

GREAT LAKES GLOBAL AVIATION LOGISTICS PURCHASE ORDER TERMS AND CONDITIONS

The following terms and conditions apply to, and supplement, all Great Lakes Global Aviation Logistics, LLC (Great Lakes Global) purchase orders, and confirmations:

I. Definitions. For purposes of these Terms and Conditions, the following rules and definitions apply:

The term **“Article”** or, collectively, **“Articles”** means any item or items purchased by Great Lakes Global from a Seller.

“Seller” means a company or person that is selling an Article to Great Lakes Global.

“Minimum Fair Market Value” may be established by the minimum sales price found in records of actual past sales by Great Lakes Global, as adjusted by the then industry and market conditions. Where no such records exist, this value may be calculated by G.L. Global based on other objective factors chosen by Great Lakes Global.

The term **“Authorized Repair Facility”** refers to any facility listed on the Great Lakes Global registry of approved repair stations, which have been appropriately vetted, as well as any facility with which G.L. Global has a contractual agreement for repair services.

An Article is considered **“Beyond Economical Repair”** (“BER”) when (1) the total cost of repair exceeds the repair cap if stated on the Purchase Order or when (2) the total cost of repair exceeds 50% of the difference between the original purchase price as stated on the purchase order and the Minimum Fair Market Value of the Article or when (3) the article cannot be repaired within a reasonable time frame, specifically within 90 calendar days, by the Authorized Repair Facility designated by G.L. Global or when (4) the Article is inherently unrepairable, such as sealed units that fail and cannot be opened, or units that have been deteriorated beyond the limits specified by the original equipment manufacturer or when (5) the cost of repair plus Great Lakes Global admin. fee exceeds outright purchase price listed on the exchange agreement for exchange cores.

The term **“As Removed”** (“AR”) is a condition code. When used in the context of an Article, it means that the Article is in need of repair or inspection, and it is not deemed BER.

The term **“Return Instruction”** means if Great Lakes Global, Great Lakes Global’s Authorized Repair Facility, or the repair facility determines an Article is discrepant, Great Lakes Global shall ask the Seller to provide shipping instructions enabling Great Lakes Global to return the discrepant Article back to the Seller at the Seller’s cost and expense. The term **“Scrap”** refers to the mutilation of an Article by grinding, cutting, drilling, recycling, conspicuously marking or other appropriate means to the extent that will preclude the possibility of being restored and returned to service.

The term **“Disposal Instruction”** means providing the Seller with an option to have the discrepant Article Scrapped by Great Lakes Global, Great Lakes Global’s Authorized Repair Facility, or the repair facility where additional charges may apply to Seller.

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The term “**Free On Board**” (“**FOB**”) means that the seller delivers the goods on board the vessel or carrier nominated by the buyer at the named port of shipment or collection location or procures the goods already so delivered. The risk of loss or of damage to the goods passes when the goods are on board the vessel or carrier, and the buyer bears all costs from that moment onwards.

II. Loss or Damage. Notwithstanding any other terminology on the transaction documents, risk of loss of an Article passes to Great Lakes Global when the Article (1) arrives at Great Lakes Global in the case of an Article shipped to Great Lakes Global or (2) arrives at the customer’s facility in the case of an Article shipped directly to an Great Lakes Global customer. In the event that the Article is lost, stolen, damaged, or destroyed before risk of loss has passed to Great Lakes Global, the Seller shall be responsible, at Great Lakes Global’s sole discretion, for (1) providing to Great Lakes Global a replacement Article meeting the same standards as the original Article (including contract terms related to expected arrival), or (2) paying to Great Lakes Global all damages to which Great Lakes Global would be entitled if Great Lakes Global were to prevail in litigation related to the breach (including but not limited to lost profits and other incidental and consequential damages), or (3) refunding to Great Lakes Global all payments made with respect to the lost, stolen, damaged, or destroyed Article, or (4) crediting to Great Lakes Global the full invoice amount or voiding the transaction in its entirety or (5) if Great Lakes Global has paid for the Article, crediting and refunding to Great Lakes Global the full invoice amount.

III. Documentation. An Article delivered without acceptable documentation will be placed in quarantine until the acceptable documentation is provided. Such a delay in providing the acceptable documentation shall interrupt the receiving of the Article which may delay payment. If such a delay occurs, the payment count date will begin on the day the Article is successfully received by Great Lakes Global with all acceptable documentation. An Article delivered to Great Lakes Global by the Seller must be traceable to one of the following certificated sources:

- *Original Equipment Manufacturer
- *Operator with an FAA Part 91 certificate
- *Airline with an FAA Part 121 certificate
- *Operator with an FAA Part 125 certificate
- *Airline with an FAA Part 129 certificate
- *Operator with an FAA Part 135 certificate
- *Authorized Repair Facility with a current FAA Part 145 certificate

The trace documentation must also meet any other specifications on the purchase order. Unless an alternative or variance is specifically pre-approved by Great Lakes Global in writing, acceptable documentation means documentation meeting all the following elements:

- * A packing slip, invoice, or other commercial document, and a material certification, or other equivalent form, from the certificated source and every party thereafter indicating

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that the Article was released from that source; and the form shall contain the following statements:

(a) That these parts were not previously installed on a public aircraft such as a government use or military aircraft.

(b) A non-incident statement from the certificated source indicating that the Article has not been subjected to severe stress, unusual heat, or environmental conditions that could adversely affect the airworthiness of the Article.

* Verification (such as an OEM data plate, part marking where appropriate, OEM documentation, or written verification by the certificated source) that the part was produced or manufactured by the OEM.

* All Airworthiness Directives (AD's) that are represented as having been accomplished are documented. The authorized release certificate or inspection report shall specify AD number, date, and verification of compliance.

