

Surplus Spare Parts Sales Terms and Conditions
(Orders received via the Bombardier Portal "Portal")
2020

Note 1: The Terms and Conditions that follow apply to any sale of surplus inventory via the Portal and any other terms and conditions contained in other Bombardier or Learjet's websites are not applicable. No deviations to these terms and conditions will be accepted. Any proposed terms containing exceptions/deviations to these Terms and Conditions will be rejected. In the Terms and Conditions that follow, the term "**Buyer**" means the purchaser of surplus spare parts from Seller, and the term "**Seller**" means the entity of Bombardier group, being either Bombardier Inc., or Learjet Inc., or Bombardier Aerospace Germany GmbH, or such other affiliate or subsidiary of Bombardier (each as the case may be), that accepts Seller's order and distributes the surplus spare parts accepted in the order.

ARTICLE 1 - SCOPE

- 1.1 On the Portal, Buyer will find surplus inventory packages for components associated with Bombardier business aircraft types (each package a "**Lot**"). Buyer may offer to purchase a Lot for sale on the Portal, indicating clearly the amount offered and Seller will determine whether to accept the price. If accepted, Buyer will receive notification of such acceptance. All sales of a Lot and the surplus spare parts are final.

ARTICLE 2 - PRICE

- 2.1 All prices are expressed and payable in U.S. dollars.
- 2.2 The Total Purchase Price includes the cost of standard commercial packing suitable for export shipment via air freight generally in accordance with ATA Specification 300.
- 2.3 Any existing or future sales incentive that Seller may offer to Buyer, such as discounts or rebates, shall not apply to any sales of surplus spare parts pursuant to these Terms and Conditions.

ARTICLE 3 - DELIVERY

- 3.1 Delivery of surplus spare parts ordered by Buyer shall be Free Carrier (Incoterms 2010) Seller's designated facility.

ARTICLE 4 - TAXES AND DUTIES

- 4.1 Buyer shall be responsible for the payment of any taxes including without limitation sales, use, value-added, withholding, goods and services tax, excise, imposts, duties, any other taxes imposed or withheld by any taxing authority, and any other related charges and fees of any nature together with any fines, penalties or interest as a result of any purchase, sale, use, delivery, storage, transfer or otherwise of any surplus spare parts, or any other matter in connection with these Terms and Conditions (collectively "**Taxes**").
- 4.2 If Seller has reason to believe that any such Taxes are applicable, Seller may separately state the amount of such Taxes on its invoice to the Buyer.
- 4.3. If a claim is made against Seller for any such Taxes, Seller shall promptly notify Buyer of such claim and Buyer shall promptly pay after receipt of such notice or reimburse Seller for such Taxes.
- 4.4 In the event that any deduction or tax withholding is required in respect of any amount payable by Buyer to Seller, Buyer will pay such an increased amount as will ensure that, after the required withholding is applied, Seller still receives the amount as set out in the order.
- 4.5 Buyer shall be responsible for the payment of any brokerage fees, customs duties and other import charges with respect to the importation of any surplus spare parts.

ARTICLE 5 - PAYMENT TERMS

- 5.1 If Buyer's account with Seller is in good standing, payment terms shall be net 30 days of the invoice date.
- 5.2 If Buyer's account with Seller is not in good standing, payment in full for the surplus spare parts shall be made by Buyer to Seller in immediately available funds by wire transfer prior to Seller's shipment of the surplus spare parts.
- 5.3 Buyer shall comply with all applicable monetary and exchange control regulations and shall obtain any necessary authority from the governmental agencies administering such regulations to enable Buyer to make payments to Seller at the time and place and in the manner specified herein.

- 5.4 Seller's invoice to Buyer must be paid, in full, in the manner and within the time period set forth in such invoice. In the event Buyer disputes all or any portion of Seller's invoice, Buyer shall nonetheless submit payment in full of the amount not in dispute, and Buyer shall provide written notice to Seller of its dispute with the invoice within 30 days of the date of Seller's invoice, which notice shall provide detailed justification of the reasons for the dispute. In the event such dispute is not resolved (as confirmed in writing by Seller) within 20 days of receipt of such notice by Seller, then the outstanding amount in dispute shall become due and payable within 10 days of the expiry of such 20-day period without any further notice from Seller.

ARTICLE 6 - TITLE

- 6.1 Property and title, and risk of loss or damage, to the surplus spare parts shall pass to Buyer upon delivery of such parts Free Carrier (FCA) Incoterms® 2010 Seller's designated facility. Seller agrees to notify Buyer of the date parts are shipped and the carrier's reference information (i.e. waybill number).

