



AVIATION PARTS & SERVICES LTD.

Turkish Reg: Havacilik Parca Ve Servisleri Dis Tic. Ltd.

Address: Cobancesme Sanayi Cad. Nish Istanbul No.44 D Blok D. 119

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Tel: +90 212 559 4415 Fax: +90 212 559 4416

RFQ: sales@aviationps.com AOG: aog@aviationps.com

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EXCHANGE AGREEMENT

Customer and Offer Information

Date of this Offer :

Customer P.O. # :

Customer Phone :

Customer Fax :

Customer :

Article sold by AP&S AVIATION :

Part Number :

Serial No :

Condition :

Description :

Outright Price :

Article Exchange Information :

Core Part Number being returned by Customer : _____ (if blank then this is the exact as the partnumber sold by AP&S AVIATION, above)

Core Serial Number being returned by Customer : _____ (if known)

Ship to address for the core unit :

Exchange Fee :

This Express Exchange® Agreement is made by and between the Customer (as described above) and AP&S AVIATION (the "Agreement") as of the date written above. Each of AP&S AVIATION and the Customer are sometimes referred to in the Agreement as a "party" or, collectively, the "parties". Pursuant to the Agreement, AP&S AVIATION agrees to provide Customer with an Article meeting the description specified above in section titled "Article Sold by AP&S AVIATION". In exchange for the Article Sold by AP&S AVIATION, Customer agrees to (1) pay the "Exchange Fee" (as defined above in section titled "Article Exchange Information,") which shall be due and payable within 30 calendar days of the Date of this Offer (as defined above in section titled "Customer and Offer Information"), (2) provide a repairable Article meeting the description specified above in section titled "Article Exchange Information" (the "Core"), and (3) pay (a) the final repair fee (the "Actual Cost of Repair"), which shall be equal to the actual total cost incurred by AP&S AVIATION in connection with the repair of the Core to return it to a condition at least equal to the condition of the Article Sold by AP&S AVIATION and to certify the airworthiness of the Core in an airworthiness authorization and/or maintenance release in accordance with applicable aviation regulations (the "Recertification"), or (b) the evaluation fee (the "Evaluation Fee"), which shall be equal to the actual total cost incurred by AP&S AVIATION in connection with the performance of evaluations that result in a determination that the Core is Beyond Economical Repair ("BER") as defined in Section I of the Standard Terms and Conditions of the Agreement. Under no circumstances will AP&S AVIATION credit the Exchange Fee, the Additional Exchange Fee, or the Third Exchange Fee for a Core deemed BER or for a Core with a higher than average Core Repair Fee.

Customer shall deliver the Core to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility (as defined in Section I of the Standard Terms and Conditions of the Agreement). The average cost of Repair and Recertification of an Article comparable to the Core is approximately \$ _____ (the "Core Repair Fee"); however, the Core Repair Fee is an estimate for planning purposes only and is not meant to reflect the Actual Cost of Repair.

AP&S AVIATION reserves the right (but not any obligation) to approve a Customer Recertification of the Core following its repair in accordance with the terms of the Agreement; provided, however, that such AP&S AVIATION approval of Customer Recertification shall be binding on the parties to the Agreement only if in writing and provided prior to the receipt of the Core at AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility. AP&S AVIATION's approval of a Customer Recertification shall also be included in the "Special Notes" section below. Cores delivered to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility without its approval of Customer Recertification shall be accepted or rejected by AP&S AVIATION at its sole discretion and may be subject to additional charges. Core units are deemed unacceptable if returned with missing, unidentifiable or incomplete data plates and/or serial numbers.

Customer agrees to deliver the Core to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility no later than 0 calendar days following the date of this offer (the "Delivery Deadline"). If the Core is not delivered before the Delivery Deadline, then Customer shall pay an "Additional Exchange Fee" equal to the value of the Exchange Fee (the "Additional Exchange Fee"). Customer expressly agrees to pay both the Exchange Fee and the Additional Exchange Fee if the Core is not so delivered before the Delivery Deadline. For an Additional Exchange Fee, Customer also agrees to deliver the Core to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility no later than 15 calendar days after date of this offer (the "Second Delivery Deadline").

