

**TERMS AND CONDITIONS**  
**SIERRA AERO LLC STANDARD TERMS AND CONDITIONS**  
**(Last Revised January 5, 2021)**

These Standard Terms and Conditions of Sale of SIERRA AERO LLC, a California limited liability company ( "SIERRA AERO LLC", "WE", "OUR", "US"), together with the terms of sale set forth in our estimate ("Estimate") submitted to you ("YOU", "CUSTOMER"), will be the only terms of sale applicable to our repair, inspection, or servicing (as defined in the Estimate) of your Aircraft and parts thereof described in the Estimate. By accepting any services from us (including, but not limited to, inspection, maintenance, service, repair or installation) (collectively, "Service") you are charged with notice of and agreement to be bound by these Terms and Conditions. In particular, the version of these Terms and Conditions bearing a revision date immediately preceding our performance of Services constitutes our Agreement (defined below).

**General Terms & Conditions**

**1. Conditions of the Aircraft/Pricing**

All Inspections, Maintenance, Service Bulletins and Installations are priced based upon information in current circulation on the date of the estimate. Any subsequent releases may result in price changes due to changes in the applicable approved data. Estimate pricing is based on the assumption that: the Aircraft is in airworthy condition; all log books and required documentation is complete; there is adequate space for the requested work; and the existing electrical/avionics interfaces and electrical power will accommodate the new installations and modifications. Proposed prices and downtimes are contingent on the Customer providing US with applicable: existing avionics, electrical and aircraft system diagrams and drawings; current weight and balance data; electrical load analysis data; and/or FAA Form 337 and other maintenance records and documentation that accurately represent the current condition of the Aircraft. Missing documentation or discrepancies between the supplied documents and the current Aircraft configuration that necessitates we conduct research in order to complete the data necessary accomplish the proposed work scope will result in additional charges and may extend the downtime, to which Customer consents in advance. Pricing assumes that the existing Aircraft wiring prints provided by the Customer match the current Aircraft configuration and that the existing structures will not have to be tested or modified in order to complete the work. In the event one or more of the conditions or assumptions is not satisfied, or is incorrect, an estimate of the additional cost and time required to correct the deficiency will be submitted to the Customer for approval. Permanently removed equipment in which a customer is being provided a "trade-in credit" must be in Airworthy Condition. Additional charges may apply.

Any inspection, repair or replacement shall be performed at a SIERRA AERO LLC facility and Customer shall be responsible for any and all transportation costs and applicable fees. Any work required that is not part of an Estimate or changes to the proposed work scope will be performed at the current labor rate and may extend the Aircraft downtime. Downtime stated is based upon a timely availability and receipt of required materials. Unless specifically requested otherwise by the Customer, existing hardware will be used. All fuel, lubricants and/or crew expenses, incurred for engine runs and all flight

costs, are the Customer's sole responsibility. All freight charges are the responsibility of the Customer and will be charged in addition to any proposed pricing. Unless specifically requested otherwise by the Customer, all equipment and furnishings removed shall become the property of SIERRA AERO LLC and may be discarded after Aircraft release and departure. Cancellation of any agreed work scope is subject to restocking/penalty charges; including charges for work performed.

## 2. Customer-Supplied Parts

All Customer-supplied parts are subject to an incoming inspection process. A handling charge of twenty percent (20%) of the Aircraft manufacturer's List Price of the part (or a reasonable estimate by SIERRA AERO LLC if list price is not available) will be invoiced to the Customer. Spare parts supplied from Customer stock or carried on the Aircraft are subject to a \$100 incoming parts inspection fee, in lieu of the above charges. The Customer shall supply all appropriate part documents, as required by the governing airworthiness authority, with the supplied parts.

## 3. Substitutions

SIERRA AERO LLC may incorporate changes in design, construction or installation and substitute equivalent equipment, accessories, parts, or material where it deems such changes are necessary to improve the quality, performance, reliability, stability, utility or appearance of the goods or materials supplied hereunder. If any materials specified or contemplated herein are not readily procurable for their intended purpose due, directly or indirectly, to governmental prohibitions, restrictions or priorities, SIERRA AERO LLC will have the right to substitute equivalent suitable materials.

## 4. Delays

Any proposed completion date is only an estimated completion date and is not guaranteed. SIERRA AERO LLC is not liable or responsible for any loss of use or other damages for non-performance or delay of the work, consequential, regulation or ruling that directly or indirectly interferes with or renders more burdensome the work; non-availability of parts, materials or components from suppliers; delays in transportation; labor strikes; delays in governmental approval or other causes beyond SIERRA AERO LLC's reasonable control.

