



Terms and Conditions

**PREPARED FOR
SUPPLIERS**



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GENERAL TERMS AND CONDITIONS

I. APPLICABILITY

This Terms and Conditions (“**Terms**”) are applicable to any purchase order issued by **AIRLINE MRO PARTS (AMP), S. DE R.L.**, a limited liability company incorporated and existing under the laws of the Republic of Panama, and/or **AIRLINE MRO PARTS USA, LLC**, a limited liability company incorporated and existing under the laws of the state of Delaware (hereinafter both entities “**AMP**” or the “**Customer**”) and the seller of certain goods to the Customer (the “**Supplier**”)

II. PURCHASE ORDERS

2.1 Purchase Orders

A purchase order issued by any means by AMP, is an acceptance of an offer made by the Supplier, for the purchase of certain goods (“**Parts**”) per the Specification on the face of the purchase order in accordance with and subject to the Terms (“**Purchase Order**” or “**PO**”).

2.2 Acceptance.

(a) A PO shall be binding when the Supplier acknowledges the PO within the following timeframe:

1. Aircraft On Ground (“**AOG**”): One (1) Business Hour from received by the Supplier.
2. Critical: Two (2) Business Hours from received by the Supplier.
3. Routine: Eight (8) Business Hours from received by the Supplier.

“**Business Hours**” means from 8:00 a.m. to 5:00 p.m. Central Time.

“**Business Days**” means any day that is not a Saturday, Sunday, or December 25th and January 1st.

(b) AMP may withdraw the PO at any time before it is binding between the Parties.

(c) The Supplier agrees to sell to AMP the Parts in accordance with this Terms and with the Specifications on the face of the Purchase Order; and AMP agrees to purchase from Supplier the Parts in such quantities and in accordance with the Terms and the Specifications on the face of the Purchase Order.

2.3 Amendment or Cancellation to the Purchase Orders

If Supplier cannot comply with the Specifications of a PO, it shall notify AMP in writing as soon as reasonably possible, and send the new Specifications in writing to AMP, which at its sole discretion may accept or reject.



III. GOODS

Supplier shall sell and deliver the Parts per the Terms and Specifications on the face of the Purchase Order, in exchange for a price to be paid by AMP to Supplier for such Parts.

3.1 Specification of the Goods

All the Parts sold by Supplier shall comply with the following (“Specifications”):

- (a) The Parts will have good and valid title, free and clear of all encumbrances and liens of any kind; do not infringe any third-party intellectual property rights; and will not have any claim, lien, action or is threatened against Supplier that would interfere with AMP’s use or sale of the Parts;
- (b) Be in factory new, new, or new surplus condition, fit for their intended use, be free from any defects in material and manufacture, have its own part number as given by the manufacturer, procured from an approved manufacturer or distributors approved by the manufacturer; comply with any requirement imposed by AMP explicitly stated in the purchase order, as well as applicable FAA material requirements and requirements from any other competent authority;
- (c) All Parts supplied by Supplier shall be traceable to the original equipment manufacturer (“OEM”) and comply with certificate equal to or better than:
 - 1. Dual release (8130-3 and EASA-1) or “AAA” in Aeroxchange (“AEX”);
 - 2. 8130-3 or “AB1” in AEX;
 - 3. EASA-1 or “AB2” in AEX;
 - 4. OEM CoC or “AAC” in AEX;
 - 5. Distributor CoC or “AAD” in AEX;
 - 6. Part 121 or “AAE” in AEX;
 - 7. Part 145 or “AAF” in AEX;
 - 8. Part 129 or “AAG” in AEX;
 - 9. Other or “AAZ” in AEX.
- (d) In all the packages Supplier shall include all the necessary documents, in a clear and legible condition, that attest to the Part’s identification, condition and its certificate, invoice, packing slip and any other relevant paperwork;
- (e) Minimum shell life, unless otherwise agreed or specified in the PO, shall be:
 - 1. For Parts subject to shelf-life limitations, the Supplier must comply with the following conditions at the time of shipping (“Minimum Shelf Life”):



- i. Parts must have a minimum of eighty percent (80%) remaining shelf life, if Parts have a total shelf life of one (1) year or more, or
- ii. Parts must have a minimum of eighty-five percent (85%) remaining shelf life if Parts have a total shelf life of less than one (1) year.

2. If Supplier cannot meet the Minimum Shelf Life conditions but wants to request an exception, it must notify AMP at time of quoting explicitly by i) indicating that shelf life conditions cannot be met and ii) requesting AMP's approval to proceed. Upon AMP's written approval, Supplier may proceed with exception.

