

# STANDARD TERMS AND CONDITIONS OF SALE - PARTS

Whereas AerSale, Inc. and subsidiary and associated and affiliated companies is the "Company" and the "Customer" is the entity requesting parts or services from Company, typically identified in Company's order confirmation or repair quotation.

The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

## 1. ACCEPTANCE & AGREEMENT

This agreement ("Agreement") is entered between Company and Customer (hereinafter each a "Party" and, collectively, the "Parties"). This Agreement supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, between the Parties. No course of prior dealings between the parties and no usage of trade shall be relevant to determine the meaning of this Agreement.

ALL ACKNOWLEDGMENTS, SALES, ACCEPTANCES, AND SERVICES BY COMPANY ARE EXPRESSLY LIMITED TO AND MADE CONDITIONAL UPON THE TERMS AND CONDITIONS CONTAINED HEREIN AND NO OTHERS, AND ANY OF CUSTOMER'S TERMS AND CONDITIONS WHICH ARE IN ADDITION TO OR DIFFERENT FROM THOSE CONTAINED HEREIN ARE HEREBY OBJECTED TO IN ADVANCE AND NOT INCLUDED IN THIS AGREEMENT. AS SUCH, FULFILLMENT OF CUSTOMER'S ORDER/REQUEST DOES NOT CONSTITUTE ACCEPTANCE OF ANY OF CUSTOMER'S TERMS AND CONDITIONS AND DOES NOT SERVE TO MODIFY OR AMEND THIS AGREEMENT, UNLESS SPECIFIC AND EXPLICIT REFERENCE TO CHANGES TO THIS AGREEMENT ARE MADE IN WRITING BY AN AUTHORIZED REPRESENTATIVE OF COMPANY.

## 2. PRICE AND PAYMENT

All payments shall be made in United States dollars. It is specifically understood and agreed that the title to all goods listed or included in the applicable invoice shall remain Company's until full payment of same has been received and the funds have cleared. All prices for goods are net to Company and do not include transportation, insurance, taxes (including, without limitation, goods and services tax, harmonized sales tax, sales tax, value added tax, withhold taxes and any transfer tax), import or export charges or duties, levies, imposts, penalties, interest or other similar charges, all of which shall be the responsibility of Customer and payable to Company upon demand. Prices as quoted are valid for thirty (30) days subject to prior sale. Unless otherwise set forth in writing by Company and the Customer, at the time of sale (prior to shipment) Customer must make arrangements for pre-payment, credit card payment or COD. Company may at any time decline to ship, make delivery or perform work except upon receipt of cash payment, letter of credit, or security, or upon other terms and conditions satisfactory to Company in accordance with its credit and collections policy and assessment of credit risk. Alternatively, upon approval of credit all balances shall be payable net thirty (30) days of invoice date. All sums past due shall bear interest at one and five-tenths percent (1 ½%) per month or the maximum amount permitted by law commencing from the due date until the date the invoice amount plus any service charges is paid. Customer agrees to pay all costs of collection including reasonable attorney's fees and expenses in the event it becomes necessary to enforce the payment thereof. No set-off is permitted by Customer with respect to any good sold to Customer hereunder against any amount owed by Company to Customer unless Company's authorized representative has provided written, signed consent to such setoff.

## 3. ORDERING CONFIRMATIONS AND CANCELLATIONS

All orders must be made or confirmed in writing or by electronic data interface and are subject to approval and confirmation upon receipt by Company. No order is guaranteed until Company issues an order confirmation to Customer. An order placed with and accepted by Company cannot be delayed, canceled, suspended, or extended

except with Company's written consent. All cancellations that are accepted by Company are subject to a fifteen percent (15%) cancellation fee. The minimum purchase order is \$500.

## 4. RETURNS

All returns for credit must be made within fourteen (14) days of the date of purchase. All returns are subject to Company approval and a twenty five percent (25%) restocking fee. The good shall be returned to Company in the original condition in which it was sold to Customer.

## 5. DELIVERY TO CUSTOMER

Company is authorized to advance the delivery date or complete performance of any order, prior to the time set forth in such order. Company may, in its sole discretion, without liability or penalty, make partial shipments of goods to Customer. Each shipment will constitute a separate sale, and Customer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of Customer's purchase order.