If the Core is not delivered to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility before the Second Delivery Deadline, then Customer shall pay a "Third Exchange Fee" equal to the value of the "Additional Exchange Fee". In this case, Customer agrees to deliver the Core to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility no later than 15 calendar days following the date of this offer (the "Third Delivery Deadline"). Customer expressly agrees to pay the Exchange Fee, the Additional Exchange Fee, the Third Exchange Fee, and the Outright Price if the Core is not so delivered before the Third Delivery Deadline.

If (1) the Core is not delivered to AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility before the Third Delivery Deadline, or (2) the Core is determined by AP&S AVIATION's Authorized Repair Facility to be BER (even if delivered to AP&S AVIATION's Authorized Repair Facility before the Delivery Deadline, the Second Delivery Deadline, or the Third Delivery Deadline), or (3) the Core cannot be repaired in a Reasonable Amount of Time (as defined in section I of the Standard Terms and Conditions of the Agreement), then Customer agrees to pay the Exchange Fee, the Additional Exchange Fee (if applicable), the Third Exchange Fee (if applicable), the Evaluation Fee (if applicable), and the Outright Price (as defined above in the section titled "Article Sold by AP&S AVIATION"). The sum of the fees



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listed in the preceding sentence shall be due and payable within 7 calendar days of each of AP&S AVIATION's invoices as they are dated to the Customer.

The core unit must be sent as DDP. Customer agrees to pay all transport cost, customs charges and other costs related to the return of the core unit.

Unless Customer Recertification is approved by AP&S AVIATION, Customer agrees to pay the Actual Cost of Repair and all related shipping charges in connection with services provided on the Core that is not deemed BER. If within 90 days after the first quote of repair from AP&S AVIATION's Authorized Repair Facility, it finds additional work necessary to complete the repair of the Core, AP&S AVIATION reserves the right to bill the Customer, or rebill the Customer additional fees, based on AP&S AVIATION's Authorized Repair Facility's additional findings. The sum of the fees listed in the two preceding sentences shall be due and payable within 30 calendar days of each of AP&S AVIATION's invoices as they are dated to the Customer.

Customer has the option to purchase the Article Sold by AP&S AVIATION (the "Purchase Option"). Customer may at any time exercise its Purchase Option by (1) providing AP&S AVIATION with a notice of the exercise of the Purchase Option and (2) remitting to AP&S AVIATION the amount equal to the Outright Price (as defined above in section titled "Article Exchange Information") plus any Exchange Fee, Additional Exchange Fee and Third Exchange Fee invoiced to Customer prior to AP&S AVIATION's receipt of Customer written notification of Customer's exercise of the Purchase Option. If Customer exercises the Purchase Option, the Customer shall be relieved from the obligation to deliver the Core, and the accrual of any additional fees (other than late charges or fees associated with any due or unpaid balance) shall cease upon AP&S AVIATION's receipt of the Customer's notice to exercise the Purchase Option.

0% of handling fee of the repair charges may be invoiced to the customer as well.

Customer agrees to pay AP&S AVIATION all amounts as they become due and payable in accordance with the terms of the Agreement. The definitions and other terms and conditions found in AP&S AVIATION's Standard Terms and Conditions attached hereto are incorporated herein by reference and are an integral part of the Agreement.

Special - - - - - **N / A** - - - - -
Notes

The undersigned agrees to the terms and conditions established by the Agreement, and warrants that he or she has the authority to enter into the Agreement on behalf of his or her business. The undersigned also certifies receipt of a copy of the Standard Terms and Conditions referenced herein and incorporated into the Agreement.

By : _____ Title : _____ Date : _____.____.