## 5. Force Majeure

Our obligation in relation to a Service we are performing for YOU is suspended to the extent that such performance is impeded or made unreasonably onerous by an occurrence beyond OUR control, provided WE could not have reasonably foreseen such occurrence at the time of the Service and could not reasonably have been avoided or its consequences avoided or overcome (a "Force Majeure" event). Force Majeure includes, but is not limited to, industrial disputes, labor disputes or strikes, fire, extreme weather, pandemics, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power and defects or delays in deliveries vendors caused by any such circumstance referred to above whether occurring prior to or after the formation of our agreement. Regardless of what might otherwise follow from the Force Majeure conditions, either party shall be entitled to terminate the contract by notice in writing to the other party if delay in the performance of Services is suspended due to Force Majeure for more than three (3) weeks.

## 6. Discrepancies and Additional Work

Any additional work may extend the downtime of Aircraft and/or Components as well as increase the final invoice. For additional work and correction of discrepancies found during the inspection, the current hourly labor rates at the time of Service shall be applicable.

## 7. Supplemental Billings

SIERRA AERO LLC may be unable to secure final vendor or internal pricing on certain parts of services, such as exchange parts with core charges, at the time an invoice is required to process the payment. In those cases, an estimated invoice will be provided for payment in full (see above). After final prices are known, a final or additional invoice will be provided as quickly as possible to the Customer for payment. The Customer will be notified in this event.

## 8. Payment Terms

All pricing is in U.S. dollars. Payment in full is due upon completion of the work and prior to release of the Aircraft, unless SIERRA AERO LLC expressly (i.e., in writing) accepts other arrangements. Acceptable methods of payment include wire transfer, ACH, pre-approved company check or major credit card. Pre-payment of any parts are required before parts are ordered by vendor and before scheduling of the work can take place. SIERRA AERO LLC reserves the right to request additional deposits, progress payments and/or downtime for any additional work requested. Itemized pricing is for cost analysis only, and is not intended as stand-alone pricing.

All labor quoted is based on posted standard labor rates and does not include overtime. Any overtime will be authorized by the Customer and will be billed at the posted overtime labor rate. Customer agrees to pay one and one-half percentage (1.5%) points interest per month for all payments past due. Customer agrees that SIERRA AERO LLC shall be entitled to recover reasonable attorneys' fees, costs and expenses incurred in connection with any action or proceeding to enforce its rights and/or to collect amounts due (including such fees, costs and expenses paid or incurred in connection with initial collection efforts). Customer agrees that Credits or excess deposits on account will expire or become nonrefundable after twenty-four months of account inactivity. In the event WE are unable to secure final vendor or internal pricing on certain parts or services, such as exchange parts with core charges, at the time a final invoice is required to process the payment, SIERRA AERO LLC will provide Customer with an estimated invoice for payment at the time of releasing the Aircraft. After final prices are known, a final or additional invoice will be provided to the Customer for payment. Prices quoted are in effect for a period of thirty (30) days from date of quote issuance.

## 9. Sales Tax

OUR prices do not include any applicable Taxes. All applicable Taxes shall be added to the final invoice, for which such Tax Customer is solely liable. For this purpose, "Tax" means sales, use, excise, or any other similar or other taxes, fees, duties, tariff or charges assessed or imposed by any governmental or quasi-governmental authority ("taxes"). If applicable, upon request, Customer shall furnish acceptable certificates or affidavits of exemption from any such taxes or charges. Customer agrees to indemnify, defend and protect Company from and against any claims for such Taxes.

## 10. Customer's Inspection

Customer shall promptly inspect the Aircraft or repaired part upon return thereof and notify US in writing, within ten (10) days of any claims of incomplete or unacceptable work. The failure of Customer to notify US of any such claims within said ten (10) day period shall constitute an irrevocable acceptance of the Aircraft and all work and an admission by Customer that the work fully complies with all agreed terms, specifications, and conditions.

#### 11. Warranty and Disclaimers

The SIERRA AERO LLC "Statement of Warranty" in effect as of the date of this Work Authorization shall govern the work. A copy has been provided to Customer, or will be provided to Customer, upon request. THE STATEMENT OF WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE.

#### 12. Manufacturer Warranty Programs

SIERRA AERO LLC does not provide a warranty for parts or software, which may have a manufacturer's warranty. SIERRA AERO LLC provides the service of warranty administration of manufacturers' products, as an independent provider. SIERRA AERO LLC will submit warranty allowable items for reimbursement from the manufacturer. However, Customer agrees to be responsible for any claims or charges (includes parts and or labor) submitted to manufacturer that are unpaid by that manufacturer. SIERRA AERO LLC shall not be responsible for denied or cancelled warranty plans or programs.

