

**AJW TECHNIQUE INC.  
STANDARD TERMS AND CONDITIONS  
(AJWT AS CUSTOMER OR PURCHASER)**

**1. RECITALS:**

AJWT is in the business that provides component repair, maintenance and overhaul services. These Standard Terms govern the terms on which AJWT agrees to enter into any purchase or procurement agreement with the Supplier, and Supplier agrees to be exclusively bound by these Standard Terms and Conditions (the “**Standard Terms**”). These Standard Terms prevail over any standard terms and conditions referenced by Supplier in its invoice or other documentation. For the avoidance of doubt, acceptance by AJWT of the Supplier’s invoice shall not constitute acceptance by AJWT of any standard terms and conditions of the Supplier. If a conflict arises between any of the terms in the following documents the order of precedence shall be (i) any written agreement signed by both parties, including but not limited to a general terms agreement, as amended from time to time; (ii) any written terms on the face of the Order or Order; (iii) these Standard Terms.

**2. DEFINITIONS**

“Affiliates” means entities that control, are controlled by or are under the common control of a Party to this Agreement; “AJWT” means AJW Technique Inc.; “Customer” means a customer of AJWT; “Order” shall mean a purchase order or repair order raised using AJW’s purchase order or repair order form; “Part(s)” means any aircraft or engine parts Supplied by the Supplier to AJWT or returned by Supplier to AJWT following Repair under these Terms and Conditions; “Party” shall mean AJWT on the one part and the Supplier on the other part (together the “Parties”); “Repair(s)” means any repair or overhaul completed by the Supplier pursuant to an Order; “Services” means any repair services or other services Supplied or to be Supplied by the Supplier to AJWT pursuant to these Terms and Conditions; “Specifications” means the description of the Parts and or services agreed in writing or contained in or referred to in the Order; “Supplier” shall mean the party providing Parts and / Services; and “Supply” and “Supplied” shall include the supply of services and the sale, leasing or hiring of Parts, as the context so requires.

**3. GENERAL**

Any Order is an offer to the Supplier to enter into a contract on the terms stated in these Terms and Conditions. By delivering or agreeing to deliver the Parts or Services to AJWT specified in an Order, the Supplier agrees to be exclusively bound by the terms and conditions contained in the Order and in these Standard Terms and Conditions which govern the purchase of Parts by AJWT from the Supplier and the provision of Services by the Supplier to AJWT. These Terms and Conditions may only be varied by a document signed by a director or other duly authorised officer of AJWT and no other employee or agent has any authority to alter or qualify these Terms and Conditions in any way. If a conflict arises between any of the terms in the following documents the order of precedence shall be (i) any written agreement signed by both parties, including but not limited to a general terms agreement, a loan agreement or an exchange agreement, each as amended from time to time; (ii) any written terms on the face of the Order; (iii) these Terms and Conditions. Supplier hereby agrees, upon request by an AJWT Affiliate, to supply Parts or Services to any AJWT Affiliate in accordance with these Terms and Conditions. At AJWT’s request, Supplier hereby agrees to provide or, in the event the Supplier is not the manufacturer/OEM of the Parts, Supplier shall arrange for the manufacturer to provide, notarised written evidence in the form requested by a Customer that AJWT has been granted all the rights necessary to fulfil its obligations to the Customer in respect of the Parts including but not limited to the supply and support of the Parts. Supplier shall retain documented information for a minimum period of 7 years at the end of which Supplier shall dispose of such documentation in an appropriate manner. Supplier shall grant a right of access to AJWT, AJWT’s customer and any regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain. Supplier shall ensure that persons are aware of their contribution to product or service conformity, their contribution to product safety and the importance of ethical behaviour.