TO PREVENT ANY DELAY WITH YOUR ORDER BEING PROCESSED, PLEASE SIGN, DATE, & RETURN THIS PAGE A.S.A.P

The following Express Exchange® Standard Terms and Conditions Apply to, and Supplement, All AP&S AVIATION Exchange Transactions:

I. Definitions. For purposes of these Standard Terms and Conditions, the following rules and definitions apply:

The term "Article" or, collectively, "Articles" means any item or items sold by AP&S AVIATION or on AP&S AVIATION's behalf to a Customer. The term "Customer" means a company or person that is purchasing or exchanging an Article from AP&S AVIATION. The term "Core" has the meaning ascribed to such term in the Express Exchange® Agreement.

The term "Authorized Repair Facility" means an appropriately-rated facility from the AP&S AVIATION list of authorized repair facilities, and includes any facility with which AP&S AVIATION contracts for repair services. AP&S AVIATION maintains a list of Authorized Repair Facilities and only these facilities may be used by Customers in their dealings with AP&S AVIATION unless AP&S AVIATION authorizes an alternative Authorized Repair Facility in writing.

The term "Reasonable Amount of Time" shall mean a period of time not to exceed 90 calendar days after the Core has been delivered to AP&S AVIATION's Authorized Repair Facility.

In the context of an exchange, an Article or Core is considered "Beyond Economical Repair" or "BER" when the Actual Cost of Repair exceeds the Outright Price as established under the terms of the Agreement. An Article or Core is also considered BER if it cannot be repaired [using the type of efforts typically used in connection with similar repairs in the aerospace industry] in a Reasonable Amount of Time by the repair facility chosen by AP&S AVIATION. An Article or Core is also considered BER if it cannot be repaired.

In the event the core is unacceptable to AP&S, repair cost of the core unit exceeds 75% of the agreed outright price or the core unit is deemed BER by the repair station, the customer will be billed the aforementioned outright value as well as the original exchange fee, any accrued late fees, transportation, duty and evaluation fees of the core unit.

The term "Pass/Fail Article" means any Article that cannot be repaired beyond a general pass or fail inspection. A Pass/Fail Article can be, but is not limited to inspected, repaired, overhauled, or new conditions.

The term "Expired" means any inspected, repaired, overhauled, or new Article where the airworthiness approval certificate is over five years old.

The term "Life-Limited Part/s" means any part for which a mandatory replacement limit is specified in the type design, the instructions for continued airworthiness, or the maintenance manual.

The term "Life" means the accumulated time, hours, or any other mandatory replacement limit of a Life-Limited part. The term "Acceptable



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Documentation" means documentation meeting ALL of the following elements:

A packing slip, invoice, or other commercial document typically used in the aerospace industry from the certificated source and every party thereafter indicating that the Core was released from that source; and one of the following: (1) A non-incident statement from the certificated source indicating that the Core was not previously installed on an aircraft involved in an accident or incident; or (2) a statement indicating that the Core has never been subject to unusual heat, stress, or environmental conditions that could adversely affect the airworthiness of the Core; and a statement that the Core was not procured from any Government or any military source; and verification (such as a part marking where appropriate, OEM documentation, or written verification by the certificated source) that the Core was produced by the OEM.

II. Loss or Damage. Notwithstanding any other terminology on the Agreement, risk of loss of an Article passes to the Customer when the Article (1) is delivered to the carrier who will be responsible for carriage from AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility in the case of an Article shipped to a Customer or (2) is claimed by the Customer in the case of an Article picked-up at AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility by the Customer or the Customer's agent. In the event that the Article is lost, stolen, damaged, or destroyed after leaving AP&S AVIATION or AP&S AVIATION's Authorized Repair Facility, the Customer shall be obligated to pay all amounts that would be due and payable to AP&S AVIATION if no such loss, theft, damage, or destruction occurred. In the event that the lost, stolen, damaged, or destroyed Article was shipped as part of the Agreement, the Customer shall be responsible for paying the Outright Price for the Article, and any Exchange Fee previously paid may be credited to the Customer's account at AP&S AVIATION's sole discretion. In all events, the Customer is expected to insure its Articles against loss. If the Customer fails to insure Article against loss, then the Customer does so at its own peril.