- (f) Any other specification established in the face of the Purchase Order such as, but not limited to, quantity, lead-time, packaging, shipping, minimum shelf life and materials specifications.

3.2 No Interchangeability

Supplier must provide the exact Part requested by AMP per the Purchase Order. Interchangeable parts are not accepted, unless previously agreed to between the parties, and will be returned or scrapped at no cost to AMP.

IV. SHIPPING

- (a) All Parts shall be delivered to the address specified in the Purchase Order (the "**Final Destination**") and in accordance with the Incoterm 2020 Ex Works (EXW) Supplier's warehouse, unless explicitly requested otherwise by AMP.
- (b) Supplier must comply with the quantity ordered at the requested timeframe. Any shortage of parts delivered will only be accepted only if previously agreed to between the parties prior to placing the Purchase Order.
- (c) Supplier shall ship the Parts in the quantities and on the date(s) specified in each Purchase Order (the "**Specified ship Date**"). Failure to comply may result in AMP cancelling the Purchase Order with no liabilities for any costs or damages of such cancellation. Supplier shall indemnify AMP against any losses, claims, damages, and reasonable costs and expenses directly attributable to Supplier's failure to deliver the Parts on the Delivery Date.
- (d) Supplier shall follow AMP's shipping instructions. If any deviation, all costs associated to relocating, returning or replacing the Parts shall be borne by Supplier.
- (e) All Parts shall be packed for shipment in a manner sufficient to ensure that the Parts are delivered in undamaged condition.

1. If special packaging is necessary and inherent to the composition of the Part, it will be free of charge for AMP;



2. If special packaging is not necessary but is requested by AMP, Supplier will provide a quote for such packaging, and once approved, AMP will bear such cost.

V. CLAIMS

5.1 Goods not delivered per the Specifications.

(a) If Supplier delivers more Parts than requested in the PO:

1. AMP may request an invoice for the Parts in excess or a new invoice for all the quantity of the Parts delivered;
2. AMP may request to return Parts in excess, at no cost, and Supplier shall send return merchandise authorization ("RMA"), and issue a credit note; or
3. Supplier may request that the Parts in excess are scrapped, and Supplier shall cover the costs, if any.

(b) If Supplier delivers less Parts than requested in the PO:

1. AMP may request Supplier, to ship in an expedite manner, at no cost, the remaining quantity of Parts not delivered;
2. AMP may request Supplier, and Supplier shall, reimburse or issue a credit note.

(c) Free of Charge Replacements or Refunds of non-conforming Parts.

1. At AMP's sole discretion, Supplier shall replace free of charge or provide a credit note, when: (i) the Parts are different from AMP's requested part number; or (ii) the Parts do not meet the Specifications.
2. AMP claims for replacement of Parts shall be made within sixty (60) days after the Parts have been shipped from Supplier's warehouse.
3. In case AMP accepts a replacement of Parts, Supplier must ship such replacement in accordance with the Terms, Specifications and warranty policy.

VI. INVOICES

Supplier shall submit all invoices upon shipment of Parts and shall be paid in the term established therein.

VII. AEROXCHANGE

If Supplier uses Aeroexchange:

- (a) Supplier agrees to host their buyer-specific catalog of Parts on Aeroexchange either as (i) a live or real-time catalog or (ii) a hosted catalog with a minimum of two (2) updates per week;



- (b) Quality and accuracy of catalogs is the sole responsibility of Supplier;
- (c) All Parts shall reflect current price and lead times;
- (d) Invoices will only be accepted and processed via Aeroxchange;
- (e) Every advanced shipping notice shall be uploaded within the following timeframe:
 - 1. AOG and Critical: Same day from physical shipment.
 - 2. Routine: Up to twenty-four (24) hours from physical shipment.
- (f) Supplier warrants that if no trace code was listed in the AEX Catalog the trace code offered in AEX to AMP will be OEM CoC or "AAC" or better.
- (g) Supplier warrants that if no condition code was listed in the Supplier's AEX catalog, the condition code of the part is NE or better.
- (h) AMP shall submit the Purchaser Orders through Aeroxchange and Supplier shall accept or reject the Purchase Orders through Aeroxchange, in accordance with section 2.2.

