

APPENDIX A: ELLIOTT AVIATION STANDARD TERMS AND CONDITIONS

These Standard Terms and Conditions of Sale of Elliott Aviation, LLC. (“Elliott Aviation”), together with the terms of sale set forth in our signed proposal (“Proposal”) submitted to you, will be the only terms of sale applicable to our repair, overhaul or servicing (“Services as defined in the Proposal”) of your Aircraft and parts thereof (“Equipment”) described in the Proposal.

1. General Terms & Conditions

Performance of Work. In the event maintenance, modification or repair service is required or requested for the Aircraft, such work will be contracted directly between Customer and an authorized Elliott licensed and certified affiliate to perform such services (i.e., Elliott Aviation of the Quad Cities, Elliott Aviation of Minneapolis, Elliott Aviation of Des Moines, or Elliott Aviation Technical Products Development, LLC.).

2. 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 proposal. Any subsequent releases may result in price changes due to changes in the applicable approved data. Proposal pricing is based on the assumption that: the Aircraft is in airworthy condition; 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 Elliott Aviation 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 cause Elliott Aviation to research and complete the data to accomplish the proposed work scope will cause additional charges and may extend the downtime. 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 these assumptions is wrong, 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 repair or replacement shall be performed at an Elliott Aviation facility and Customer shall be responsible for transportation costs. Any work required that is not part of a proposal or changes to the proposed work scope will be performed at the current labor rate and may extend the Aircraft downtime. Downtime stated in proposals is based upon a timely availability and receipt of required materials. Unless specifically stated, existing hardware will be used. All fuel, lubricants and/or crew expenses, incurred for engine runs and all flight costs, are the Customer’s responsibility. All freight charges are the responsibility of the Customer and will be charged in addition to any proposed pricing. Unless specifically stated, all equipment and furnishings removed shall become the property of Elliott Aviation 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.

3. 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 Elliott Aviation 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.

4. Substitutions

Elliott Aviation may incorporate changes in design, construction or installation and substitute equivalent equipment, accessories, parts, or material where it deems such changes 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, Elliott Aviation will have the right to substitute equivalent suitable materials.

5. Delays

Any proposed completion date is only an estimated completion date and is not guaranteed. Elliott Aviation 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 Elliott Aviation’s reasonable control.

6. Discrepancies and Additional Work

Any additional work may extend the downtime of 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

Elliott Aviation 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 Elliott Aviation accepts other arrangements. Acceptable methods of payment include cash, wire transfer, ACH, pre-approved company check or major credit card. Any credit card fees are the responsibility of the Customer. Progress payments are required for projects in excess of \$400,000 quoted value: Twenty-five percent (25%) deposit is due upon acceptance of the proposal; twenty-five percent (25%) due upon input of the Aircraft into the maintenance facility; twenty-five percent (25%) due at the approximate fifty percent (50%) completion point; and the remaining balance is due before the Aircraft is released and must be paid via wire transfer. Work scopes less than \$400,000 quoted value require payment of thirty percent (30%) deposit upon acceptance of the proposal, and the balance due before the Aircraft is released and must be paid via wire transfer. Elliott Aviation reserves the right to request additional deposits, progress payments and/or downtime for any additional work requested. Seven percent (7%) of the total labor will be added to the final invoice for expendables, not to exceed \$1,500.00. 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. Deposits become non-refundable ninety (90) days prior to the agreed aircraft arrival date, and will be retained by Elliott Aviation as liquidated damages in the event the project is cancelled. Customer agrees to pay one and one-half percentage (1.5%) points interest per month for all payments past due. Customer agrees that Elliott Aviation 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. Customer agrees that Credits or excess deposits on account will expire or become nonrefundable after twenty-four months of account inactivity. In the event Elliott is 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, Elliott 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 sixty (60) days from date of quote issuance.

9. Sales Tax

Company's prices and charges do not include such taxes. Customer is responsible for all sales, use, excise, or any other similar or other taxes, fees, duties, tariff or charges assessed or imposed by any governmental authority ("taxes"). Upon request, Customer shall furnish acceptable certificates or affidavits of exemption from any such taxes or charges. Customer agrees to 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 Elliott Aviation, in writing, within ten (10) days of any claims of incomplete or unacceptable work. The failure of Customer to notify Elliott Aviation 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 Elliott Aviation "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

Elliott Aviation does not provide a warranty for parts or software, which may have a manufacturer's warranty. Elliott Aviation provides the service of warranty administration manufacturers' products, as an independent provider. Elliott Aviation 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. Elliott Aviation 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 Iowa 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 Iowa 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. Elliott Aviation is responsible for all claims, demands, suits, judgments, losses, damages, costs and expenses, which arise on the ground out of Elliott Aviation's negligence 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 Elliott Aviation's negligence in performing Services (as defined in the Proposal) on the Aircraft. Customer agrees that Elliott Aviation 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 Elliott Aviation.