III. Condition of Cores Provided in Exchange Transactions. Cores received in exchange transactions must be in repairable condition and must not be BER. AP&S AVIATION reserves the right to send a Core returned by the Customer to an Authorized Repair Facility which may be different than the Authorized Repair Facility or the repair facility which originally repaired the Article provided to the Customer. An Article Sold by AP&S AVIATION under the Agreement that is returned unused to satisfy the exchange transaction must be (1) in an unused and airworthy condition, (2) returned with original certifications and documentation accompanying the Article when shipped by AP&S AVIATION (or on AP&S AVIATION's behalf) to the Customer and (3) accompanied by a written certification, signed by an authorized person on behalf of the returning Customer and any other parties which had the Article in their possession, certifying that the Article has not been installed, and that no attempt has been made to install it, since its receipt by the Customer and other parties. AP&S AVIATION reserves the right, at its sole discretion, to send the original Article Sold by AP&S AVIATION to an Authorized Repair Facility for further inspection and additional fees may apply for the Recertification to restore the condition of the Article to equal the condition of the Article when sold by AP&S AVIATION.

If AP&S AVIATION, AP&S AVIATION's Authorized Repair Facility, or the repair facility determines in accordance with the terms of the Agreement that an Article or Core is BER, AP&S AVIATION shall ask the Customer (via e-mail or other means of communication previously used in communications between AP&S AVIATION and Customer) to provide shipping instructions enabling AP&S AVIATION to return the Core determined to be BER back to the Customer at the Customer's cost and expense (the "Return Instruction") and provide the Customer with an option to have the BER Core disposed of by AP&S AVIATION where additional charges may apply to the Customer (the "Disposal Instruction"). If AP&S AVIATION has not received the Return Instruction or Disposal Instruction in writing (via e-mail or other means of communication previously used in communications between AP&S AVIATION and Customer) within 15 calendar days of AP&S AVIATION's initial request for Customer instructions, Customer (1) shall be deemed to have relinquished all its rights of ownership and all its other rights, if any, to the BER Core, (2) assigns to AP&S AVIATION all ownership and all its other rights to the BER Core, and (3) acknowledges that AP&S AVIATION may dispose of the BER Core at its sole convenience and discretion.

Unless pre-approved by AP&S AVIATION in writing, under no circumstances will AP&S AVIATION accept a replacement Core for a Core that has been deemed BER. At no time will AP&S AVIATION be responsible for submitting or processing a warranty claim on behalf of the Customer. With AP&S AVIATION's written approval, Customer may send a Core Return for warranty claim directly to its vendor; however, the Calendar days in which the Core Return is due to AP&S AVIATION will continue to accumulate, which may cause the Customer to incur Additional Exchange Fees, until the Core Return transaction is satisfied per the Agreement. At no time will AP&S AVIATION be responsible for submitting or processing a warranty claim on behalf of the Customer. With AP&S AVIATION's written approval, Customer may send a Core Return for warranty claim directly to its vendor; however, the Calendar days in which the Core Return is due to AP&S AVIATION will continue to accumulate, which may cause the Customer to incur Additional Exchange Fees, until the Core Return transaction is satisfied per the Agreement. Cores received with DER repair/s will not be accepted unless AP&S AVIATION (1) recognizes the DER repair to be authorized by the OEM, or (2) authorizes in writing the return of a Core having a DER repair, or (3) the Article originally provided to the Customer had the identical DER repair/s. Cores received with PMA part/s will not be accepted unless AP&S AVIATION (1) authorizes in writing the return of a Core having the PMA part/s, or (2) the Article originally provided to the Customer was identified to have had the exact PMA part/s. Unless an alternate or variant part number is specifically pre-approved by AP&S AVIATION in writing, under no other circumstances will any part number be accepted as a valid Core Return other than the exact part number originally provided by AP&S AVIATION. A Core received from an Article that is a Life-Limited Part must have remaining Life equivalent to, or greater than, that of the Article originally provided to the Customer by AP&S AVIATION unless variant Life of Core is specifically pre-approved by AP&S AVIATION in writing.