VIII. SUPPLIER'S OBLIGATIONS

- (a) Supplier shall provide support and solutions as needed, and undertakes to respond to inquiries submitted within the following time frame:
 - 1. AOG: If Supplier provides AOG Service, Supplier will endeavor to respond to AMP within two (2) hours after receipt of the emergency request;
 - 2. Critical: four (4) Business Hours;
 - 3. Routine: eight (8) Business Hours.
- (b) Supplier shall notify in the quote if they cannot provide the exact Part.
- (c) Supplier shall sell and deliver to AMP the Parts per the Terms and Specifications on the face of the Purchase Order.
- (d) Supplier shall issue a dangerous goods declaration for transportation of any chemicals, tapes or any other Parts as required by the relevant authorities at no cost to AMP.
- (e) Supplier shall work together with AMP to clear all quarantines within three (3) Business Days, except for AOG and Critical orders which shall be cleared within one (1) Business Day.

IX. SUPPLIER'S REPRESENTATIONS AND WARRANTIES

The Supplier represents and warrants to AMP the following:



- (a) Parts will comply with the licenses, permits and authorizations required by the corresponding authorities, and comply with the industry standards and conform to Specifications;
- (b) Supplier is legally authorized to sell Parts to AMP and comply with its obligations hereunder, and it has the proper certifications and licenses needed in order to supply the Parts requested by AMP;
- (c) The Parts will not infringe upon, violate or misappropriate any trademarks, trade secrets, copyrights, patents and any other intellectual property or proprietary rights in any country of any third party;
- (d) That it has all requisite corporate power and authority to carry out and perform its obligations under this Terms and the transactions contemplated hereby, and therefore is entitled to provide AMP with the Parts requested; and
- (e) That this Terms will constitute a legal, valid and binding obligation for the Supplier and will be enforceable against the Supplier.

X. WARRANTY

10.1 Parts warranty

Supplier warrants to AMP that for a period of twelve (12) months commencing from the date the Parts were delivered to the Final Destination (the “**Warranty Period**”), such Parts will be fit, safe for use and airworthy consistent with and will conform to the Specifications and will be free from significant defects in material and workmanship; notwithstanding the foregoing, for Parts which have a limited shelf/cure life, the Warranty Period shall apply for a period of three (3) months from delivery of such Parts to the Final Destination.

10.2 Remedies for Breach of Warranties.

During the Warranty Period, if Parts do not comply with the warranties per this Terms, in addition to other remedies available at Law, Supplier shall, at AMP’s discretion:

- (a) Replace or repair such defective Parts, at no cost; in the event of repair or replacement, the repaired or replaced Part shall be warranted for the unexpired portion of the original Item’s Warranty which shall be extended for the period of time equal the number of days that the Parts was out of Purchaser’s hands for the warranty repair or replacement.
- (b) Credit or refund the price of such defective Parts plus any inspection, test, and transportation charges paid by AMP, less any applicable discounts, rebates, or credits;

10.3 Recalls.

- (a) If AMP, Supplier or any governmental authority determines that any Parts sold to AMP are defective and a recall campaign is necessary, either Party may implement such recall campaign. AMP must return the defective Parts to Supplier or destroy such Parts,



as determined by Supplier, at Supplier's sole cost and risk. If a recall campaign is implemented, at AMP's option and Supplier's sole cost, Seller shall promptly either replace, credit or refund the price, all such returned Goods under the terms of Section 10.01 and Section 10.02.

- (b) The foregoing will apply even if the product warranties under Section 14.01 or any other product warranty applicable to the Parts have expired. Supplier is liable for all of AMP's costs associated with any recall campaign if such recall campaign is based on a reasonable determination that either:
 - 1. the Parts fail to conform to either the warranties under this Terms or applicable Law; or
 - 2. the basis for the recall arose from Supplier's negligence or willful misconduct.
- (c) Where applicable, Seller shall pay all reasonable costs and expenses associated with determining whether a recall campaign is necessary.

XI. TERMINATION

AMP shall be entitled to terminate any commercial relation and/or Purchase Order immediately in full or in part in the following cases:

- (a) In the event of failure by the Supplier to perform any of its contractual obligations under this Terms that has not been cured within eight (8) days following the receipt of a formal request to cure such breach. In such a case, AMP reserves the right to obtain full indemnification of any prejudice it suffered as a consequence of the Purchaser's failure.
- (b) AMP reserves the right to suspend the performance of any outstanding Purchase Orders issued by the Purchaser, or any future Purchase Order, until the failure is duly remedied to the satisfaction of the Seller.

