
BP Aero Services LLC.
STANDARD TERMS AND CONDITIONS

1 APPLICATION

- 1.1 These terms and conditions of trading (the "Terms and Conditions") shall constitute the terms and conditions applicable to all purchase orders from a customer ("Customer") accepted by BP Aero Services LLC. ("BPAS") and all purchase orders from BPAS to a supplier ("Supplier").
- 1.2 Any legal relationship between Customer, Supplier and BPAS shall be governed by these Terms and Conditions. Unless otherwise specifically stated in a purchase order, if a conflict exists between a purchase order and these Terms and Conditions, then these Terms and Conditions shall control to the extent of the conflict.
- 1.3 Unless otherwise specifically stated in a purchase order issued by the Customer and accepted by BPAS or from BPAS to a Supplier, these Terms and Conditions are in lieu of all other terms and conditions appearing on a purchase order issued by the Customer and accepted by BPAS or an acknowledgement of a quotation submitted by BPAS to the Customer except that the description of the services to be provided, quantities, dates and delivery instruction shall be as set forth on such purchase orders and acknowledgement of quotations.

2 DEFINITIONS

- 2.1 "Order" shall mean a Purchase Order or Repair Order expressed to be subject to this Agreement.
- 2.2 "Parties" shall mean the Customer, Supplier and BPAS
- 2.3 "Parts" shall mean any part of the Products.
- 2.4 "Products" shall mean applicable engines manufactured by General Electric, International Aero Engines, Pratt & Whitney, CFM International and Rolls Royce.
- 2.5 "Services" shall mean inspection or repair of Parts and Products as defined in the Customer's provided Work Scope.
- 2.6 "Work" shall mean tests, repairs and overhauls to be performed by BPAS on the Products and/or Parts.
- 2.7 "Work Scope" shall mean a statement in which the Customer specifies the Work to be performed by BPAS on the Products and/or Parts.

3 PURCHASE ORDERS

- 3.1 BPAS will only provide goods and services where the Customer issues a properly completed purchase order for such goods and services to BPAS.
- 3.2 Customer hereby acknowledges and accepts that BPAS may report to its licensors certain basic technical information on work scopes by engine serial number reflecting services performed under each purchase order.
- 3.3 BPAS will issue purchase orders to suppliers specifying the required work scope and include a reference to these terms and conditions available on bpaero.com/certifications.

4 SHIPMENT / EXPORT CONTROLS

- 4.1 Unless otherwise agreed between the parties, Customer shall ship items to BPAS "DDP" (Incoterms 2010) BPAS's facility at 4961 Hanson Drive, Irving, Texas 75038 (the "BPAS Facility"). The items shall be delivered to BPAS in safe condition such that all liquids, including lubrication oil and liquid fuel (if applicable), will be drained and all open ports be covered before shipment.
- 4.2 Unless otherwise agreed between the parties, BPAS will redeliver the serviced Items "EXW" (Incoterms 2010) to the customer.
- 4.3 Customer agrees that it will not, directly or indirectly, export or re-export any goods or technical information received from BPAS to any destination if such export or re-export would violate the laws of the United States of America.

5 SCOPE

- 5.1 Subject to the terms and conditions of this agreement, Customer shall agree to purchase and BPAS agrees to provide tests and repair at its facility or off site location on Products or Parts as the respective Customer may request from time to time by way of individual orders. BPAS acknowledges that this agreement is not exclusive and the Customer may, at its option, engage another contractor to perform, or itself perform, any or all of the Work.
- 5.2 On receipt of Products from a Customer, BPAS may:
 - 5.2.1 Carry out an incoming inspection to determine whether any Parts are missing from the Products,
 - 5.2.2 Carry out an inspection and/or test, if appropriate, to determine the extent of Work required,
 - 5.2.3 Inform the contact person at the respective Customer site (who shall be specified by the respective Customer to BPAS), by email of any Parts missing from the Products and the extent of Work required, if such Work exceeds the scope expressed in the Order or Work Scope, and
 - 5.2.4 Provide a firm quotation and await approval prior to execution, if not otherwise agreed in writing.
- 5.3 BPAS will advise weekly status to the respective Customer on all open Orders. In addition, BPAS will also advise the shipping details within one (1) business day after Work Scope completion.
- 5.4 Suppliers are required to comply with the following requirement:
 - 5.4.1 Relevant product safety principles are adhered to and assure product safety.
 - 5.4.2 Notify BPAS of nonconforming processes, products, or services and obtain approval for their disposition;
 - 5.4.3 Prevent the use of unapproved parts;
 - 5.4.4 Notify BPAS of changes to processes, products, or services, including changes of their Suppliers or location of manufacture, and obtain BPAS's approval;
 - 5.4.5 The need to Flow down to external providers applicable requirements including customer requirements;
 - 5.4.6 The need to retain documented information, including retention periods and disposition requirements of minimum of 3 years;
 - 5.4.7 The right of access by BPAS, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information;
 - 5.4.8 Ensuring that persons are aware of:
 - 5.4.9 Their contribution to product or service conformity
 - 5.4.10 Their contribution to product safety
 - 5.4.11 The importance of ethical behavior
 - 5.4.12 Specific authority and customer requirements
 - 5.4.13 Format and content of the external provider's delivery documentation package
 - 5.4.14 Conditions under which product malfunctions, defects, and unairworthy conditions have to be reported to the concerned stakeholders