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.

Engine Preservation. Elliott Aviation may perform engine preservation procedures in accordance with engine manufacturer's directions for the engine model. The scope of engine preservation performed is determine by the initial anticipated planned work duration and through correspondence with Elliott Aviation's representative or project manager. If the customer chooses not to perform engine preservation, they must do so in writing

Additional work requests not included in the original scope of maintenance shall be in writing and Customer shall agree to pay Elliott for such costs prior to performing work, unless otherwise agreed upon by the parties. Modified work scopes and/or planned work durations may change engine preservation directions from the manufacturer. Customer agrees that Elliott Aviation will invoice the Customer and Customer agrees to pay for all engine preservation services.

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 Elliott Aviation and customer agrees to pay Elliott Aviation to provide up to 30 days of engine preservation without customer approval and authorization. Additionally, Elliott Aviation reserves the right to charge a storage and parking fee and Customer shall be responsible to Elliott Aviation for all charges associated with the storage or parking of the aircraft. The storage fee will be determined by the length of time the aircraft remains on Elliott Aviation premises and will be in alignment with fair market pricing paid by other tenants typical for the space occupied.

In the unlikely event that the customer does not respond or pay amounts due, Elliott Aviation may remove the aircraft from its premises immediately after 90 days at the owner's expense.

16. Limitations of Liability

IN NO EVENT SHALL COMPANY 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 THE COMPANY'S PREMISES, UNLESS SPECIFICALLY AGREED IN WRITING. IN NO EVENT

SHALL ANY ACTION BE COMMENCED AGAINST COMPANY MORE THAN ONE YEAR AFTER THE CAUSE OF ACTION

WITH RESPECT TO WHICH THE CLAIM IS MADE HAS ACCRUED. In the event Elliott Aviation physically damages

Customer's property, Customer's sole and exclusive remedy, and Elliott Aviation's sole and exclusive liability, is limited to the repair or replacement (at Elliott Aviation's option) of the damaged portion of the property.

17. General Provisions

Right to Subcontract. Elliott Aviation 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 Elliott Aviation 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 Proposal, 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. Entire Agreement.

This written agreement contains the entire agreement of the parties regarding this matter, superseding any prior oral or written agreements or understandings. This Agreement may be executed in one or more counterparts, each treated as the same binding agreement, which shall be effective upon execution. Any changes to this agreement must be agreed to in writing. Appendix A (Standard Terms and Conditions) & Appendix B (Special Terms and Conditions).

APPENDIX B: SPECIAL TERMS AND CONDITIONS

These terms and conditions are applicable only to services as provided to the customer.

1. MAINTENANCE

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

2. AVIONICS

- 2.1. Due to the excessively high demand for Avionics modifications, Elliott Aviation will require a non-refundable deposit of \$5,000 to secure aircraft input start date and required labor to support the installation. This deposit is in addition to the deposit required under Terms and Conditions para. "Payment Terms". The deposit under "Payment Terms" is required to be received no less than 90 days before scheduled aircraft input date. Failure to provide Payment Terms deposit can result in a forfeiture of the \$5,000 input date deposit. A three calendar day grace period will be provided to avoid forfeiture of the input date deposit.
- 2.2. 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.
- 2.3. 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.
- 2.4. This Specification does not assume any possible HIRF testing requirements that are developed at a later date.
- 2.5. EMI/RFI interference problems that are pre-existing or are found because of newly installed equipment, will be corrected at an additional cost to the customer.
- 2.6. Two complete sets of Avionics wiring diagrams will be provided for the Avionics equipment installed by Elliott.
- 2.7. Elliott Aviation will register all warranty on newly installed equipment.
- 2.8. Unless specifically stated in this Specification, 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.

3. INTERIOR MODIFICATION

- 3.1. The pricing or downtime of a proposal may vary depending on materials selected by the Customer.
- 3.2. Elliott Aviation assumes the current oxygen supply and system to be capable of delivering the required flow to any new configurations.
- 3.3. All new fabrics and materials not inherently flame resistant shall be treated with a fire retardant protection as needed to comply with applicable FAA specifications. Elliott Aviation will only install new materials that are certified to meet the requirements of FAR 25.853 (FAR29.853 for helicopters).
- 3.4. Proposals 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.
- 3.5. When performing refinish work on existing woodwork, Elliott Aviation assumes woodwork to be in good condition. If upon stripping, it is found that the existing wood veneer has concealed damage or cleaning solutions were used that impact the finish effort, additional charges shall be applicable to compensate for added finishing efforts.
- 3.6. Elliott Aviation assumes Customer will remove their own personal effects, galley stores, dishes, clothing, tapes, DVDs, CDs, etc. Elliott Aviation will remove and inventory any items that have been left onboard the aircraft. Elliott will not be held responsible for the condition or safety of this loose equipment.
- 3.7. Elliott Aviation assumes that Customer will supply all information and documents for placarding of existing installations.