XII. INTELLECTUAL PROPERTY

Each Party acknowledges that all of the other Party's intellectual property rights, including but not limited to ideas, concepts, plans, reports, documentation, materials, inventions, feedback, creations and work product developed in whole or in part by a Party or any employee agent, or affiliate of such Party, information regarding patents, petty patents, utility models, trademarks, design rights, applications for any of the foregoing, copyright, moral rights, database rights, semi-conductor topography rights, trade or business names, whether registrable or otherwise, (including applications for and the right to apply for registration of any such rights), and any similar rights in any country whether currently existing or created in the future, in each case for their full term, together with any renewals or extensions is the exclusive property of such Party (or that such Party has the exclusive right to use), is exclusively vested and will remain vested exclusively in such Party, unless the Parties specifically agree otherwise. Each Party agrees to treat such Intellectual Property as confidential information.



12.1 Use of name

Neither the Parties nor its affiliates shall use the name, trade names, service marks, trademarks, trade dress, logos or any other intellectual property of the other Party or any of its affiliates and subcontractors in publicity releases, advertising, sales literature or products or services or in any other publication without the prior written consent.

XIII. COMPLIANCE, ANTIBRIBERY CLAUSE

The Parties acknowledge that performance of this Terms may be subject to U.S. and Foreign Anti-Corruption and Anti-Bribery laws, rules, and regulations. The Parties shall therefore cause all work or services contemplated herein to be performed in compliance with all applicable laws, rules, and regulations. Neither Party shall act, or permit any third-party to act, on behalf of the other Party, except as specifically provided in this Agreement and only with the first Party's prior written approval.

Each Party covenants that it will make no payments, including charitable donations, of money or anything of value, nor will such be offered, promised or paid, directly or indirectly, to any person or entity to (i) improperly influence the acts of such person or entity, (ii) induce such person or entity to use its influence with a government to obtain or retain business, or (iii) gain an improper advantage in connection with any business venture or contract in which the other Party is a participant.

Each Party shall defend, indemnify and hold harmless the other Party, its directors, officers, employees, affiliates, subsidiaries, parent companies and agents, from and against any and all losses, damages, claims, liabilities, demands, costs and expenses (including reasonable attorneys' fees and expenses, and any fines or penalties imposed by a governmental entity), arising out of or resulting from any breach of this section by the indemnifying Party. Further, in the event of any breach by a Party of this section, the non-breaching Party will have the right, but not the obligation, to terminate this Agreement immediately upon written notice to the breaching Party. The foregoing is without prejudice to any other rights or remedies the non-breaching Party may have at law or in equity.

XIV. EXPORT CONTROL LAWS

Both Parties shall comply with all applicable export, import and sanctions, restrictions and embargos laws, regulations, orders and authorizations, as they may be amended from time to time, applicable to the export (including re-export) or import of goods, software, technology, or technical data or services, including without limitation United States, United Nations, and EU laws and regulations. The Party conducting the export or import shall make its best efforts to obtain all export or import authorizations which are required under the Export/Import Laws for said party to execute their obligations. Each Party shall reasonably cooperate and exercise reasonable efforts at its own expense to support the other Party in obtaining any necessary licenses or authorizations required to perform its obligations. Reasonable cooperation shall include providing reasonably necessary documentation, including import, end-user and retransfer certificates. Should one of the Parties fail to meet



its obligations under this article, the Party shall be liable for all direct damages, losses and liabilities incurred as the result of its non-compliance with its obligations under these provisions.

XV. INDEMNIFICATION

The Parties will defend, indemnify and save the other Party harmless from and against any and all losses, costs, expenses (including without limitation reasonable attorney's fees), damages, and liabilities (collectively "**Damages**"), arising from or in connection with (i) a Party's violation of any laws, ordinances or regulations; (ii) any third party claim for personal injury (including death) and tangible property damage to the extent of the Party's breach of this Terms; or (iii) any claim of any third person by way of infringement of any patent or copyright by products which are of Supplier's own manufacture; provided that, AMP promptly gives Supplier written notice of any such suits, gives Supplier or its designee full control over the defense and settlement, and provide Supplier with all reasonable information and assistance (at Supplier's cost) to handle the defense and settlement.

Should any Parts become, or in Supplier's opinion, are likely to become, the subject of any claim for infringement of any patent or copyright, Supplier, in its sole option may either procure the right for AMP to continue using the good, modify the good to make it non-infringing, substitute an equivalent non-infringing good, or take back and refund the full price of the Product and shipping costs. Supplier's indemnification obligation does not apply if the alleged infringement results from AMP's modification or enhancement of the Parts or use of the Parts in combination with other products not provided or approved by Supplier. If AMP furnishes specifications to Supplier for use in the manufacture of the products, AMP will indemnify and hold Supplier harmless against any claim that the Specifications violate the intellectual property of third parties. Supplier's obligation to indemnify AMP hereunder shall only apply if AMP promptly notifies Supplier within twelve (12) months of receiving any claim or action.