Unless otherwise agreed in a writing signed by Company's authorized representative, all goods delivered to Customer will be packed for shipment in accordance with Company's standard packing procedures for such item. Company will endeavor to notify Customer in the event that any goods may be delivered late. Delivery terms are ex-works (INCOTERMS® 2010) (where Company means "seller" and Customer means "buyer"). Customer will pay all shipping and handling and other similar costs from Company's facilities including but not limited to the costs of freight, insurance, export clearances, import duties and taxes.

The goods shall be invoiced to and risk of loss shall pass to Customer upon tender of delivery thereof to the carrier. Customer shall have the right to specify the method of transportation for the goods and the common carrier to be used and, in such event, Customer shall arrange for payment of shipping. Absent such specification, the Company shall ship the goods by a reliable common carrier of its own selection in order to meet the delivery schedule, and invoice Customer for all applicable charges associated with such shipment.

## 6. INSPECTION

If upon delivery of the goods to Customer, the goods do not conform to the Order (subject to Section 4 hereof), Customer shall, within five (5) days after receipt thereof, notify Company of such nonconformance, and return such nonconforming good to Company at Company's cost. Customer will be deemed to have accepted the goods unless it notifies Company in writing of any non-conformance during the five (5) day post-delivery period and furnishes such written evidence or other documentation as required by Company. If Customer timely notifies Company of any non-conforming goods, Company shall, in its sole discretion, replace such non-conforming goods with conforming goods, or credit or refund the price for such non-conforming goods, together with any reasonable shipping and handling expense incurred by Customer in connection therewith. Customer shall then ship, at its expense and risk of loss, and within the return period of Section 4, the non-conforming goods to Company. If Company exercises its option to replace non-conforming goods, Company shall, after receiving Customer's return shipment of non-conforming goods, ship to Customer, at Customer's expense and risk of loss, the replaced goods to the delivery point. Customer acknowledges and agrees that the remedies set forth in this Section are Customer's exclusive remedies for the delivery of nonconforming goods.

## 7. ACCEPTANCE

Any attempt by Customer to unilaterally revoke, delay or suspend acceptance for any reason whatsoever after it has accepted any shipment shall constitute a breach of this Agreement. For purposes of this paragraph, acceptance shall be any waiver of inspection, use or

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possession of goods, or any indication of exclusive control exercised by Customer.

### 8. WARRANTY FOR GOODS ORDERED BY CUSTOMER

Company warrants, covenants and represents that for any goods ordered by Customer and sold to Customer, Company has good marketable title in and to the goods sold to Customer on the date of sale. Interest in each good sold by Company to Customer on the date of sale shall be free and clear of all security interests, claims, liens, encumbrances and rights of others of any nature whatsoever other than those of Customer or anyone claiming through Customer.

OTHER THAN WITH RESPECT TO TITLE, NO WARRANTY SHALL BE PROVIDED BY COMPANY WITH RESPECT TO GOODS SOLD HEREUNDER, AND EACH GOOD SOLD TO CUSTOMER IS SOLD WITH ALL FAULTS IN "AS- IS, WHERE IS" CONDITION WITH ALL ASSIGNABLE WARRANTIES FROM THE LAST OPERATOR OR REPAIR FACILITY (IF SUCH WARRANTIES EXIST), AND THE OBLIGATIONS AND LIABILITY OF COMPANY HEREUNDER ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, AND CUSTOMER HEREBY WAIVES AND RELEASES COMPANY FROM ANY AND ALL OTHER WARRANTIES, AGREEMENTS, GUARANTEES, CONDITIONS, OBLIGATIONS, DUTIES, REPRESENTATIONS, REMEDIES OR LIABILITIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY GOOD, ARISING IN CONTRACT OR IN TORT, WHETHER UNDER THEORIES OF NEGLIGENCE, STRICT NEGLIGENCE OR OTHERWISE, INCLUDING WITHOUT LIMITATION: (1) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR INTENDED USE OR FOR A PARTICULAR PURPOSE, (2) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, AND (3) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, FOR LOSS OF USE OR DAMAGE TO ANY ENGINE OR AIRCRAFT OR ANY OTHER PROPERTY FOR LOSS OF REVENUE OR PROFIT WITH RESPECT TO ANY SUCH PROPERTY FOR LIABILITY OF CUSTOMER TO ANY THIRD PARTY OR FOR ANY OTHER DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER WITH RESPECT TO ANY GOOD SOLD HEREUNDER, EXCEPT IN THE CASE OF COMPANY'S WILLFUL MISCONDUCT. THIS DISCLAIMER SHALL NOT BE MODIFIED EXCEPT BY WRITTEN AGREEMENT SIGNED ON BEHALF OF COMPANY AND CUSTOMER BY THEIR DULY AUTHORIZED REPRESENTATIVES.

