

SHERWOOD AVIATION

Warranty Policy

REV 07/16/2018

SUPERSEDES ALL PREVIOUS VERSIONS

INTRODUCTION Sherwood Aviation (“Seller”) warrants that serviced goods (“Goods”) will be free from defects in material and workmanship for the period specified herein, unless otherwise excluded or expressly agreed to in writing by Seller. Seller warrants that at time of completion, Goods will comply with current specifications as applicable to approved technical data, including without limitation, drawings, publications, books, manuals, instructions, forms, documents, work requests, and orders. Seller’s obligation under warranty shall be limited to repairing or replacing, at Seller’s option, any nonconforming or defective Goods, parts or subassemblies during the effective warranty period as set forth below.

INSPECTION AND CERTIFICATION Goods that are inspected and found to be within tolerance as described by applicable technical data specifications will carry no warranty.

REPAIR Warranty for repaired Goods is conditional upon defects claimed within six (6) months or 600 flight hours, whichever occurs first, from the return to service date. Warranty does not offer or imply full coverage of any failure during this time period. Coverage is limited to the repair or replacement of parts and/or subassemblies replaced by Seller during the previous repair process, excluding expired life-limited parts (“LLP”). Repair or replacement performed under warranty shall offer no extension to the existing warranty.

OVERHAUL Warranty for overhauled Goods is conditional upon defects claimed within twelve (12) months or 1000 flight hours, whichever occurs first, from the return to service date. Warranty does not offer or imply full coverage of any failure during this time period. Coverage is limited to the repair or replacement of parts and/or subassemblies replaced by Seller during the previous overhaul process, excluding expired LLP’s. Repair or replacement performed under warranty shall offer no extension to the existing warranty.

BUYERS RESPONSIBILITY Buyer must provide written notification of any nonconformance to Seller within the applicable warranty period and disposition the Goods in accordance with Seller’s written instructions within ten (10) calendar days. Buyer shall maintain records that accurately document operating time, maintenance performed and the nature of the unsatisfactory condition of Goods. Buyer will allow Seller access to these records for substantiating warranty claims. Upon submission of a warranty claim, Buyer will provide Seller with a detailed description of the warranty claim including, where applicable, [1] Part Number and Serial Number; [2] description of the failure or nonconformance; [3] date of installation and date of failure [4] Hour/Cycles from installation to removal or occurrence; [5] pictures of damage, including packaging. Unless otherwise agreed to in writing by Seller, Buyer assumes shipping and handling costs for the return of any Goods and will bear the risk of loss or damage to Goods in transit. If Seller reasonably determines that a nonconformance does not exist, Buyer will be responsible for all expenses related to the improper return, including without limitation, shipping, handling, inspection, testing, packaging, and administrative costs.

SELLERS RESPONSIBILITY If Seller, in its sole discretion, finds returned Goods to be defective or nonconforming as a result of a failure in material or workmanship covered by this warranty, Seller will

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perform the applicable warranty service at no cost to the Buyer. Seller's obligation and remedy under this warranty is repair or replacement, at Seller's election, of any approved nonconformance. Any items replaced will become the property of Seller. Upon acceptance of a warranty claim, Seller will make best effort to promptly remedy and return the Goods to the Buyer. This warranty does not guarantee or imply timely return of Goods. Seller shall not be responsible for inability to obtain materials, parts or components due to circumstances out of its control including without limitation, shortages, obsolescence or manufacturing delays. All Goods repaired or replaced under warranty are warranted only for the unexpired portion of the original warranty period; no new warranty period shall be established.

CONDITIONS AND EXCLUSIONS Seller will not be liable under this warranty if the Goods have been exposed or subjected to any [1] maintenance, repair, installation, handling, packaging, transportation, storage, operation or use that is improper or otherwise not in compliance with Seller's instruction; [2] alteration, modification or repair by anyone other than Seller or those specifically authorized by Seller; [3] accident, contamination, foreign object damage, tampering, misuse and abuse, or neglect after shipment to Buyer; [4] damage caused by failure of any hardware or software not supplied or approved by Seller; [5] use of or with counterfeit or replacement parts that are neither manufactured, supplied or approved by Seller. Seller has no obligation under this warranty if examination discloses that apparent defects are due to tampering, improper handling or storage, improper use or operation, or if Buyer fails to maintain records that accurately document operating time and maintenance performed. Warranty excludes LLP's that have reached their end-of-life during the warranty period. All warranty repairs must be performed by Sherwood Aviation, 4690 NW 128th Street, Opa-Locka, FL 33054. Seller shall not be liable, in any manner, for any incidental, indirect, special, consequential, exemplary, or punitive damages, loss of revenue or anticipated profits, loss of business, data or sales. In no event shall Seller be responsible for equipment removal, examination, reinstallation, transportation, or any activities in relation thereto. Certain Goods and parts thereof are subject to performance indicators or warranties defined by the manufacturer to which the Seller warranty does not apply. Unless otherwise agreed to in writing by Seller, no other warranties shall be expressed or implied by law or otherwise and no further obligation or liability shall be incurred by Seller. No extension of this warranty is given unless set forth in writing by Seller.

