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## 1. ACRONYMS AND DEFINITIONS

- a. **AOG:** Aircraft on ground
- b. **CMM:** Component maintenance manual
- c. **CoC:** Certificate of Conformance/Compliance
- d. **Customer:** An entity or other legal person entering into this agreement with ITS or issuing an order to ITS in order to transact, purchase, lease, exchange, export and/or re-export goods, components, and/or services provided by ITS
- e. **DAR:** Designated Airworthiness Representative
- f. **EAR:** Export Administration Regulations
- g. **FAA:** Federal Aviation Authority
- h. **FOB:** Free on Board (also known as Freight on Board)
- i. **HazMat:** Hazardous Material
- j. **ITS:** Infinity Trading & Solutions, LLC
- k. **OFAC:** Office of Foreign Assets Control
- l. **RMA:** Return Material Authorization

## 2. CONDITIONS OF SALE

- a. Except to the extent superseded by the terms and conditions of an agreement between ITS and Customer, these terms and conditions of sale apply to and form part of each order issued by Customer to ITS for goods, components, or services. These terms and conditions of sale shall apply exclusively and shall constitute the entire agreement between ITS and Customer relating to the subject matter of the order and supersede language present in any subsequent orders, billing documents or any other documents, unless agreed in writing as an amendment to these terms & conditions signed by the duly authorized representatives of the parties. ITS's acceptance of an order from Customer is expressly conditioned on Customer's assent to these terms and conditions, and Customer's terms and conditions shall not be recognized by ITS unless ITS expressly consents to their validity in writing.
- b. A order must be received in documented format either by fax or electronic mail (email). Orders may be emailed directly to an ITS account manager or sent to the sales department by email: ([sales@its.aero](mailto:sales@its.aero)).
- c. Quotations issued by ITS are valid for 30 days, provided that such quotation does not constitute an offer and ITS reserves the right to withdraw or revise any quotation at any time prior to ITS's acceptance of Customer's order. All prices quoted by ITS are unless expressed otherwise, exclusive of taxes and duties which shall be payable by Customer.
- d. The price shall be the price quoted by ITS to Customer or as otherwise agreed between the parties in writing. Unless otherwise agreed in writing, ITS shall be entitled to invoice Customer for the price of goods or services together with any taxes, transport, packaging and insurance or other fees and charges.
- e. A purchase order will not be accepted over the phone. Verbal agreements, including any amendments or additions to these terms and conditions, must be confirmed in writing by ITS to become valid.
- f. Documents sent by Customer to ITS shall indicate order number and description.
- g. In the event more than one Customer sends a purchase order for a given good or component at a mutually pre-agreed price, the first purchase order received in hand by ITS will be accepted, as evidenced by the time stamp on ITS's email or fax system.
- h. The minimum dollar amount for a purchase order is \$150.00 USD.
- i. A \$250 USD AOG fee will apply to any order that is requested to ship same day but received between 3:00 to 5:00pm CST. A \$250 USD fee will apply to all AOG orders received after 5:00pm CST on weekdays, weekends and holiday orders, if it is required to ship the same day.

### 3. *WARRANTY*

- a. ITS warrants to Customer that, at the time of delivery of the good or component to Customer, such repaired or overhauled good or component will conform to the description set forth in the order and will be free from defects in material or workmanship under normal use and normal service during the warranty period outlined below.
- b. The ITS standard warranty time period, unless otherwise agreed in writing by ITS, is as follows:
  - i. New Surplus – 30 Days from invoice date.
  - ii. Factory New – 1 Year from date of the manufacturer’s CofC or Airworthiness Certificate.
  - iii. Inspected and/or Tested – 30 Days from Tag Date.
  - iv. Repaired – 6 Months from Tag Date (Only includes work performed & part(s) previously replaced during last repair).
  - v. Overhauled – 1 Year from Tag Date (Only includes work performed for overhaul per the CMM).
- c. The Warranty shall NOT apply to:
  - i. Aircraft system deficiencies.
  - ii. Customer-induced damage or misuse or abnormal use.
  - iii. Storage, installation, use, inspection or maintenance in a manner not in conformance with the recommendations of the repair shop or the original equipment manufacturer
  - iv. Shipping or handling damage incurred by courier due to mishandling of package.
  - v. Exposure to environmental conditions in excess of those published in the manufacture’s equipment specifications.
  - vi. Damage due to an event unrelated to the operating of the good or component.
- d. Warranty is VOID, if any attempt is made to repair defective goods or components or any repair tag shall have been defaced, altered or removed, without the consent of ITS. This includes testing of goods or components unless goods or components are being tested by End User for End Use.
- e. Warranties will not be accepted without an ITS Warranty RMA form issued by ITS in accordance with Section 4 below.
- f. Parts Quoted as “Guaranteed Repairable” – ITS warrants that a good or component delivered by ITS as “Guaranteed Repairable” will be capable of being restored to an airworthy condition by an ITS approved repair facility. ITS does not guarantee or warrant the condition or airworthiness of a good or component. If Customer shows to ITS’s reasonable satisfaction, that the good or component cannot be restored to an airworthy condition, ITS’s sole liability, and Customer’s sole remedy, shall