### 9. INDEMNITY

Customer agrees to defend, indemnify and hold harmless Company, its affiliates and subsidiaries, and each of their respective financiers, officers, directors, insurers and reinsurers, servants, shareholders, subcontractors, agents, and employees ("Indemnitees") from and against any and all liabilities, losses, judgments, damages, demands, actions, suits, fines, penalties, and claims of any kind whatsoever, whether based upon alleged active or passive negligence, implied or express contract or warranty, contribution, indemnity, strict liability, or product liability on the part of Company Indemnitees, including all costs, expenses and reasonable attorneys' fees incidental thereto, for property damage, diminution in value, lost profits, loss of use, injury to or death of any person, infringement of patents or trademarks arising from Company's compliance with Customer's designs or specifications or instructions, and any other direct, indirect, incidental, consequential, economic or statutory civil damages which arise out of or are in any way related to the use, operation, repair, maintenance, or disposition of any good provided under this Agreement, provided, however, Customer shall not be required to indemnify the Company Indemnitees for claims or liabilities arising from the gross negligence or willful misconduct of any Company Indemnitee.

Company Indemnitees have the right to select counsel, and Company's consent, not to be unreasonably withheld, must be obtained for any settlement.

### 10. INSURANCE

Without limiting Customer's duty to hold harmless and indemnify Company as set forth in this Agreement, Customer shall, at its own expense, maintain and carry liability insurance in full force and effect in such types and amounts as do reasonably prudent companies in Customer's industry, which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$5 million, worker's compensation in an amount no less than the applicable statutory minimum requirement, and employer's liability in an amount of no less than \$5 million, all with insurance carriers with an AM Best rating of no less than A- or equivalent. All insurance required by this Section must cover Company, its subsidiaries and affiliates, and their respective officers, directors, shareholders, employees and agents as additional insureds. Upon Company's request, Customer shall provide Company with a certificate of insurance from Customer's insurer evidencing the insurance coverage specified in this Order. Customer shall provide Company with 30 days advance written notice in the event of a cancellation or material change in Customer's insurance policy. Except where prohibited by law, Customer shall require its insurer to waive all rights of recovery or subrogation against Company, its subsidiaries and affiliated companies, and its and their respective officers, directors, financiers, insurers and reinsurers, shareholders, employees, and agents. The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of the indemnification obligation in this Agreement.

### 11. LIMITATION OF LIABILITY

CUSTOMER UNDERSTANDS AND AGREES THAT IF CUSTOMER CLAIMS ANY LOSS OR DAMAGES AGAINST COMPANY, REGARDLESS OF THE CAUSE, INCLUDING BUT NOT LIMITED TO COMPANY'S OWN NEGLIGENCE, FAILURE TO PERFORM ANY OF THE OBLIGATIONS SET FORTH IN THIS AGREEMENT, FROM THE MANUFACTURE, SALE, DELIVERY OR USE OF ANY GOOD COVERED BY OR FURNISHED UNDER THIS AGREEMENT, COMPANY'S LIABILITY SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE GOOD(S) WHICH GIVE RISE TO THE CLAIM, INCLUSIVE OF ALL TYPES OF DAMAGES, ATTORNEY'S FEES, INTEREST, EXPENSES, AND COSTS. IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, NOR SHALL COMPANY BE LIABLE FOR DAMAGES RELATING TO THIRD PARTY CLAIMS, LOSS OF USE, PERSONAL INJURIES, INTEREST, PROPERTY DAMAGE, DIMINUTION IN VALUE, ATTORNEYS' FEES, LOST REVENUE, LOST PROFITS, OR COST OF REPLACEMENT GOODS, REGARDLESS WHETHER SUCH DAMAGES ARE DIRECT OR CONSEQUENTIAL, AND REGARDLESS WHETHER SUCH DAMAGES WERE FORESEEABLE, COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR THE LEGAL OR EQUITABLE THEORY UPON WHICH THE CLAIM IS BASED. THE LIMITATION OF LIABILITY PROVISIONS SET FORTH IN THIS SECTION SHALL APPLY EVEN IF THE CUSTOMER'S REMEDIES UNDER THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE. COMPANY AND CUSTOMER EACH ACKNOWLEDGE AND AGREE THAT THE PARTIES ENTERED INTO THIS AGREEMENT IN RELIANCE UPON THE LIMITATION OF LIABILITY SET FORTH IN THIS SECTION, AND THAT THE SAME REFLECT AN ALLOCATION OF RISK BETWEEN THE PARTIES, INCLUDING THE RISK THAT A REMEDY MAY FAIL OF ITS ESSENTIAL PURPOSE AND CAUSE CONSEQUENTIAL LOSS, AND THAT THE SAME FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

This limitation of liability shall not apply to liability resulting from Company's willful misconduct.