#### 13. Software

Any software provided hereunder shall be subject to the terms and conditions of the supplying vendor's software license. The warranties for software shall be limited to the warranties provided by such vendor.

#### 14. Applicable Law

This Agreement is governed by the laws of the State of California and, to the extent applicable, the lien laws of any jurisdiction in which the work is performed. Customer hereby submits to the exclusive jurisdiction and service of process of the courts of the State of California and such other jurisdictions in which the work is performed (including federal courts within said states) with respect to any dispute arising out of or in any way related to work performed.

#### 15. Responsibilities.

**On Ground Responsibilities.** SIERRA AERO LLC is responsible for all claims, demands, suits, judgments, losses, damages, costs and expenses, which arise on the ground out of SIERRA AERO LLC's gross negligence or willful misconduct in performing Services on the Aircraft.

**In Flight Responsibilities.** Customer is responsible for all claims, demands, suits, judgments, losses, damages, costs and expenses arising out of the in-flight operation of the Aircraft, except to the extent that such claims, demands, suits, judgments, losses, damages, costs and expenses arise out of SIERRA AERO LLC's gross negligence or willful misconduct in performing Services (as defined more fully in the Estimate) on the Aircraft. Customer agrees that SIERRA AERO LLC is not responsible for the pilots who operate the Aircraft regardless of who provides the pilot(s). Customer represents and warrants that it

has procured insurance for the hull of the Aircraft and acknowledges that Customer is responsible for all damages to the hull of the Aircraft regardless of which party causes the damage. Upon request, Customer shall provide evidence of hull and liability insurance in a form satisfactory to SIERRA AERO LLC.

Mutual Indemnification. Each party agrees to indemnify, defend, save and hold harmless the other party from and against any and all claims, liabilities, demands, judgments, suits, losses, damages, costs and expenses which are the result of the party's failure to meet their responsibilities set forth above, provided, however, that neither party is required to indemnify the other party for any claims or liability arising out of that party's own negligence or misconduct, except for set forth herein.

Additional work requests not included in the original scope of maintenance shall be in writing and Customer shall agree to pay Sierra Aero LLC for such costs prior to performing work, unless otherwise agreed upon by the parties.

Customer agrees and accepts responsibility for costs incurred if Customer fails to pick up aircraft when ready, stops or postpones in-process work including but not limited to discrepancy repair/discrepancy approvals or fails to communicate/respond to SIERRA AERO LLC.

#### 16. Limitations of Liability

IN NO EVENT SHALL WE, OR OUR MEMBERS, MANAGERS, EMPLOYEES, AGENTS OR CONTRACTORS BE LIABLE FOR ANY LOSS OF USE OF THE AIRCRAFT, LOSS OF PROFITS, DIMINUTION IN VALUE, OR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES, INCLUDING, WITHOUT LIMITATION, ANY LOSS OR DAMAGE TO THE AIRCRAFT RESULTING FROM ANY FAILURE OR REFUSAL TO PERFORM CUSTOMARY RECOMMENDED OR REQUIRED STORAGE AND MAINTENANCE PROCEDURES ON ANY AIRCRAFT HELD ON OUR PREMISES, UNLESS SPECIFICALLY AGREED IN WRITING. IN NO EVENT SHALL ANY ACTION BE COMMENCED AGAINST SIERRA AERO LLC OR ITS MEMBERS, MANAGERS, EMPLOYEES, AGENTS OR CONTRACTORS MORE THAN ONE YEAR AFTER THE CAUSE OF ACTION WITH RESPECT TO WHICH THE CLAIM IS MADE HAS ACCRUED.

In the event SIERRA AERO LLC physically damages Customer's property, Customer's sole and exclusive remedy, and SIERRA AERO LLC's sole and exclusive liability, is limited to the repair or replacement (at SIERRA AERO LLC's option) of the damaged portion of the property.

#### 17. General Provisions

Right to Subcontract. SIERRA AERO LLC has the right to subcontract any Service to any subcontractor properly certified and rated by the Approved Aviation Authority.

Assignment. This Agreement may not be assigned without the prior written consent of the other party, except that Customer's consent is not be required for an assignment by SIERRA AERO LLC to one of its affiliates.

Waiver of Immunity. If you are incorporated or based outside the United States, to the extent that you or any of your property becomes entitled to sovereign or other immunity from any legal action, you waive your immunity in connection with this Agreement.