PROPRIETARY RIGHTS, NONDISCLOSURE AND NON-USE OF INFORMATION Unless otherwise expressly agreed to in writing by Seller, all specifications, information, data, drawings, software, know-how, and other items which are transferred to Buyer in any form, shall be considered privileged, confidential and proprietary and may not be copied, disclosed or distributed to any third party.

SOFTWARE LICENSE Licensed software means software, including all related updates, changes, revisions, data, and documentation, if any, that Buyer is entitled to use under the specific order terms and which is not subject to a separate software license between the parties. Subject to Buyer's compliance with the software license terms or otherwise agreed to in writing by Seller, Seller grants to Buyer a nontransferable, nonexclusive license, without the right to sublicense, to use the licensed

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software in the specific operation of the Goods in which it is installed. Seller retains all title to the intellectual property related to all material and software provided. The licensed software may not be sublicensed, transferred or loaned to any other party without Seller's prior express written consent. Buyer is prohibited from making copies of licensed software. Buyer may not directly or indirectly make any effort to deconstruct the licensed software, including, but not limited to disassembling, reverse assembling, reverse engineering, creating derivative works or compilations, or performing any other operation to obtain any portion of its contents. Buyer will take all reasonable actions necessary to prevent unauthorized use or access of the licensed software.

EXPORT Buyer is responsible for compliance with all applicable import and export control laws and regulations. Buyer must obtain, at its sole expense, any necessary licenses or other approvals required for the import, export or re-export of Goods, technology, software, services, technical data and other items purchased, delivered or received from Seller. Buyer will retain documentation evidencing compliance with those laws and regulations. Buyer shall control the disclosure of and access to Goods, technology, software, services, technical data and other items received to any third party in accordance with all applicable import and export control laws and regulations. Buyer shall indemnify Seller for all liabilities, penalties, losses, damages, costs, or expenses that may be imposed on or incurred by Seller in connection with any violations of such laws and regulations by Buyer. Buyer shall immediately notify Seller if it is or becomes listed on any excluded or denied party list of any agency of the U.S. Government or its export privileges are denied, suspended, or revoked.

EXCUSABLE DELAY OR NONPERFORMANCE Except for payment obligations, neither party will be liable to the other for any failure to meet its obligations due to any Force Majeure event. Force Majeure is an event beyond the reasonable control of the non-performing party and may include without limitation: [1] fires, earthquakes, floods, tropical storms, hurricanes, tornadoes, severe weather conditions, or any other acts of God, [2] quarantines or regional medical crisis, [3] delays or refusals to grant an export license or the suspension or revocation thereof, [4] any other acts of any government that would limit a party's ability to perform under these terms, [5] shortages or inability to obtain materials, parts or components, [6] labor strikes or lockouts, and [7] riots, strife, insurrection, civil disobedience, landowner disturbances, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property). If a force majeure event causes a delay, then the date of performance will be extended by the period of time deemed reasonably necessary for the non-performing party to recover, or for any other period as the parties may agree in writing.

TERMINATION Either party may terminate this policy and all unperformed services by giving written notice to the other party upon the occurrence of any of the following events: [1] Except as specified in the following, the other party materially breaches the terms of this policy or other governing terms and conditions and fails to remedy the breach within sixty (60) calendar days after receipt of written notice that specifies the grounds for the material breach; [2] The other party fails to make any payment required when due, and fails to remedy the breach within five (5) calendar days after receipt of written

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notice of non-payment; or [3] Any insolvency or suspension of the other party's operations or any filing or proceeding made by or against the other party under any state, federal, or other applicable law relating to bankruptcy, arrangement, reorganization, receivership, or assignment for the benefit of creditors or other similar proceedings. Termination of this policy does not affect any debt, claim, or cause of action accruing to either party against the other before the termination. The rights of termination provided in this clause are not exclusive of other remedies that either party may be entitled to under this policy or in law or equity.

DISPUTES Any dispute, claim, controversy, action, or cause of action arising out of or relating to this policy, including the breach, termination or validity thereof, after good faith negotiations, will be resolved by submitting the claim to a court of competent jurisdiction. The arbitration will be conducted in English in Miami-Dade County, Florida. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this policy seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrator's determination of the merits of the controversy.

LIMITATION OF LIABILITY Seller shall not be liable, in any manner, for any incidental, indirect, special, consequential, exemplary, or punitive damages, loss of revenue or anticipated profits, loss of business, data or sales. The aggregate liability of Seller for any claims arising out of or related to this policy are limited to direct damages not to exceed the amount paid for the specific Goods or service that gives rise to the claim. To the extent permitted by applicable law, these limitations and exclusions will apply regardless of whether liability arises from breach of contract, indemnity, warranty, tort, operation of law, or otherwise.