ANY LAWSUIT, PROCEEDING OR ACTION BY CUSTOMER AGAINST COMPANY MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED AND ALL RIGHTS OF CUSTOMER TO COMMENCE ANY COURT ACTION OR

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PROCEEDING WITH RESPECT TO THIS AGREEMENT SHALL TERMINATE ONE (1) YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED, UNLESS THE PARTIES HAVE AGREED IN WRITING TO A DIFFERENT CLAIM PERIOD.

### 12. FORCE MAJEURE

Company will not be liable for delays in delivery or failure to deliver due to: (a) causes beyond its reasonable control; (b) acts of God, acts of Customer, acts of Government, expropriations, eminent domain, condemnation, national, regional, or local emergency, revolution, changes in laws, regulations, or orders, terrorism, acts of third parties, acts of civil or military authority, fires, blockages, seizures or freeze of assets, government delays or refusals such as delays or refusals to grant export or import licenses or the suspension or revocation thereof, floods, earthquakes, explosions, severe weather, epidemics, quarantine restrictions, war, riot, insurrection, embargo, or delays in transportation; (c) labor strikes, work slowdowns, lockouts, telecommunication breakdown, power outages, and other power/electricity interruptions, uncontrolled inability to obtain necessary labor, materials, components or manufacturing facilities; or (d) any other commercial impracticability. Any such delays will effect a corresponding extension of Company's performance dates.

### 13. SIGNATURES, AUTHORITY

Anyone signing for Customer represents that she or he is employed by Customer in the capacity indicated and is unequivocally authorized to bind Customer to this Agreement. Customer's signature on this Agreement is not required for this Agreement to be effective.

### 14. PROPRIETARY INFORMATION

All prices at which any good is sold hereunder and all other commercially sensitive information related to Company's business, products and practices ("Proprietary Information") shall be held by Customer in confidence and Customer shall use and disclose same only as specifically authorized by Company or as required by any governing authority. Customer further agrees to notify Company immediately upon learning of any unauthorized distribution, disclosure, or use of Proprietary Information.

Company and Customer shall retain all of their own proprietary rights of any kind in and to their respective patents, trademarks, procedures, know-how, methods, processes, trade secrets and proprietary information that may be used or disclosed with respect to this order.

### 15. GOVERNING LAW, VENUE, AND WAIVER OF JURY TRIAL

This Agreement shall be interpreted under and governed by the laws of the State of Florida, except that Florida's choice of law rules shall not be invoked for the purpose of applying the law of another jurisdiction. In the event of any dispute or claim, the Parties hereby agree that any lawsuit or other legal action shall be filed in the federal or state courts located in Miami-Dade County, Florida, and in no other venue ("Courts"). The Parties agree to submit to the jurisdiction of the Courts, agree to venue in the Courts, and waive any defense of lack of personal jurisdiction or forum non conveniens in the Courts. The Parties further waive the right to trial by jury. In the event that any lawsuit or other legal action arises under or related this Agreement, the prevailing party in such lawsuit or other legal action shall be entitled to collect its reasonable legal fees and costs from the non-prevailing party. The provisions of this section shall not restrict the ability of either Party to enforce in any court, without geographic limitation, any judgment obtained in the Courts.

The Parties agree that service of process by certified mail to Customer's address as set forth in this Agreement shall be effective service of process on Customer for any lawsuit or other legal action brought in the Courts. The Parties agree that service of process by

certified mail to Company's address as set forth in this Agreement shall be effective service of process on Company for any lawsuit other legal action brought in the Courts.

### 16. SEVERABILITY

In the event any of the aforesaid terms and conditions should for any reason be held ineffective, unenforceable, or contrary to public policy, the remainder of the agreement shall remain in full force and effect notwithstanding.