XVI. FORCE MAJEURE

Each Party shall not be liable or responsible to the other Party, and shall not be deemed to have defaulted or breached this Agreement, for any failure or delay in performing any obligations of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of the Party, including without limitation: strikers, boycotts, labor disputes, embargoes, acts of God or nature, inability or delay in obtaining labor, products or reasonable substitutes thereof, governmental restrictions, governmental shutdowns, quarantines, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, war or threat of war, pandemics, epidemics, civil commotion, terrorism, telecommunication breakdown or power outage, explosion, fire, flood, earthquake, hurricane, tornado, typhoon, then such party's performance shall be excused. In the event that such event of force majeure exceeds thirty calendar days, the Party not experiencing the event of force



majeure may terminate the agreement without any liability, other than paying for any already accrued but pending fees or expenses.

XVII. CHOICE OF LAW; CHOICE OF FORUM; WAIVER OF JURY TRIAL

17.1 Choice of Law.

This Terms, the Purchase Orders, and all matters or disputes arising out of or relating to this Agreement, shall be governed by, interpreted and construed in accordance with, the internal Laws of the State of New York, United States of America, without regard to the conflict of law's provisions thereof (other than Sections 5-1401 and 5-1402 of New York General Obligations Law). The Parties agree that the United Nations Convention on Contracts for the International Sale of Parts does not apply to this Agreement.

17.2 Choice of Forum.

Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Terms, and the Purchase Orders contemplated hereby, including contract, equity, tort, fraud, and statutory claims, in any forum other than the United States District Court for the Southern District of New York or, if such court does not have subject matter jurisdiction, the courts of the State of New York sitting in the Borough of Manhattan, and any appellate court from any thereof. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in the United States District Court for the Southern District of New York or, if such court does not have subject matter jurisdiction, the courts of the State of New York sitting in the Borough of Manhattan. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

17.3 Waiver of Jury Trial.

Each Party acknowledges and agrees that any controversy that may arise under this Terms or any individual Purchase Order is likely to involve complicated and difficult issues and, therefore, each such Party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Terms or the transactions contemplated hereby, including any Purchase Order. Each Party certifies and acknowledges that (i) no Representative of the other Party has represented, expressly or otherwise, that such other Party would not seek to enforce the foregoing waiver in the event of a legal action, (ii) such Party has considered the implications of this waiver, (iii) such Party makes this waiver voluntarily, and (iv) such Party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section.



XVIII. MISCELLANEOUS

18.1 No labor relationship.

The Parties agree that the relationship is solely for commercial purposes, and does not create any joint venture, association, agency, commercial alliance, corporation or labor relationship within the Parties.

Both Parties declare that they have sufficient resources to comply with their labor, social security and tax obligations. Therefore, no Party will be liable before the authorities or any employees or third parties, for the obligations of the other Party.

18.2 Assignment

This Terms cannot be assigned to any third Party, without the prior written consent of the other Party. In the event that the other Party consents to the assignment of such Agreement, the assignee will have to comply with all the assignor's obligations under the Agreement.

18.3 Successors and Assigns; Entire Agreement.

This Terms shall be binding upon and inure to the benefit of the Parties hereto and to their respective heirs, legal representatives, successors and assigns.

18.4 Confidentiality

Any information to which any Party has access to by virtue of the present Terms, which shall include but is not limited to the following, will be considered as "**Confidential Information**": brands, names, trade names, emblems, expressions, logos, procedures, advertising signs, badges, specifications, trade secrets, market strategies, any information regarding products, developments, legal, accounting and financial information, industrial techniques or manufacturing, plans or projects of new products or services, equipment, inventions, discoveries, patents or patent applications, ideas, methods, processes, research and analysis, sales and/ or procurement procedures, any other kind of procedures, ideas, inventions, concepts, computer programs in various stages of development and their related documentation, designs, specific drawings, techniques, methodologies, models, data, documentation, diagrams, organizational charts, training materials, templates, tools, reports and information about processes, accounts, billing methods, pricing information, supplier information, commercial methods and files, client information, databases, commercial information, technical plans, OEM information, commercial strategies, film negatives, deliverables and goods, distinctive signs, samples, synthesis, services provision, progress or progress reports, materials, specifications, all the technology, know-how, software, contracts, all of the historical and financial information of the clients of the Parties, the Parties' client lists, the Parties' providers, any client accounts, statistical information regarding the business, as well as statistics of internal procedures and activities, operational data and organizational and cost structures, descriptions of the products or services provided by the Parties to their clients, as well as information related to prices, promotions, discounts, raffles or offers.