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- be to refund to Customer the invoice amount paid by Customer with respect to the good or component.
- g. Guaranteed to “Work upon Installation” – ITS guarantees that a good or component that has been repaired or overhauled prior to sale and delivered as guaranteed to “Work upon Installation” is guaranteed to be operable upon installation. If Customer shows to ITS’s reasonable satisfaction, that the good or component is not operable upon installation, ITS’s sole liability, and Customer’s sole remedy, shall be to refund to Customer the invoice amount paid by Customer with respect to the good or component.
  - h. Where goods or components are returned for warranty consideration and the shop determines there is No Fault Found (NFF), Customer is responsible for all logistic fees to and from the shop back to the Customer. Unless notified in writing, the shop quotes will be approved 48 hours after being provided to the Customer. The Customer will be invoiced fees.
  - i. DISCLAIMER. Other than the express representations and warranties of ITS set forth in this Section 3, all goods and components are sold and delivered hereunder “AS IS, WHERE IS.” The warranties, obligations, liabilities of ITS and the remedies of Customer set out in this limited warranty are exclusive and are made and accepted by Customer in lieu of and Customer waives and releases all other warranties, obligations and liabilities of ITS and all other claims and remedies of Customer, express or implied, arising by statute or otherwise, with respect to any defect in the good or component, including but not limited to the waiver and release by the Customer of the following: (i) any statutory or implied warranty of the capacity, age, airworthiness, condition, value, quality, durability, description, condition (whether of the good or component, or any part thereof or its records), design, workmanship, materials, manufacture, construction, operation, state, performance, fitness for any particular use or purpose or suitability of the good or component or any part thereof, (ii) the absence of latent or other defects, whether or not discoverable, known or unknown, apparent or concealed, exterior or interior, (iii) the absence of any infringement of any patent, trademark, copyright or other intellectual property rights, (iv) any statutory or implied warranty of merchantability or fitness for purpose, (v) any implied warranty arising from course of dealing, course of performance or usage of trade, and (iii) any other right, claim, or remedy whatsoever of Customer or any person claiming by, through, or under Customer against ITS arising pursuant to the foregoing limited warranty, pursuant to any agreement pertaining to the good or component, in tort (including, but not limited to, negligence), in products liability or strict liability; it being understood that nothing herein will be deemed to limit Customer from availing itself of any warranties, covenants, and representations of any manufacturer.

- j. Notwithstanding anything to the contrary in this Agreement, ITS not shall have any obligation or liability and Customer acknowledges that ITS shall not have any obligation or liability whatsoever to Customer, or to any person claiming by, through or under Customer, whether arising pursuant to the foregoing limited warranty, or in contract, indemnity, tort (including negligence), products liability, strict liability, or otherwise, for any special, indirect, exemplary, punitive, incidental or consequential damages (even though such damages may be foreseeable), including, without limitation, damages for lost profits or business opportunities, lost revenues, cost of capital, loss of use of equipment, overtime, cost of substitute equipment, repairs or facilities, cost of downtime, cost or purchase or replacement equipment or parts, cost of transportation, cost or freight, inspection, installation, removal or reinstallation with respect to the good or component, or claims of Customer or any customer of Customer for such damages.
- k. Customer agrees to defend, indemnify, and hold harmless ITS and the previous owner/operator of the good or component, its affiliates, officers, servants, agents, and employees from and against any and all liabilities, losses, damages, demands, fines, penalties, and claims of any kind whatsoever, including all costs, expenses, and reasonable attorneys' fees incidental thereto, which may be suffered by, accrued against, chargeable to, or recoverable from ITS as a result of injury to or death of any person, or damage to, loss or destruction of property arising out of Customers' or any subsequent possession, ownership, use, lease, or operation of the good or component purchased, leased, exchanged, exported, re-exported, shipped or transacted from ITS.

