations or orders; (4) acts of God or of the public enemy; (5) failure of or delays in transportation; (6) epidemics, pandemics, quarantine restrictions; (7) inability to procure materials or parts including unavailability of Original Equipment Manufacturer (“OEM”) parts; (8) labor troubles causing cessation, slowdown, work stoppage or interruption of work; and (9) work stoppages or resulting from any of the events stated herein; or (10) delays of any type that are caused by Customer. In the event of such delay, Axxeum may invoice Customer for all completed Services as well as any equitable adjustments that may be reasonable under the circumstances. If Customer causes a delay, Axxeum may stop Services on Customer Equipment, which may result in a greater than day-for-day-delay in the completion of Services and the Equipment may be placed in storage in accordance with Article 16 Receipt of Equipment, Risk of Loss, and Disposition of Property.</p> |
| 7. | <p>Work Stoppage</p> <p>If Customer causes any delay, postponement or stoppage (collectively, “Work Stoppage”) of Services, Customer will be liable to Axxeum for any costs associated with the Work Stoppage including but not limited to storage, handling, reasonable storage fees, inspections, and preservation costs. Customer agrees that such Work Stoppage charges will be invoiced monthly, and invoices are due and payable when received by Customer. Customer further understands that the Services will not be resumed until such invoices are paid in full. Upon lifting of the Work Stoppage, Axxeum will assess the impact to the Redelivery Schedule and provide Customer with a new Redelivery date.</p> |
| 8. | <p>Warranty</p> <p>Axxeum warrants that for a period of one year after the date of Redelivery or 500 flight hours, whichever occurs first, the Services will be free from defects in workmanship. If the Services performed do not meet this warranty, Axxeum will promptly, at Axxeum’s option, either (a) re-perform the defective Services at a location Axxeum specifies or (b) in instances where Axxeum has agreed in advance and in writing to arrange re-performance by a third party, refund the repair price allocable to the defective Services. The warranty period on any such re-performed Services will be the unexpired portion of the original warranty. Axxeum will not reimburse costs of movement of Customer’s aircraft. Axxeum will pass through to Customer any available manufacturer parts warranty and will use commercially reasonable efforts to assist Customer with administration of such warranty claims. This warranty is exclusive and in lieu of all other warranties, express or implied, including warranties of merchantability and fitness for a particular purpose. This warranty is not assignable without Axxeum’s written consent and is applicable only if, following Redelivery, the Equipment (a)</p> |

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| | has been transported, stored, installed, operated, handled, maintained and repaired in accordance with Airworthiness Directives and the then- current recommendations of the Equipment manufacturer as stated in its manuals, Service Bulletins or written instructions; (b) has not been altered, modified or repaired by anyone other than Axxeum; and (c) has not been subjected to accident, misuse, abuse or neglect. |
| 8.1 | <p>Warranty Exclusions</p> <ul style="list-style-type: none"> ➤ Equipment that has not been transported, stored, installed, operated, handled, maintained, and repaired in accordance with Airworthiness Directives; ➤ Equipment that has not been maintained in accordance with current equipment manufactures recommendations as stated in its manuals, Services Bulletins, or written instructions; ➤ Equipment that has been altered, modified, or repaired by anyone other than Axxeum; or ➤ Equipment that has been subjected to accident, misuse, abuse or neglect. |
| 9. | <p>Axxeum Indemnity</p> <p>Axxeum will indemnify Customer from third party losses for damage to or destruction of any property or any injury to or death of any person to the extent caused by Axxeum's negligent performance of the Services and for which, as a condition of such indemnification, Customer has promptly given notice of such claim; provided, however, Axxeum shall not be required to indemnify Customer for any losses arising from Customer's negligence or misconduct. The indemnification provided hereunder shall be Customer's sole and exclusive remedy for such third-party losses. Axxeum shall indemnify Customer from and against all losses resulting in injuries or damages suffered by employees of Axxeum to the extent they arise from performance of the Services hereunder.</p> |
| 10. | <p>Customer Indemnity</p> <p>Customer will indemnify Axxeum from third party losses for damage to or destruction of any property (including the Equipment) or any injury to or death of any person caused by Customer's use, operation, repair, maintenance, or disposition of the Equipment; provided, however, Customer shall not be required to indemnify Axxeum for any losses caused by Axxeum's negligence or misconduct in its performance of the Services. Customer shall indemnify Axxeum from and against all losses resulting in injuries or damages suffered by employees of Customer and Customer's Maintenance Representative while on the premises of Axxeum.</p> |
| 11. | <p>Limitation of Liability</p> <p>The total liability of Axxeum shall not exceed the dollar value of the amounts paid by Customer for the Services provided. Neither Party shall be liable for indirect, special, incidental, punitive, or consequential damages including, without limitation, loss of use, revenue or diminution of value whether as a result of breach of contract, warranty and any other claims at law or in equity including claims for fraud or tort. This limitation of liability shall not apply to instances of gross negligence or willful misconduct by Axxeum or to the indemnity obligations stipulated in this agreement.</p> |
| 12. | <p>Customer Insurance</p> <p>If Axxeum is providing Services on Customer's Aircraft, Customer shall, at its expense, procure, maintain and keep in full force and effect hull insurance to protect the value of the Equipment. Additionally, Customer shall, at its expense, for the same duration, procure, maintain and keep in full force and effect a general liability policy with minimum limits of \$10,000,000.00 per occurrence, and will name Axxeum as an additional insured. All Customer policies will be endorsed to waive any and all subrogation against Axxeum. Before Services commence, Customer will provide Axxeum with Certificates of Insurance evidencing the waiver of subrogation and providing that the insurance may not be cancelled without 30 days prior written notice to Axxeum. Customer's failure to provide a Certificate of Insurance does not relieve Customer of the obligations stated herein. Customer acknowledges that Axxeum is not liable for loss of the Aircraft or other damage to property, personal injury or death of any person, while the Aircraft is in flight unless such occurrence is solely caused by a product or component improperly repaired by Axxeum under the terms of this Agreement. For purposes of this clause, the term "in flight" is defined as the time period commencing when the Aircraft moves forward in taking off or attempting to take-off for air transit, while in the air and until the Aircraft comes to rest after landing. Furthermore, Axxeum shall not be liable for damage to the Aircraft while in the care, custody, or control</p> |