6 CHANGES

Any modification of a Customer's purchase order or a BPAS purchase order to a supplier shall not be binding unless agreed to in writing between Customer and BPAS.

7 TAXES AND DUTIES

Customer is responsible for all taxes, duties and other charges arising from the provision of services (including the sale of parts to Customer), and will reimburse BPAS for any such charges Customer may be required to pay.

8 PAYMENT

- 8.1 Services provided by BPAS will be charged in accordance with a written quotation of BPAS or BPAS latest published price list unless different rates and charges are agreed in writing between Customer and BPAS.
- 8.2 The following information will be provided on the invoice:
 - 8.2.1 Fixed Labor Price
 - 8.2.2 Material charges, and
 - 8.2.3 Replacement cost
Customer Purchase Order number
- 8.3 The respective Customer shall pay BPAS invoices within thirty (30) days following receipt by the respective Customer of BPAS documented invoice for the serviced goods or services. All such amounts, payable in United States Dollars and set out in the invoices.
- 8.4 If Customer is in default of any payment obligations, BPAS, without prejudice to any of its other rights or remedies under the applicable law, reserves the right to charge interest without reminder at ten percent

(10%) *per annum* (prorated on a month by month basis) from the due date of payment until payment is received as well as reimbursement of all reasonable expenses incurred by BPAS in connection with the recovery of any payment due.

- 8.5 In the event Customer has a good faith dispute on any portion of an invoice, Customer shall pay the remaining portion of the relevant invoice not being withheld; and submit the reasons for the withheld amounts in writing to Supplier. The Parties agree to make good faith efforts to resolve any disputed amounts. Disputes on invoices will only be accepted by BPAS if raised by the Customer to BPAS in writing within thirty (30) days of the invoice date.

9 Warranty

- 9.1 BPAS standard warranty is available on our website – <https://www.bpaero.com/quality-certification/>

10 DELAY AND FAILURE TO PERFORM

Force Majeure, which includes but is not limited to, acts of governments, acts of nature, fire, explosion, typhoon, flood, earthquake, tide, lightning, war, court orders, civil unrest, sabotage, adverse weather conditions, labor disputes, shortage of materials or external services, means any event that is beyond BPAS's reasonable control and cannot be prevented with reasonable care. In the event that BPAS is delayed in or prevented from performing its obligations under a purchase order by Force Majeure, BPAS will not be responsible for any damage by reason of such a failure or delay of performance. BPAS will give timely notice to Customer of any such event and will endeavor to avoid or remove the cause and resume performance with minimum delay. Customer agrees that any agreed time for performance of Services will be extended accordingly.

11 LIABILITY AND INDEMNIFICATION

- 11.1 BPAS shall maintain in full force at its expense, the following insurance:

11.1.1 Product Liability and Aviation General Liability Insurance to include Products Completed Operations Liability Insurance in an amount not less than \$250,000,000 and Hangarkeepers Liability Insurance in an amount not less than the value of any one single Customer's engine and the value of all Customer's engines in its care, custody and control at any given time, and shall extend for a period of two (2) years following termination of this Agreement.

- 11.2 BPAS shall have its insurers provide certificates of insurance evidencing the coverage required herein, and such insurance certificates shall also include the following special provisions

11.2.1 The insurer(s) will give at least thirty (30) days prior written notice to Customer before any adverse change in the coverage of such policies and 10 day notice with respect to non-payment

- 11.3 BPAS hereby releases and agrees to indemnify and hold harmless each Customer, its parent company, subsidiaries and affiliates, and their respective officers, directors, agents and employees (collectively herein the "Indemnified Parties") from and against all liabilities, damages, losses, expenses, claims, suits or judgments (including without limitation all attorney's fees, costs, and expenses in connection therewith or incident thereto), for the death of, or bodily injury to, any person (including, without limitation BPAS employees) and for the loss of, damage to or destruction of, any property whatsoever in any manner arising out of the performance of the Work or from the supply of Products, Parts and materials pursuant to these Terms and Conditions, except to the extent such injury, death or damage arises directly out of the negligence or willful misconduct of an Indemnified Party.