**4. ORDERS**

- 4.1 The Supplier undertakes not to accept any Order without an Order reference number. AJWT accepts no liability for any order, verbal or otherwise, unless subsequently confirmed by an official Order, authorised by AJWT. AJWT may place Orders for the Parts or Services by email, by fax or in any other mutually agreed way. Upon acceptance of the Order, the Supplier agrees to provide AJWT with Parts or Services in compliance with clauses and provisions specified in the Order as well as these Terms and Conditions. Specific terms in an Order may include, but is not limited to, any specific certification requirements, statements of work or compliance and pre-defined scope of work.
- 4.2 The Supplier shall Supply all Parts and Services in accordance with any delivery times/TAT specified by AJWT in an Order. Time shall be of the essence and AJWT may refuse to accept delivery of any Parts or Services not delivered within the specified time and cancel the Order. Supplier shall deliver in such volumes specified by AJWT in an Order at no cost to AJWT.
- 4.3 The Supplier shall accept all Orders within 24 hours by written confirmation indicating Order reference number, line item and confirmation of delivery times/TAT and where the Supplier fails to provide such confirmation or the confirmation is not in the form required, the Order shall be deemed accepted after the 24 hours have elapsed. This confirmation, any future delivery notes and invoices shall be issued in the same form as the Order in particular, the line items on such correspondence shall correspond exactly with the Order including part numbers, descriptions and price. AJWT reserves the right to amend or cancel Orders after acceptance by the Supplier or delivery to AJWT. Subject to Clause 4.4 below, in the event of cancellation of any Order after acceptance by Supplier for reasons other than those stated in Clause 14 or Clause 4.4, Supplier shall be compensated by AJWT of all appropriate and substantiated costs incurred by Supplier up to the date of cancellation, however, Supplier shall use its best efforts to mitigate the extent of such costs.
- 4.4 Notwithstanding Clause 4.3 above, in the event the Customer of AJWT cancels its order with AJWT for the Parts or any part thereof, AJWT shall have the right to cancel its Order with the Supplier without further liability and require the Supplier to (i) immediately cease providing the Parts and services for AJWT in respect of the Order, and (ii) make the necessary arrangements to collect any Parts or part thereof delivered by the Supplier from the site advised by AJWT;
- 4.5 In respect of (i) Repair Orders Supplier shall not use any PMA material in any Repairs or DER/non CMM Repairs without obtaining prior authorization in writing from AJWT and (ii) purchase Orders Supplier shall not supply a Part with PMA material or which has been the subject of a DER repair without prior written consent of AJWT;
- 4.6 The Supplier shall plan, implement, and control processes, appropriate to the organisation and the Parts for the prevention of (i) counterfeit or suspect counterfeit Parts use and their inclusion in Parts delivered to AJWT, and (ii) the release of unapproved and suspected unapproved Parts. Any costs or losses arising out of a failure to comply with above shall be the responsibility of the Supplier.
- 4.7 Supplier shall not charge any AOG fees to expedite Orders without prior written consent of AJWT.

**5. PAYMENT TERMS**

- 5.1 Where a fixed purchase price is specified in the Order the price for the Parts shall be fixed and firm, and no form of surcharge or over and aboves shall be added or variation made. Where a purchase price is specified in the form ‘not to exceed \$x’, AJWT shall not be liable to pay

sums in excess of the amount specified. The Supplier shall be entitled to submit an invoice for the supply of Parts and/or Services as soon as delivery has been completed.

- 5.2 Invoices in respect of Parts and Repairs, must be sent to: [accountspayable-ajwt@ajw-group.com](mailto:accountspayable-ajwt@ajw-group.com) and;  
5.3 AJWT payment terms are 90 days from date of Invoice.

## 6. TITLE AND RISK OF LOSS

Title to and risk of loss for any Parts supplied shall remain with Supplier until the Parts are delivered to AJWT DDP (Incoterms 2010) at its facility or at such other delivery location specified on the Order.