- 3.8. Damages found after removal/disassembly of interior components will be repaired on a time and material basis and may extend the downtime.
- 3.9. If existing placards are removed due to Elliott Aviation modification or refurbishment, placards shall be reapplied as adhesive labels. If the substrate is not compatible with adhesive labels, silk screening shall be used at an additional charge. Pricing available at the customer's request.
- 3.10. Once Elliott's proposal is accepted our design team will then begin the material and design process utilizing the EnVision process or other means as applicable. The EnVision process will utilize a 2-D floor plan and a photo-realistic 3-D vignette to accurately illustrate the customers color and pattern selections. The EnVision process is finalized with a print version of the final interior color and pattern selections as well as a color board with samples of each material for approval and signature.
- 3.11. The EnVision Process vignette is intended for the sole purpose of illustrating color and pattern combinations. The vignette may not accurately depict your aircraft's seating configuration, floor plan or accessories location and or style, unless stated otherwise.

4. PAINT

- 4.1. Price includes chemical removal of the existing exterior coating. Additional stripping and/or sanding charges may apply if the existing exterior coating is more than 12 MILS thick or that the paint cannot be removed by standard chemical means.
- 4.2. Required sheet metal, fiberglass, or composite repairs may result in additional charges and downtime.
- 4.3. P-static repairs, if required, will be performed on a time and material basis.
- 4.4. Application of fill primer, if required, will be performed at additional costs.
- 4.5. Any special logos, additional stripes or difference from one color base paint and two stripes will be performed at additional costs unless called out in the proposal.
- 4.6. An environmental regulating charge of 4% of the total labor amount will be applicable to cover costs incurred to comply with local, State, Federal, and environmental regulations not to exceed \$2,500.00.
- 4.7. Aircraft that are RVSM compliant, a copy of the Instructions for Continued Airworthiness (ICA) must be supplied before price given will be considered firm. If the (ICA) is not supplied prior to input, a review of the (ICA) will be accomplished at the time of induction and any additional work required will be quoted to the customer via a change order.
- 4.8. All paper work that is required during a registration number change is the responsibility of the customer.
- 4.9. All paint renderings are a 2 dimensional representation of the proposed paint scheme and may require alteration during the actual laying out of the paint schemes. All efforts will be made to adhere to the original scheme as depicted. The customer will be notified if the layout requires a major alteration. All minor alterations will be made by proxy.
- 4.10. Additional Paint Warranty Information. Elliott Aviation's limited paint warranty excludes the following:
 - 4.10.1. With the choice of metallic, mica, pearl or other exotic coatings which cannot be controlled due to vendors, environmental conditions or products: Elliott Aviation will not be responsible for color matching outside the area that is considered warranty by workmanship or product issue.
 - 4.10.2. Discoloring, lifting or failure to the coatings in anyway caused by fluids like hydraulic, TKS, fuel, ETC.
 - 4.10.3. Aerodynamic filler cracking due to high flex such as around and in the main entry doorjamb, emergency hatches, baggage/avionics doors and other areas of pressurization an flex.
 - 4.10.4. Areas which paint adhesion has been degraded and failed due aircraft pressurization leaks such as working rivets causing paint to lift and or seams to crack and lift.
 - 4.10.5. Damage resulting from severe weather conditions such as acid rain, severe heat or static popping.
 - 4.10.6. Paint work (performed by others to modify or repair our paint work) which is not completed in accordance with Elliott Aviation's instructions, Elliott Aviation team member or an Elliott Aviation approved vendor.
 - 4.10.7. 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 Elliott Aviation's control.

5. ACCESSORY SHOP

- 5.1. Any work required that is not part of a proposal or changes to the proposed work scope will be performed at the current labor rate and may extend the Aircraft downtime. Downtime stated in proposals is based upon a timely availability and receipt of required materials. Unless specifically stated, existing hardware will be used. All Inspections, Maintenance, Service Bulletins and installations are priced based upon information in current circulation on the date of the proposal. Any subsequent releases may result in price changes due to changes in information contained in the applicable approved data.

- 5.2. All freight charges are the responsibility of the Customer and will be charged in addition to any proposed pricing. Unless specifically stated, all equipment and furnishings removed shall become the property of Elliott Aviation and may be discarded after Aircraft release and departure. Cancellation of any agreed work scope is subject to restocking/penalty charges; this includes charges for work performed.
- 5.3. Proposal pricing is based on the assumption that the Component is in airworthy condition and that there is adequate space. In the event this assumption is wrong, an estimate of the additional cost and time required to correct the deficiency will be submitted to the Customer for approval.