- 11.4 Customer hereby releases and agrees to indemnify and hold harmless each the BPAS, its parent company, subsidiaries and affiliates, and their respective officers, directors, agents and employees (collectively herein the "Indemnified Parties") from and against all liabilities, damages, losses, expenses, claims, suits or judgments (including without limitation all attorney's fees, costs, and expenses in connection therewith or incident thereto), for the death of, or bodily injury to, any person (including, without limitation Vendor's employees) and for the loss of, damage to or destruction of, any property whatsoever in any manner arising out of the performance of the Work or from the supply of Products, Parts and materials pursuant to these Terms and Conditions, except to the extent such injury, death or damage arises directly out of the gross negligence or willful misconduct of an Indemnified Party.

- 11.5 Customer shall use its best efforts to mitigate any damages and/or losses for which any BPAS Indemnitee is liable.

- 11.6 Customer shall take out appropriate aviation liability insurance coverage and provide evidence of such insurance coverage upon BPAS's request.

12 RETENTION OF TITLE / TITLE TO UNSERVICEABLE PARTS

- 12.1 In spite of being delivered and/or installed by BPAS, title to any parts supplied shall not pass to Customer until (i) the Customer has paid all related BPAS invoice amounts in full, and (ii) no other sums whatever shall be due from the Customer to BPAS out of or in connection with the business relationship between BPAS and Customer. Until such time as title to the parts passes from BPAS to Customer, the Customer shall not pledge or in any way charge by way of security for any indebtedness any of the parts which are the property of BPAS. Customer shall insure and keep insured the parts at new price value against 'all risks' to the reasonable satisfaction of BPAS until the date that title in the parts passes from BPAS, and Customer shall whenever requested by BPAS produce a copy of the policy of insurance.
- 12.2 Title to any parts removed from Customer's aircraft in the course of providing services which are determined by BPAS as scrap or rejected will remain as Title of the Customer. Customer may elect to have such parts disposed of by BPAS.

13 TERMINATION OF PURCHASE ORDER

BPAS may terminate a Customer's purchase order at any time with immediate effect by written notice to Customer if (i) Customer commences winding-up, becomes insolvent, commits any act of bankruptcy or if a receiver, trustee or custodian is appointed of Customer or a substantial part of Customer's property, or (ii) Customer is in default of its obligations under a purchase order and such default remains uncured for a period of fourteen (14) calendar days after issuance of a default notification by BPAS. On termination BPAS will have no further obligation to Customer under the purchase order and Customer will reimburse BPAS's termination costs, including a reasonable allowance for profit.

14 SUBCONTRACTING

BPAS may subcontract the whole or parts of the Services. BPAS may only have any of the Work performed by subcontractors after first obtaining the prior written consent of the respective Customer. The Customer reserves the right to require BPAS to refrain from the use of a particular subcontractor. Nothing in this agreement shall create any contractual relationship between the Customer and any such subcontractor and no subcontract shall relieve BPAS of its obligations pursuant to this agreement.

15 ASSIGNMENT

Customer may not assign its rights and/or obligations under the order without the prior written consent of BPAS.

16 LANGUAGE AND GOVERNING LAW

These Terms and Conditions and the agreements, purchase orders and similar documents governed by these Terms and Conditions may govern services, products, materials, supplies, and equipment supplied by BPAS to Customer in several different jurisdictions. With respect to the selection of the governing law in this section, BPAS and Customer stipulate that certainty of enforcement is an important expectation negotiated between BPAS and Customer in entering into these Terms and Conditions and the agreements, purchase orders and similar documents governed by these Terms and Conditions. These Terms and Conditions and the agreements, purchase orders and similar documents governed by these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Texas (excluding principles of conflicts of laws that would require application of the substantive laws of another jurisdiction). Venue for the institution of any legal proceeding arising under these Terms and Conditions and the agreements, purchase orders and similar documents governed by these Terms and Conditions shall be in Dallas County, Texas or, solely if elected by BPAS, in any other place in which the Customer was formed or incorporated, or in which the Customer conducts business.