## 7. IMPORT AND EXPORT LICENCES AND COMPLIANCE

- 7.1 The Party to these Terms and Conditions who is the importer or exporter of record of the Part will be responsible for obtaining any licence, exchange permit or other required governmental authorisation relating to the shipment of the Part and shall be responsible for complying with all U.K. and foreign government licensing and reporting requirements in connection with an Order. The Supplier acknowledges that any export of Parts pursuant to these Terms and Conditions may be subject to U.S. Export Regulations (the "ER") and agrees not to export any Parts pursuant to an Order in contravention of the ER and further agrees to indemnify AJWT in respect of any losses incurred as a result of a breach of the ER.

## 8. INDEMNITY

The Supplier agrees, promptly upon AJWT's request, to indemnify and hold harmless AJWT, its directors, Affiliates, officers, agents and employees (the "AJWT Indemnitees") in respect of all liabilities, costs, expenses, actions, proceedings, claims, damages, losses, fines, legal fees and other costs and expenses suffered or incurred by the AJWT Indemnitees which arise out of or in connection with the Supplier's performance or non-performance pursuant to an Order, save to the extent that such costs, expenses or losses result from the gross negligence or wilful misconduct of AJWT.

## 9. INSURANCE

The Supplier shall maintain with reputable insurers (i) All Risks Spares insurance on Parts whilst the Parts are under the care, custody and control of Supplier or Supplier's agents or subcontractors (including Supplier's freight forwarders); and (ii) Aviation Product Liability Insurance appropriate to its operations and in accordance with best aviation industry practice and shall provide evidence of the insurance under paragraphs (i) and (ii) if requested by AJWT.

## 10. PACKING, INSURANCE AND OTHER DOCUMENTATION REQUIREMENTS

- 10.1 All Parts dispatched by Supplier shall conform to the provisions of ATA-300 or other generally accepted packaging standards meeting the intentions of ATA-300.
- 10.2 The Supplier shall provide to AJWT full dispatch details of any Part supplied to AJWT or returned to AJWT following repair (AWB Number, Flight Number and Date).
- 10.3 All Parts being returned to AJWT following completion of a Repair, shall be accompanied by an original release certificate and workshop report providing full details of work carried out on the Part. Release certificates should comply with all requirements specified in the Repair Order as per clause 4.1 and relevant Aviation Authority requirements. The acceptable forms of certification include:
- FAA Form 8130-3 issued by an EASA approved organisation located in the USA with "dual release". Both boxes in block 14a are to be ticked and the EASA release statement together with the EASA approval number are detailed in the remarks block;
  - TCCA Transport Canada Form One issued by an EASA approved organisation located in Canada with "dual release". Both boxes in block 14a are to be ticked and EASA approval number detailed in the remarks block;
  - EASA Form 1, issued by an TCCA approved organisation located in an EASA participant state approved with "dual release";
  - UK CAA Form 1;
  - CAAC, CAAS, JCAB, certificate, as applicable, or other equivalent original certification.
- 10.4 In respect of all transactions for purchase of Parts pursuant to an Order, Supplier shall ensure that the Parts are accompanied by the following certification documents:
- 10.4.1 Part Identification tag containing: Part number; serial number; description; reason for removal; date of removal; registration of aircraft from which removed;
- 10.4.2 An original FAA 8130-3, EASA F1, UK CAA F1, TCCA, Form CAAS(AW)95, CAAC, JCAB certificate, as applicable, or other equivalent original certification, in compliance with regulatory requirements specified in clause 10.3.
- 10.4.3 Packaging slip;
- 10.4.4 ATA spec 106 material certificate issued by FAA Part 121/129/135 carrier or FAA/EASA 145 approved maintenance facility or nationally approved (by the CAA) a statement that:
- The Part was not procured from any US Government or military source;
  - The Part was produced by the Original Equipment Manufacturer;
  - The Part is non-incident related and has not been subjected to severe stress or heat or immersed in salt water;
  - The Part is fully traceable to one of the following approved sources:
    - FAA Part 121, 129 or 135 certified carrier;
    - Original Equipment Manufacturer;
    - FAA/EASA 145 approved maintenance facility; or
    - Foreign air carrier approved by a recognised national aviation airworthiness authority.
- 10.4.5 Full records and traceability documents for time/cycle life limited parts.
- 10.4.6 Full "back to birth" traceability documents for ultimate time/cycle life limited parts.