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| | of Axxeum if such damage was a result of an Act of God or reasons beyond the control of Axxeum unless such damage is due to the negligence or misconduct of Axxeum. |
| 13. | <p>Axxeum Insurance</p> <p>Axxeum, at its expense, will maintain until Redelivery of the Equipment the following insurance coverage: Aviation Products Liability including Aviation Premises, Products and Completed Operations and Hangar keepers Liability for a Combined Single Limit Bodily Injury and Property Damage in the amount of \$10,000,000.00 each occurrence (aggregate in respect of products liability).</p> |
| 14. | <p>Confidentiality</p> <p>The parties shall treat as strictly confidential all provisions of this Agreement and any information disclosed by one party to the other in furtherance of this Agreement, with the exception that the receiving party may share information in the following limited circumstances: (a) to its employees or professional advisors on a strictly need-to-know basis and only after, as applicable: i) advising its such employees of the requirements of this provision; or ii) having any such third party(ies) sign a non-disclosure agreement; (b) as may be required to be disclosed for an investigation by a governmental authority or other mandatory legal process only to the extent legally required and only after giving notice to the disclosing party with sufficient time to allow that party to commence a legal process to limit such disclosure; (c) is in the public domain through no breach of the confidentiality obligations contained herein; (d) was independently developed by the receiving party supportable by documentation; or (e) to the extent reasonably required to be disclosed to commence, in furtherance of, or to enforce any rights or obligations of a party under this Agreement or any judgment arising out of, any court proceeding, or other dispute resolution proceeding related this Agreement.</p> |
| 15. | <p>Termination</p> <p>Either Party may terminate this Agreement upon thirty (30) days written notice for breach of any material provision, unless such breach is cured within the thirty (30) days. Axxeum may terminate this Agreement immediately if Customer (a) fails to make any of the required payments when due, (b) makes any agreement with Customer's creditors due to Customer's inability to make timely payment of Customer's debts, (c) enters into compulsory or voluntary liquidation, (d) becomes insolvent, or (e) becomes subject to the appointment of a receiver of all or a material part of Customer's assets. Upon any such termination, Customer will not be relieved of Customer's obligation to pay for Services performed and Customer's Equipment may be placed into storage in accordance with Article 16-Receipt of Equipment, Risk of Loss, and Disposition of Property.</p> |
| 16. | <p>Receipt of Equipment, Risk of Loss, and Disposition of Property</p> <p>Axxeum's signature or electronic confirmation of a shipment delivery is not confirmation of the items received. Axxeum will confirm that the items listed in the shipment documents have been physically received within three (3) business days from receipt at Axxeum's facility. Axxeum will not be liable for discrepancies between the shipping documents and the items received. If available, videography will be used to substantiate any such discrepancy. Risk of loss or damage to the Equipment will pass to Customer upon Redelivery. If Customer's Equipment a) cannot be Redelivered when ready due to Customer's 1) act or failure to act, 2) refusal to accept Redelivery, or 3) request that Redelivery not be made when otherwise ready, or b) required to be placed on hold due to an excusable delay as defined in Article 6 or at the direction of Customer, Axxeum may make Redelivery by placing the Equipment in storage. In such event: 1) all reasonable expenses Axxeum incurs for activities such as, but not limited to, preparation for placement into storage, handling, reasonable storage fees, inspection and preservation will be due and payable on receipt of Axxeum invoice for same; and (2) all risks of loss associated with the Equipment will pass to Customer upon placing the Equipment in storage. If Customer fails to provide any necessary approvals for Axxeum to proceed with repairs, or arrangements are not made by Customer within ninety (90) days to pick up the Equipment after notification from Axxeum that the Equipment needs to be dispositioned, Axxeum shall have the right to dispose of the Equipment without any further notice as it sees fit, including but not limited to, selling, destruction of, or scrapping of said Equipment. If the Equipment is sold, any proceeds shall be utilized as payment toward any amount due under to Axxeum. Said rights are in addition to any other rights and remedies or Axxeum.</p> |