### ***4. RETURN MATERIAL AUTHORIZATION ("RMA")***

- a. All returns must be pre-approved and cannot be returned without prior receipt of an RMA authorization from ITS. Any return shipped to ITS without preauthorization will be rejected and returned to Customer.
- b. In order to obtain an RMA from ITS regarding an issue on a good or component, the Customer must contact ITS's account manager or customer service. The Customer is obligated to provide supporting documentation to ITS of the issue which must include but is not limited to:
  - i. Shop Report from an approved certified repair facility
  - ii. A report from an airline or appropriate aircraft operator quality control department that the good or component was not operational upon installation

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- iii. A 360° photo of the good or component after failure showing either visible damage or that the incorrect good or component was received by Customer.
- iv. A picture of any damaged packaging or crating.

The Customer shall be required to satisfy the burden of proof regarding any RMA request.

- c. Customer shall deliver to ITS all RMA requests, and provide the required supporting documentation, within 30 days of invoice date, including As Removed/Guaranteed Repairable parts. If additional time is required for shop evaluation for As Removed Guaranteed condition, then Customer must make such request in writing prior to the 30-day period. Customer's failure to comply with the terms and condition herein and submit to ITS a complete RMA request packet with all supporting documentation within 30 days of the invoice date will result in the denial of a request.
- d. An RMA may be issued for a good or component if one (or more) of the following are shown to the reasonable satisfaction of ITS to have existed at the time of delivery of the good or component to Customer:
  - i. The Customer received the incorrect good or component from that which was listed on the Customer's purchase order.
  - ii. The Customer received a damaged or broken good or component without prior notification and written consent by Customer.
  - iii. If delivered by ITS as guaranteed to "Work upon Installation," the good or component(s) ordered is not operational upon installation.
- e. Unapproved RMAs are subject to a 25% restock fee.
- f. All goods and components approved by ITS with RMA authorization must be received in ITS's warehouse within 14 calendar days domestic and 21 calendar days international of RMA issue date.
- g. If a good or component is shipped to a location other than the address supplied on the RMA, Customer is responsible for shipping fees to the correct location. Any shipping charges incorrectly billed to ITS will be immediately reimbursed by Customer to ITS, along with a 25% administrative fee and payment will be due immediately.
- h. The Customer agrees to follow the instructions for return of the good or component as set forth on the RMA. The RMA number must be referenced on all documentation pertaining to the return and must also be clearly marked on the outside of the returned package.
- i. If any good or component or supporting documentation is returned to ITS altered, damaged or missing subcomponents, then the RMA will be null and void and ITS may pursue additional remedies and actions up to and including reporting to the FAA.
- j. Where goods or components are sold (in any condition) and subsequently sent to a shop for evaluation, the payment shall be made by the Customer

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on the due date defined within the ITS invoice, regardless of the time required for repair evaluation and/or repair fee determination.

### 5. DELIVERY

- a. Unless otherwise agreed in writing by ITS, all goods and components will be delivered by ITS to Customer EXW ITS's facility (Incoterms 2020) or FOB origin. ITS will not be responsible for lost or destroyed shipments that are not insured by the Customer, and the risk of loss and damage to goods and components shall pass to Customer immediately upon delivery being effected. ITS will not reimburse original shipping costs or crating fees on returned goods or components.
- b. All orders will be shipped using Customer's preferred shipping method and respective account. Any shipping costs originally billed to the Customer's account and then re-billed back to ITS without prior approval, will incur a 25% handling fee.
- c. International shipments that are shipped on ITS accounts may result in two (2) separate invoices:
  - i. Invoice 1: Customer will be invoiced for shipping charges on the date of the shipment.
  - ii. Invoice 2: ITS will invoice the Customer for all duties, taxes and fees after ITS has received the Customer's preferred carrier's invoice.
- d. Shipments of component(s) designated as Hazardous Material ("HazMat") are subject to a minimum \$75 USD fee.
- e. Crating charges are added to large items and/or heavyweight items such as wings, frames, sheet aluminum, and other oversize items that require a custom-built wood crate. All shipments sent via Ocean Freight will also have a crating charge.
- f. Crating charges are in addition to shipping charges.
- g. In the event of a return crating charges will not be refunded.
- h. If an FAA Form 8130-3 form (Airworthiness Approval Tag) is required to be completed by a Designated Airworthiness Representative ("DAR"), a fee of \$250 USD will be added to the order.
- i. Notwithstanding delivery and the passing of the risk of loss, final title transfer of a purchased good or component occurs upon ITS's receipt of payment in full from Customer.
- j. Any dates quoted by ITS for delivery of goods or components are approximate only and ITS shall not be liable for any delay in delivery of goods or components however caused and time for delivery shall not be of the essence unless previously agreed by ITS in writing.
- k. Unless otherwise agreed between Customer and ITS account manager, any orders that do not ship within five (5) business days of when the good

or component is available for shipment, due to Customer-induced delays, may be cancelled by ITS and/or incur storage fees.