## 11. INFORMATION FOR EXTERNAL PROVIDERS

- 11.1 AJWT shall ensure the adequacy of requirements prior to their communication to the external provider.
- 11.2 AJWT shall communicate to external provider its requirements for: (i) the processes, products, and services to be provided including the identification of relevant technical data (e.g., specifications, drawings, process requirements, work instructions); (ii) the approval of: (a) products and services; (b) methods, processes, and equipment; (c) the release of products and services; (iv) competence, including any required qualification of persons; (v) the external providers' interactions with AJWT; (vi) control and monitoring of the external providers' performance to be applied by the AJWT; (vii) verification or validation activities that AJWT, or its customer, intends to perform at the external providers' premises; (viii) the need to: (a) implement a quality management system; (b) use customer-designated or approved external providers, including process sources (e.g., special processes); (c) notify AJWT of nonconforming processes, products, or services and obtain approval for their disposition; (d) prevent the use of unapproved parts; (e) notify AJWT of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain

the AJWT's approval; (f) flow down to external providers applicable requirements including customer requirements; (g) retain documented information, including retention periods and disposition requirements; (ix) the right of access by the AJWT, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information; (x) ensuring that persons are aware of: (a) their contribution to product or service conformity; (b) their contribution to product safety; (c) the importance of ethical behavior; (xi) specific authority and customer requirements; (xii) format and content of the external provider's delivery documentation package; (xiii) conditions under which product malfunctions, defects, and unairworthy conditions have to be reported to the concerned stakeholders.

**12. LIABILITY**

Neither party shall be liable to the other for any indirect, special or consequential loss or damage or any loss of actual or anticipated profit. AJWT's liability in contract, tort (including for breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance of these Standard Terms (including for any statutory interest payable) shall be limited to the value of the Order.

**13. DISPUTE RESOLUTION, LAW AND JURISDICTION**

These Standard Terms and Conditions are governed in accordance with the laws of the province of Quebec, Canada. All disputes arising out of or in connection with these Standard Terms or an Order shall, to the extent possible, be settled amicably by negotiation between an authorized person of AJWT and an authorized person of the Customer within thirty (30) days from the date of written notice by either Party of the existence of such a dispute and, failing such amicable settlement, the dispute shall be subject to the exclusive jurisdiction of the courts of Quebec, Canada.

**14. LANGUAGE**

It is the express wish of the [parties hereto that this Terms and Conditions and any related documents other than those which by law must be in French, shall be drawn up in English language. Il est de la volonté expresse des parties que la présente et tous les documents qui s'y rattachent soient rédigés en langue anglaise, exception faite des documents pour lesquels loi exige l'usage exclusif du français.

**15. TERMINATION**

15.1 AJWT shall be entitled at any time by notice in writing to cancel an Order or any part thereof without compensation to the Supplier, and/or claim reimbursement for all losses and expenses suffered in the event that the Supplier:

- 15.1.1 fails to Supply Parts or provide Services in accordance with the terms of the Order or these Terms and Conditions, including without limitation circumstances where the Supplier fails to deliver the Parts to AJWT by the agreed delivery date;
- 15.1.2 fails to make progress with the Order so as to jeopardise the purpose of the Order;
- 15.1.3 provides Parts or Services which are non-conforming or defective or do not comply with the requirements listed in Clauses 10.2 and 10.3;
- 15.1.4 otherwise commits a material breach of these Terms and Conditions or of the terms of any Order which, in the case of a remediable breach, it does not remedy within five (5) days of receiving written notice requiring it to do so;
- 15.1.5 becomes insolvent, goes into receivership, is wound up or otherwise cease trading;
- 15.1.6 commits some act prejudicial to the interests of AJWT; or
- 15.1.7 becomes subject to the control of a third party in a manner prejudicial to the interests of AJWT.