* Items identified as overhauled, repaired or modified must have appropriate signed and dated documentation to substantiate the condition of the part.

* All life-limited parts must have traceability to the OEM and must be accompanied by documentation verifying a complete history of the Article's service life.

* All overhauled, repaired or As Removed parts must have a removal tag or have documentation indicating the reason for removal and failure.

- IV. Shipping Costs.** If the purchase order specifies a particular shipping method, Great Lakes Global will provide the appropriate shipping account, or forwarder information and will bear the shipping costs, provided the seller adheres to the method outlined in the purchase order. Should the Seller choose a different shipping method than what is directed, the Seller will bear all shipping costs. If the purchase order does not specify a shipping method, the Seller must await further shipping instructions from Great Lakes Global before proceeding. Any deviations from Great Lakes Global's shipping instructions, such as additional crating, dim/weight packaging, or inaccurate FOB location, are strictly prohibited and additional costs will be borne by the shipper.
- V. Shipment Insurance.** The Seller shall not insure any shipment to Great Lakes Global unless explicitly directed in writing by an authorized representative of Great Lakes Global.
- VI. Great Lakes Global Inspection.** Unless otherwise specified in the purchase order, Great Lakes Global has 45 calendar days from the date of delivery to inspect the Article. Great Lakes Global will notify the Seller of any discrepancies identified during this inspection period. If discrepancies are found, the Seller must accept the return of the Article. The determination of what constitutes a discrepancy is at Great Lakes Global's sole discretion. The Seller will bear the cost of return shipping. If Great Lakes Global does not receive written Return or Disposal Instructions from the Seller within 90 calendar days after Great Lakes Global's initial request, the Seller shall (1) waive all rights of ownership and other rights to the discrepant Article, (2) transfer all ownership and other rights to the discrepant Article to Great Lakes Global, and (3) consent to Great Lakes Global disposing of the discrepant Article at its sole convenience and discretion.

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Should Great Lakes Global require more time for inspection, it will issue a "Terms Extension Request" to the Seller. The request will not extend beyond 90 days from the delivery date. Upon receiving this request, the Seller must either (1) grant Great Lakes Global the additional time requested, or (2) agree to accept the return of the Article.

- VII. Article Representation.** The Seller guarantees that all Articles will conform to the condition specified in Great Lakes Global's purchase order. If an Article does not match the described condition, and this discrepancy was not discoverable during the initial inspection, Great Lakes Global may file a claim by providing written notice to the Seller. The Seller further guarantees that all Articles, whether inspected, repaired, overhauled, or new, must pass testing at an Great Lakes Global Authorized Repair Facility. Any Article that fails such testing will be considered discrepant and managed according to Section VI of these Terms and Conditions. Additionally, unless explicitly stated in the purchase order that the part may be in BER condition, identifying a part as BER constitutes a breach of this Article Representation and these Terms and Conditions.
- VIII. Warranty.** The warranty period starts from the delivery date of the Article to Great Lakes Global and extends for: - - - One year for overhauled or new Articles, six months for inspected or repaired Articles, 90 calendar days for As Removed (AR) Articles. If an Article is found to be discrepant within these warranty periods, it may be returned to the Seller. In such cases, the Seller shall bear the cost of return shipping. If Great Lakes Global returns the Article in accordance with the Terms and Conditions outlined in the agreement, the Supplier shall issue full credit and refund the full payment to Great Lakes Global within 5 calendar days of receiving the returned Article.
- IX. Timing.** In all Great Lakes Global purchase orders, unless stated otherwise, time is of the essence regarding the Seller's obligations. If no lead time is specified, the Seller must ship the ordered Article within 24 hours of receiving the purchase order. The Seller is required to provide Great Lakes Global with the airway bill number for the shipment by the specified shipping deadline. Failure to meet any deadline outlined in the purchase order or any other agreement with Great Lakes Global, or to provide the airway bill number, constitutes a material breach. Upon such breach, G.L. Global reserves the right to cancel the purchase order at its sole discretion.
- X. Jurisdiction.** All Agreements executed by Great Lakes Global are subject to the laws of Great Lakes Global 's local jurisdiction, excluding its conflict of laws principles. Both parties consent that any legal action or proceeding arising from or related to the Agreement shall be governed by these Terms and Conditions. Furthermore, any enforcement action related to any clause within this Agreement must be initiated in a trial court within Great Lakes Global's local jurisdiction. Both parties hereby submit to the exclusive jurisdiction and venue of such courts for any such disputes.
- XI. Costs and Attorneys' Fees.** Should either party employ the services of a collection agent, attorneys, or engage in arbitration, mediation, or any legal proceedings to collect amounts due or to enforce any rights or obligations under an Agreement or these Terms and Conditions, the non-prevailing party shall reimburse the prevailing party for all associated costs and fees, including but not limited to attorneys' fees, incurred directly or indirectly in connection with such actions.

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- XII. Compliance.** The Seller warrants that all Articles shipped by or on behalf of the Seller comply with U.S. and EU laws as well as all applicable laws of any jurisdiction through which the Articles transit or are delivered.
- XIII. Indemnification.** The Seller agrees to defend, indemnify, and hold harmless G.L. Global, its affiliates, and their respective directors, officers, employees, and agents from and against any and all current and future liabilities, losses, damages, demands, fines, penalties, and claims of any nature whatsoever. This includes all costs, expenses, and reasonable attorneys' fees associated therewith, which may arise from or be related to any damage to property or any injuries or fatalities caused by the Article covered under these Terms and Conditions.
- XIV. Rejection of Amendments or Additions.** No amendments or additions to these Terms and Conditions of the transaction will be accepted unless they are in writing and signed by both Great Lakes Global and the Seller.