## 6. EXCHANGES

- a. With respect to any exchange between ITS and Customer where Customer transfers a good or component to ITS in exchange for a good or component supplied by ITS, Customer and ITS shall execute an ITS exchange agreement, which shall supersede these term and conditions, any subsequent agreements, purchase orders, billing documents and other documents, unless otherwise agreed in writing.
  - i. A signed ITS exchange agreement must be received back from the Customer prior to shipment of any good or component by ITS to Customer.
  - ii. If an exchange good or component is not delivered by Customer to ITS within the timeframe set forth in the exchange agreement, Customer shall pay to ITS additional exchange fees and/or the value of the good or component, as set forth in the exchange agreement.

## 7. INVOICING AND PAYMENT

- a. Orders are shipped on prepay (by credit card, check, or wire transfer), C.O.D., or credit basis as approved by ITS.
- b. Approval for Credit is subject to meeting the following requirements:
  - i. *Completion of at least 3 separate orders with ITS.*
  - ii. *Submission of a complete credit application to ITS.*
- c. Once the credit application has been reviewed, credit with ITS may be approved at the discretion of ITS.
- d. If approved for ITS credit, Customer agrees to make payment of invoiced amounts within the agreed time (calendar days) and in addition:
  - i. *Payment is due within the time frame allotted regardless of situations such as the good or component waiting for repair at a shop or acceptance by the Customer's quality department.*
  - ii. *All amounts due shall be paid in full and Customer shall not be entitled to assert any set-off or counterclaim against ITS whether arising from breach of contract, tort (including negligence), breach of statutory duty or any other matter whatsoever in order to justify withholding payment of any such amount in whole or in part.*
  - iii. *Past due invoices are subject to a monthly finance charge of 1.5% of the unpaid amounts or \$25 USD, whichever is greater, until the balance is paid in full.*



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- iv. In addition, ITS may seek assistance from an outside collection agency. The Customer will be responsible for all collection costs and attorneys' fees (where allowed by law) in connection with any delinquent payment.*
- e. ITS reserves the right to establish other terms of payment and suspend or restrict shipments to the Customer if payments are delinquent, if the Customer has exceeded the established credit limit, or if the financial condition of the Customer at any time, in ITS's sole judgment and discretion, does not justify the terms of payment specified.
- f. Failure by Customer to comply with these terms and conditions and the terms of any credit granted to the Customer may result in loss of discounts and credit terms in the sole discretion of ITS.
- g. For prepay orders, payment must be received within five (5) business days from the receipt of the order. If payment is not received within five (5) business days, the order is subject to cancellation.
- h. Checks returned for any reason will be assessed a processing charge of \$100 USD.
- i. If payment is to be made by wire transfer, the Customer is required to comply with the following:
  - i. All wire transfers will be made in United States Dollars (USD).*
  - ii. The Customer is responsible for Customer's bank's wire transfer fees.*
  - iii. The Customer must include an additional \$15.00 USD for domestic wire transfers and an additional \$40.00 USD for international wire transfers.*
  - iv. Any excess funds received will be credited to Customer's account.*
  - v. Wire Transfer instructions can be found at the bottom of the ITS sales invoice or requested through AR@ITS.AERO.*
- j. Any orders placed on credit card are subject to a minimum 4% administrative fee.
- k. Customer is required to ensure the following current accounting information is on file at ITS at all times:
  - i. A current name and contact information (phone and email) for an appropriate accounting representative.
  - ii. A current resale certificate (if applicable).
  - iii. Customer's country Company Registration/Certification Form (i.e., USA - IRS W-9).
- l. If there is a Customer-caused delay to payment or order fulfillment, ITS reserves the right to charge the Customer for loss of time, loss of value, restocking and/or re-conditioning.