Language, Notices. All correspondence and documentation connected with this Agreement will be in English. All notices will be in writing, effective upon receipt and will be provided to the addresses set forth on the Estimate, which may be changed by written notice.

Non-Waiver of Rights and Remedies. Failure or delay in the exercise of any right or remedy under this Agreement will not waive or impair such right or remedy. No waiver given will require future or further waivers.

## 18. Maintenance and Inspections

Any discrepancies, or other maintenance found as a result of the proposed work scope will be worked on a time and material basis.

All inspections are done at a pre-determined flat rate. The flat rate does not include compliance with airworthiness directives, service bulletins, ICA etc., nor does it include extra time spent if documentations for the aircraft are not complete or in full order. Such extra time will be charged on an hourly basis at the posted hourly labor rate.

After inspection completion, an Estimate will be sent electronically to the customer for approval. After such approval has been obtained, deposits (usually the inspection flat rate and/or part costs) shall be paid by the customer before any repairs take place.

During the repair process, additional items may be found that need further work and/or parts. The customer shall be notified if that is the case unless the work required needs less than 1 hr. of labor time and less than \$100 in parts.

## 19. Avionics

In order for any avionics scheduling to take place, after an Estimate has been signed and approved by the Customer, Customer will be charged the cost of any parts needed, plus sales tax on such. The deposit under "Payment Terms" is required to be received before any parts are ordered for the Customers. Once such payment has been processed and parts are on order, SIERRA AERO LLC's avionics tech will schedule the work. SIERRA AERO LLC does not guarantee the scheduling as it takes place under "first come, first serviced" basis.

Aircraft engineering documents must coincide with the current aircraft configuration. Inaccurate wiring, wiring diagrams, or other related documents will result in additional time and material charges. The Customer shall be responsible for providing wiring diagrams and any related documents for existing aircraft systems installations prior to or upon aircraft arrival.

Existing aircraft systems and avionics equipment that are coupled to newly installed avionics systems must be operating to current factory standards and mod status or additional repair costs will be applied.

SIERRA AERO LLC will register all warranty on newly installed equipment.

Unless specifically stated in our specifications, prices do not include any modifications or other work that is required due to antenna relocation or structural modification to gain space provisions. Should it be determined that modifications are necessary, such work shall be accomplished at an additional cost to the Customer.

## 20. Interior Modification

The pricing or downtime of an Estimate may vary depending on materials selected by the Customer.

SIERRA AERO LLC assumes the current oxygen supply and system to be capable of delivering the required flow to any new configurations.

SIERRA AERO LLC will only install new materials that are certified to meet the requirements of FAR 25.853 for flame resistance.

Estimates are based upon a standard aircraft in a standard configuration without deviations from OEM fit/form/function industry practices; therefore, any deviations may result in additional charges.

SIERRA AERO LLC assumes Customer will remove all of their own personal effects. SIERRA AERO LLC will remove and inventory any items that have been left onboard the aircraft. SIERRA AERO LLC will not be held responsible for the condition or safety of this loose equipment or personal belongings of any nature or kind. This includes log books or flight logs left in the aircraft. All log books will be signed in on a tracking sheet and signed out by SIERRA AERO LLC's staff when returned to either Customer or to the aircraft.

SIERRA AERO LLC assumes that Customer will supply all information and documents for placarding of existing installations.

Damages found after removal/disassembly of interior components will be repaired on a time and material basis and may extend the downtime.

If existing placards are removed due to SIERRA AERO LLC modification or refurbishment, placards shall be reapplied as adhesive labels.

## 21. Paint

SIERRA AERO LLC will only do minor composite and paint repairs and offers only a very limited warranty of 90 days. Such warranty coverage will be void under the following:

- a) Paint matching facility workman's shop or product issue.
- b) Discoloring, lifting or failure to the coating in anyway caused by fluids like hydraulic, TKS, fuel, etc.
- c) Areas where paint adhesion has been degraded and failed, such as (but not limited to) working rivets.
- d) Damage as a result of severe weather conditions such as acid rain, severe heat, hail, static popping, etc.
- e) Carbon fiber, composite and areas where dissimilar substrates meet that can be subject to cracking such as hairlines in substrate, stress, failure of composite, improper substrate installation, age, heat scoring or other factors out of SIERRA AERO LLC's control.

## 21. Entire Agreement.

These Terms and Conditions, along with the Estimate and Statement of Warranty, which are both incorporated herein by this reference, collectively contain the entire agreement of the parties regarding the Services, superseding any prior oral or written agreements or understandings (the "Agreement").

Any changes to this Agreement must be agreed to by all parties, in writing.

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