NOTE: For all bio-hazardous Core Returns, Customer will be given specific instructions to ship the Article/s directly to AP&S AVIATION's Authorized Repair Facility. Bio-hazardous Core Returns that are mistakenly returned to AP&S AVIATION may be subject to additional fees including, but not limited to, bio-hazardous removal or pick-up fees, environmental cleaning fees, and additional shipping charges.

IV. Documentation of Cores Provided in Exchange Transactions. Unless an alternative or variance is specifically pre-approved by AP&S AVIATION in writing, a core delivered without Acceptable Documentation will be placed in quarantine and treated as overdue until the Acceptable Documentation is provided. Such delay in providing the Acceptable Documentation may cause the Customer to incur an Additional Exchange Fee and/or the Outright Price.

All Cores delivered to AP&S AVIATION by the Customer must be traceable to one of the following certificated sources:

- The Original Equipment Manufacturer ("OEM")
- An operator with an U.S. FAA Part 91 certificate;
- An operator with an U.S. FAA Part 121 certificate;
- An operator with an U.S. FAA Part 125 certificate;
- An operator with an U.S. FAA Part 129 certificate;
- An operator with an U.S. FAA Part 135 certificate;
- An air agency with an U.S. FAA Part 145 certificate.
- Cores delivered to AP&S AVIATION shall also have an unserviceable tag affixed to them indicating the reason for removal from the aircraft (the "Reason for Removal Documentation"). If the Core documentation does not contain such Reason for Removal Documentation, then the Actual Cost of Repair shall include, at the sole discretion of AP&S AVIATION or the Authorized Repair Facility, such additional tests and analysis as may be deemed appropriate or necessary to assure reparability and/or airworthiness.



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V. Customer Inspection. Customer shall inspect the Articles delivered to Customer by or on behalf of AP&S AVIATION within five business days of receipt (the "Inspection Period"). Customer must notify AP&S AVIATION in writing of any alleged discrepancies found during the Inspection Period. In the event that Customer notifies AP&S AVIATION in writing of alleged discrepancies (the "Discrepancy Notice") before the expiration of the Inspection Period, Customer shall have five business days from the day Customer provided AP&S AVIATION with the Discrepancy Notice to request AP&S AVIATION's authorization to return the Article (the Return Material Authorization or "RMA"). If a RMA is requested within the time specified in the preceding sentence, and AP&S AVIATION provides the RMA, the Customer shall return the Article in accordance with section VII of these Standard Terms and Conditions or in accordance with other written instructions provided by AP&S AVIATION in connection with such RMA.

VI. Warranty. AP&S AVIATION warrants that Articles shall be in the condition identified in the Agreement. In the event that an Article does not meet the condition identified in the Agreement, and the alleged discrepancy could not have been discerned during the shipping inspection, Customer may make a warranty claim by notifying AP&S AVIATION in writing of the discrepancy and asking for a RMA for warranty consideration. The warranty period begins on the date of invoice, lasts for a period of one year for new and overhauled Articles (other than Expired or Pass/Fail Articles), six months for repaired Articles (other than Expired or Pass/Fail Articles), 30 days for Expired or Pass/Fail Articles and inspected Articles and the discrepant Article must be returned to AP&S AVIATION for a warranty claim within this warranty period, unless return is waived by AP&S AVIATION in favor of mutilation. If time is of the essence, then upon receiving written pre-approval from an authorized AP&S AVIATION representative, Customer may be permitted to return the Article for warranty consideration directly to AP&S AVIATION, AP&S AVIATION's Authorized Repair Facility, or the repair facility for evaluation. In response to the Discrepancy Notice under the inspection or warranty provisions of these Standard Terms and Conditions, AP&S AVIATION may (1) reject the claim if the claim is not authorized under the inspection or warranty provisions of these Standard Terms and Conditions, or (2) issue a RMA and accept the return of the Article. In such an event, the cost of return shipping shall be borne by the Customer. The choice to issue a RMA shall be at AP&S AVIATION's sole discretion.