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| 17. | <p>Customer Furnished Material</p> <p>Consistent with the charges specified in the Purchase Order, Customer may supply agreed parts to Axxeum if the part is: (a) furnished with an Approved Aviation Authority serviceability tag; (b) ready for immediate use; and (c) Customer signs necessary waivers if the parts are not OEM approved. If Customer's delay in providing parts delays Axxeum's performance, Axxeum may supply the parts at Customer's expense. Axxeum disclaims all liability for such parts and Customer will indemnify Axxeum from and against any and all claims, demands, losses, costs and expenses for the performance of such parts.</p> |
| 18. | <p>Dispute Resolution and Governing Law</p> <p>This Agreement shall be governed by the laws of the State of Alabama. If the Parties are unable to amicably resolve any dispute within sixty (60) days, the dispute will be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The location of the arbitration shall be Huntsville, Alabama. Either Party may take appropriate legal action as may be required for the enforcement of such arbitration award.</p> |
| 19. | <p>Subcontracting</p> <p>Axxeum has the right to subcontract any Service to any subcontractor that is properly certified by the Approved Aviation Authority. Axxeum will pass through to Customer all available warranties and use commercially reasonable efforts to assist Customer in administering any warranty claim. In the event that Customer requires Customer's choice of subcontractor, Customer will: (1) contract directly with them; (2) verify provision of adequate insurances of the types and values Axxeum requires; (3) verify compliance with all security measures of the applicable facility; and (4) indemnify Axxeum from and against any claim that arises from their performance of services or presence in Axxeum's facility.</p> |
| 20. | <p>Assignment</p> <p>This Agreement may not be assigned without the prior written consent of the other party, except that Customer's consent will not be required for an assignment by Axxeum to one of Axxeum's affiliates.</p> |
| 21. | <p>Waiver of Immunity</p> <p>If Customer is incorporated or based outside the United States, to the extent that Customer or any of Customer's property becomes entitled to sovereign or other immunity from any legal action, Customer waives Customer's immunity in connection with this Agreement.</p> |
| 22. | <p>Language, Notices</p> <p>All correspondence and documentation connected with this Agreement will be in English, given in writing, effective upon receipt, and provided to the addresses set forth on the Purchase Order, which may be changed by written notice.</p> |
| 23. | <p>Non-Waiver of Rights and Remedies</p> <p>Failure or delay in the exercise of any right or remedy under this Agreement will not waive or impair such right or remedy. No waiver given will require future or further waivers.</p> |
| 24. | <p>Survivability</p> <p>Any portion of this Agreement determined to be contrary to any controlling law, rule or regulation shall be revised or deleted and the remaining balance will remain in full force and effect.</p> |
| 25. | <p>Ethics</p> <p>Customer acknowledges and confirms that all amounts paid or related to this Agreement shall be for actual services rendered. Under no circumstances shall either party, its employees, agents, or other person operating, accept, offer, promise, give, or agree to give any money, gift, loan, or other benefit or advantage, either directly or through intermediaries, to a public official, and each party shall desist from all practices that may lead to penal liability due to fraud or embezzlement, insolvency crimes, crimes in violation of competition, guaranteeing advantages, bribery, acceptance of bribes, or other corruption crimes</p> |

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| | Nothing contained herein will require Axxeum to make any payment directly or indirectly under this Agreement which in Axxeum's good faith determination violates or is inconsistent with the applicable law. The Parties represent and warrant that no agent, finder, or commercial intermediary was instrumental in arranging or bringing about this transaction and that there are no claims or rights for commissions, fees or other compensation by any person or entity claiming by, through or in connection with this transaction. |
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EXECUTED this ___ day of _____, _____

Buyer:

By: _____

By: _____

Its: _____

Its: _____

#End-of-document