## 8. EXPORT & COMPLIANCE

- a. Customer represents and warrants that Customer (i) shall comply with all applicable laws in connection the purchase, lease, exchange, export, re-export, shipment of goods or components or supporting documentation and/or any transactions with ITS, including but not limited to the Export Administration Regulations (EAR) of the U.S. Commerce Department's Bureau of Industry and Security, the International Traffic in Arms Regulations (ITAR) of the U.S. State Department's Directorate of Defense Trade Control (DDTC), and the rules and regulations of the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) and (ii) is fully authorized under all applicable law to receive all goods and components and documents in accordance with these terms and conditions.
- b. Customer confirms that in the event it sells, resells, leases, exchanges, licenses, transfers, exports or re-exports, or otherwise dispose any good or component purchased, assigned, or transferred from ITS in any manner, to any person, to any country, or for any use, the Customer will do so in full compliance with all applicable laws and regulations and it shall acquire and obtain any licenses or prior approvals required any applicable law or regulation.
- c. Customer agrees that it will at all times comply with all applicable laws relating to anti-bribery and anti-corruption (including but not limited to the Bribery Act 2010 and United States Foreign Corrupt Practices Act of 1977 as amended (FCPA)) and it shall not engage in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 or FCPA. Customer warrants that neither it nor any of its employees, agents or representatives has offered or given or will offer or give any gratuities to ITS's employees, agents or representatives with a view toward securing any order or favorable treatment with respect to an order.
- d. ITS complies with trade agreements, tariffs, embargoes, export controls and sanctions established by the US government as well as regulations that prohibit the direct or indirect export to specified countries.
- e. Customer also confirms that the goods and components and supporting documentation acquired from ITS will not be used for any purpose connected with chemical, biological, or nuclear weapons, or missiles capable of delivering any weapons, nor will they be resold if it is known or suspected that the goods or components or supporting documentations are intended or likely to be used for such purpose.
- f. Customer also represents and warrants that it and its customers are not debarred, suspended, prohibited, restricted or otherwise impaired from exporting, re-exporting, receiving, purchasing, procuring, or otherwise obtaining any items, documentation and/or services regulated by any US government agency.

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- g. Customer agrees that if Customer breaches any term of this Section 8, the order or transaction is subject to immediately cancellation or termination.
- h. Should a violation of any of the terms of this Section 8 occur, the Customer shall notify ITS immediately, fully co-operate in any and all investigations or litigations, and shall indemnify ITS against any fees, fines and damages (including attorney's fees) associated with the violation.

### 9. MISCELLANEOUS

- a. *Unenforceability*: If any clause in these terms and conditions is ineffective, this shall not affect the validity of the remaining clauses which can be given effect without the invalid clause or application.
- b. *Confidentiality*: Information contained in ITS's quotes, estimates, purchase orders, invoices and/or any contract is intended for the exclusive use of the Customer to whom it is addressed. Any distribution, copying, publicizing or other disclosure to third parties without prior written consent of ITS is prohibited.
- c. *Assignment*: Neither party may assign any of its rights and obligations pursuant to any order without the other party's prior written approval. These terms and conditions shall inure to the benefit of and be binding upon the legal representatives, successors, and permitted assigns and transferees of ITS and of Customer.
- d. *Remedies and Waiver*: Failure by a party to exercise or enforce any rights hereunder shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.
- e. *Force Majeure*. ITS shall not be liable for damages for any delay or failure to perform its obligations under any order which are due to causes beyond its control, including without limitation, acts of God, acts of public enemies, acts of governments (whether legal or illegal), epidemics, quarantine restrictions, industrial disputes, lock-outs, strikes, work slow-downs, freight embargoes, or severe weather.
- f. *Notices*: All notices, correspondence and documents to be given shall be in English or a signed English translation. If there is any difference between the English version and any version in any other language, the English version shall prevail. Notices or communications pertaining to an order may be sent by first class mail, by email, or by telecopy, a recognized overnight messenger, which shall be directed to the addresses of ITS and Customer set forth on the front of the purchase order.

## 10. GOVERNING LAW AND JURISDICTION

- a. The governing law of the order and these terms and conditions and/or any contract is the laws of the state of Arizona, USA, without consideration of any choice of law rules. ITS and Customer submit to the exclusive jurisdiction of any U.S. Federal or Arizona State court sitting in Phoenix, Arizona in any action or proceeding arising out of or relating to the order, these terms and conditions, or any contract, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Arizona State court or, to the extent permitted by law, in such Federal court, and hereby waives, and agrees not to assert, as a defense in any such action or proceeding, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that its property is exempt or immune from execution, that the suit, action or proceeding is brought in an inconvenient forum, or that the venue of the suit, action or proceeding is improper. ITS AND CUSTOMER EACH, TO THE EXTENT IT MAY LEGALLY DO SO, HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, OR CAUSE OF ACTION ARISING OUT OF THE ORDER, THESE TERMS AND CONDITIONS, ANY CONTRACT, OR ANY DOCUMENT EXECUTED IN CONNECTION HEREWITH.