Unless written pre-approval is authorized by AP&S AVIATION, all warranties, expressed or implied, shall immediately cease if Articles are compromised or tampered with by the Customer, an unauthorized repair facility, or other facility opening the Article or tampering with or removing any protective warranty label or sticker from the Article.

The full cost of returning an Article in accordance with a RMA to AP&S AVIATION, including but not limited to all shipping costs to and from the Customer, shall be the sole responsibility of the Customer. Any shipping charges covered by AP&S AVIATION shall be applied and invoiced to the Customer accordingly.

THESE WARRANTY TERMS REPRESENT THE SOLE REMEDIES AVAILABLE TO A CUSTOMER, AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED. AP&S AVIATION SHALL NOT BE LIABLE FOR ANY WARRANTY OF MERCHANTABILITY OR FOR ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. AP&S AVIATION SHALL NOT BE LIABLE FOR CONSEQUENTIAL, NOR INCIDENTAL, NOR SPECIAL, NOR PUNITIVE DAMAGES FOR ANY CAUSE OF ACTION THAT ARISES AS A CONSEQUENCE OF, OR IN RELATION TO, THE TRANSACTION SUBJECT TO THE EXPRESS EXCHANGE® AGREEMENT AND THESE STANDARD TERMS AND CONDITIONS.

VII. Returns. Customer may not return an Article to AP&S AVIATION unless AP&S AVIATION has issued a RMA including a RMA number for the return. RMA's may be issued for alleged discrepancies when reported in accordance with section V of these Standard Terms and Conditions. RMA's may be issued for returns for credit at AP&S AVIATION's sole discretion. An Article Sold by AP&S AVIATION under the Agreement that is returned to AP&S AVIATION for credit must be (1) in an unused and airworthy condition, (2) returned with original certifications and documentation accompanying the Article when shipped by AP&S AVIATION (or on AP&S AVIATION's behalf) to the Customer and (3) accompanied by a written certification, signed by an authorized person on behalf of the returning Customer and any other parties which had the Article in their possession, certifying that the Article has not been installed, and that no attempt has been made to install it, since its receipt by the Customer and other parties. The Customer agrees that for such Articles returned for credit, the Exchange Fee, the Additional Exchange Fee (if applicable), and the Third Exchange Fee (if applicable) will remain due and payable. Upon receipt by AP&S AVIATION, such Articles may be sent to an Authorized Repair Facility for evaluation at AP&S AVIATION's discretion. If AP&S AVIATION or the Authorized Repair Facility reasonably determines that the Article does not meet one or more of the conditions specified in items (1) through (3) of this paragraph in this section VII, then (a) the return claim shall be denied, (b) the Customer shall not be entitled to a refund, and (c) the Customer shall be obligated to pay all fees identified in the Agreement and any costs associated with restoring the Article to the condition in which the Article had been when shipped by AP&S AVIATION (or on AP&S AVIATION's behalf) to Customer and/or evaluation fees or costs associated with the determination that the Article does not meet one or more of the conditions specified in items (1) through (3) of this paragraph in this section VII. If the Authorized Repair Facility finds that any found discrepancies are the result of mishandling, misuse, or other incidents which occurred after the Article left AP&S AVIATION's control, then the Customer shall be obligated to pay all fees identified in the Agreement and these Standard Terms and Conditions. AP&S AVIATION reserves the right to send an Article or Core returned by Customer to an Authorized Repair Facility which may be different than the Authorized Repair Facility or the repair facility which originally repaired the Article provided to Customer.