### 17. CONSTRUCTION

In the event of an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

### 18. GOVERNMENTAL AUTHORIZATIONS

Customer understands that the goods and/or the technology to be delivered by it pursuant to this Agreement are subject to export controls under the laws of the United States, including but not limited to: (i) U.S. Exports Regulations governing the export, transfer or re-export of U.S. manufactured products and products containing U.S. components, software, or technology as set forth in the U.S. Export Administration regulations (EAR), 15 C.F.R. §§ 772 et. seq.; (ii) U.S. Export Regulations and laws restricting U.S. companies and their foreign affiliates and subsidiaries from doing business with certain embargoed countries and entities as set forth in the U.S. Foreign Assets Control Regulation (FACR), 31 C.F.R. §§ 500 et. seq.; (iii) antiboycott laws; (iv) foreign trade regulations (FTR) (15 CFR 30.1 to 30.74) and (v) the International Traffic in Arms Regulations, 22 C.F.R. §§ 120 et seq. Customer agrees, warrants, and represents that it will not export, re-export or divert goods and/or technology that are the subject of this Agreement in violation of the export laws of the United States. Customer will be "importer of record" or "exporter of record," as applicable, and shall be responsible for timely obtaining any required governmental authorizations such as an import license, export license, exchange permit or any other required governmental authorization, and will perform all compliance and logistics functions in connection therewith and will also comply with all applicable laws, rules and regulations.

### 19. RECLAMATION

This provision shall apply in the event that Company has: (a) delivered the good(s) to Customer on credit; or (b) financed the sale of the good(s) to Customer. As a condition of Company allowing Customer to accept delivery of the good(s) on credit, Customer represents and warrants to Company that Customer is solvent and is not presently a debtor in any bankruptcy case in any court of competent jurisdiction. In the event Customer becomes insolvent before delivery or while goods are in transit, it will immediately notify Company. The failure to notify Company immediately will be construed as a reaffirmation of Customer's solvency at the time of delivery. Company will have the right to stop delivery of the goods by a bailee or other third party transporting the same if Customer becomes insolvent, repudiates or fails to make a payment due, in order to withhold or reclaim the goods under the provisions of the Uniform Commercial Code. In the event goods reach Customer prior to Company's ability to stop goods and Customer cannot make payments within the agreed upon payment terms, Customer shall return the goods to Company at Customer's expense. In the event of Customer's insolvency, the foregoing invoice together with this Agreement shall constitute a demand by Company for reclamation of the good(s) in accordance with Section 2-702 of the Uniform Commercial Code and Section 546 (c)(1) of the United States Bankruptcy Code. In the event of Customer's insolvency, Customer does hereby waive any defenses to Company's reclamation of the good(s) and Customer shall promptly return possession of the goods to

Company. Customer hereby grants a general lien on, and a security interest in, any assets belonging to Customer as security for the performance of its obligations hereunder or to satisfy any obligation owed by Customer to Company under any agreement.

the receiving Party; and b) if the party giving the Notice has complied with the terms of this section.

### **20. SUBCONTRACTING AND ASSIGNMENT**

Company reserves the right to subcontract this Agreement, in full or in part, provided, however, that Company shall remain responsible for compliance with this Agreement.

Customer shall not assign any of its rights or delegate any of its obligations under this Agreement without prior written consent of Company. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves the Customer of any of its obligations under this Agreement.

### **21. GOVERNMENT CONTRACTS**

No government contract regulations or clauses will apply to the goods or any order for goods or act to bind Company unless specifically agreed to by Company separately in writing at Company's headquarters. Unless Customer notifies Company in writing in advance, Customer warrants that it will not submit any request for or order to purchase goods which Customer knows or has reason to know will be used in the performance of a U.S. government contract or subcontract which incorporates or is subject to federal regulations expressly or by reference, including without limitation the Federal Acquisition Regulation (FAR), Defense Acquisition Regulation (DFAR), Armed Services Procurement Regulations (ASPR), and Cost Accounting Standards (CAS).

### **22. WAIVER**

There shall be no waiver of any claim or right arising under this Agreement unless the waiver is supported by consideration and is in a writing signed by the aggrieved party. The failure of either Party to enforce at any time or for any period of time any of the provisions hereof shall not be construed to be a waiver of such provisions nor the right thereafter to enforce each and every such provision.

### **23. FURTHER ASSURANCES**

Each of the Parties hereto shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

### **24. CUMULATIVE REMEDIES**

Unless otherwise expressly limited in this Agreement, all rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.

### **25. NOTICES**

Except as otherwise provided in this Agreement, all notices, requests, consents, claims, demands, waivers, and other communications hereunder ("Notice") shall be in writing and addressed to the Parties at the addresses set forth on the face of the order confirmation or to such other address that may be designated by the receiving Party in writing. All notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees prepaid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only a) upon receipt of