VIII. Customer Charge-Backs. If Customer elects to pay by credit card or by Automated Clearing House ("ACH"), in the event that the Customer, or any of its representatives, initiates a charge-back, immediately upon the charge-back becoming effective, the Customer shall be obligated to pay to AP&S AVIATION the amount subject to the charge-back, any fees or costs charged to AP&S AVIATION as a consequence of the charge-back, and any fees or costs, including attorneys' fees, associated with AP&S AVIATION's actions to collect payment from the Customer.

IX. Security Interest. Until such time as all fees and costs identified in the Agreement are fully paid, the parties agree that AP&S AVIATION retains a security interest in any Articles shipped to the Customer and such Article be a collateral for all fees and costs due from the Customer, and Customer agrees, upon AP&S AVIATION's written request, to promptly complete and sign a UCC financing statement representing AP&S AVIATION's security interest in such Article.

X. Customer Solvency. Customer warrants that it is solvent and has no knowledge of any impending insolvency proceedings against it at the time of the transaction.

XI. Timing. In all AP&S AVIATION Agreements, unless otherwise specified, time is considered of the essence. Failure by a Customer to meet any of the deadlines specified in any of AP&S AVIATION's Agreements shall be considered a material breach of such Agreement.

XII. Jurisdiction. All Agreements made by AP&S AVIATION are made in their local jurisdiction and shall be governed by and interpreted in accordance with the laws of its local jurisdiction, not including the state's conflict of laws' provisions. Both parties agree that any suit or proceeding



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based on any matter arising out of or brought in connection with the parties' dealings under the Agreement are subject to these Standard Terms and Conditions, or to enforce any clause of any such Agreement, shall be brought in a trial court in its local jurisdiction. Both parties agree to be subject to the jurisdiction and venue of that court.

XIII. **Costs and Attorneys' Fees.** In the event that either party incurs fees or costs for a collection agent or attorneys' services or in connection with its use of an arbitrator, mediator, court system, or other legal proceeding in order to collect a payment of any amounts owed or otherwise enforce any of either party's rights' or obligations under any Agreement subject to the Agreement and these Standard Terms and Conditions, the non-prevailing party shall be obligated to pay to the prevailing party any and all costs and fees, including attorneys' fees, associated directly or indirectly with any such actions by the prevailing party.

XIV. **Compliance.** Customer warrants that all Articles will be used in compliance with all applicable laws. Customer warrants that Article will not be subsequently used nor shipped in violation of U.S. and applicable laws, including all export laws and hazardous materials laws. Customer warrants that Articles will not be subsequently used nor shipped in violation of the laws of any jurisdiction through which or into which the Articles are shipped.

XV. **Indemnification.** Customer agrees to defend, hold harmless, and indemnify AP&S AVIATION, its affiliated companies, their directors, officers, employees and agents from and against any and all present and future liabilities, damages, losses, demands, fines, penalties and claims of any kind whatsoever, including all costs, expenses and reasonable attorneys' fees incidental thereto, which are or may be suffered by, accrued against, be charged to, or be recoverable by reason of any loss or damage to property or injuries or death of any person arising from the Article that is the subject of the Agreement and these Standard Terms and Conditions.

XVI. **Rejection of Amendments / Additions.** No amendments or additions to the Agreement and these Standard Terms and Conditions of the transaction will be accepted unless they are in writing and signed by both AP&S AVIATION and the Customer.

XVII. **Core units must be completed by shop within 0 days of receipt of core or additional fees may apply in the event piece parts are not procurable or have a lead time of 30days or greater AP&S Aviation May Charge additional exchange fees every 15 days until the core Is completed by the 145 repair station AP&S Aviation may also at its desertion deem the unit BER and the outright charged.**