ARTICLE 7 - PACKING AND METHOD OF SHIPMENT

- 7.1 All surplus spare parts ordered shall receive standard commercial packing suitable for export shipment via air freight. Such standard packing will generally be to ATA 300 standards, as amended from time to time.
- 7.2 Seller shall include in each shipment a packing list/release note itemized to show: (i) the contents of the shipment; (ii) available certification documentation; and (iii) the value of the shipment for customs clearance if required.
- 7.3 Buyer shall specify the required method of shipment and carrier on each order. If no method has been provided, Seller will ship via Seller's selected method of shipment and selected carrier, all at Buyer's risk and expense.

ARTICLE 8 - CONDITION OF SURPLUS SPARE PARTS

- 8.1 Seller makes and provides no representations or warranties, express or implied, relating to any of the surplus spare parts that Buyer orders from Seller. Surplus spare parts are sold by Seller to Buyer expressly on an "as is" basis.
- 8.2 BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL REMEDIES, WARRANTIES, GUARANTEES, OBLIGATIONS, REPRESENTATIONS OR LIABILITIES, EXPRESS OR IMPLIED, OF SELLER OR ITS AFFILIATES WITH RESPECT TO ANY SURPLUS SPARE PARTS ARISING IN FACT, IN LAW, IN CONTRACT, IN TORT, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, A. ANY IMPLIED WARRANTY OR CONDITION OF MERCHANT ABILITY OR FITNESS; B. ANY IMPLIED WARRANTY OR CONDITION ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE; C. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT, WHETHER OR NOT ARISING FROM THE ACTIVE, PASSIVE OR IMPUTED NEGLIGENCE OR STRICT PRODUCTS LIABILITY OF SELLER OR ITS AFFILIATES, BY REASON OF THE DESIGN, MANUFACTURE, SALE, REPAIR OR USE OF SURPLUS SPARE PARTS; AND D. ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OF OR DAMAGE TO ANY AIRCRAFT OR PART THEREOF, OR TO ANY SURPLUS SPARE PARTS.

ARTICLE 9 - INSURANCE

- 9.1 Transportation insurance and claims processing are the sole responsibility of Buyer unless otherwise agreed to in writing by Seller before shipment.

ARTICLE 10 - EXCUSABLE DELAY

- 10.1 In the event of a delay on the part of either party in the performance of its obligations or responsibilities under an order and these Terms and Conditions, other than Buyer's obligations to pay pursuant to Article 5 above, due directly or indirectly to a cause which is beyond its reasonable control or without its fault or negligence (an Excusable Delay), the affected party shall not be liable for nor be deemed to be in default under an order and these Terms and Conditions for such Excusable Delay; and the time fixed or required for the performance of any obligation or responsibility under an order and these Terms and Conditions shall be extended for a period equal to the period during which any such cause or the effect thereof persists. Excusable Delay shall be deemed to include, without limitation, delays occasioned by the following causes:
- (a) force majeure or acts of God;
 - (b) war, warlike operations, act of the enemy, armed aggression, civil commotion, insurrection, riot or embargo;
 - (c) fire, explosion, earthquake, lightning, flood, drought, windstorm or other action of the elements or other catastrophic or serious accidents;
 - (d) epidemic or quarantine restrictions;
 - (e) any legislation, act, order, directive or regulation of any governmental or other duly constituted authority;
 - (f) strikes, lock-out, walk-out, and/or other labour troubles causing cessation, slow-down or interruption of work;

- (g) delay or failure of carriers or subcontractors for any reason whatsoever; or
- (h) delay in obtaining any airworthiness approval or certificate, or any equivalent approval or certification, by reason of any law or governmental order, directive or regulation or any change thereto, or interpretation thereof, by a governmental agency, the effective date of which is subsequent to the date Buyer's order is accepted by Seller, or by reason of any change or addition made by Seller or its affiliates or requested by a governmental agency to the compliance program of Seller or of its affiliate, or any part thereof, as same may have been approved by Transport Canada, or change to the interpretation thereof to obtain any such airworthiness approval or certificate.

ARTICLE 11 - EXCLUSION OF LIABILITIES

- 11.1 SELLER SHALL HAVE NO OBLIGATION OR LIABILITY (AT LAW OR IN EQUITY), WHETHER ARISING IN CONTRACT (INCLUDING WITHOUT LIMITATION, WARRANTY), IN TORT (INCLUDING THE ACTIVE, PASSIVE OR IMPUTED NEGLIGENCE OR STRICT PRODUCTS LIABILITY OF SELLER OR ITS AFFILIATES) OR OTHERWISE, FOR LOSS OF USE, REVENUE OR PROFIT OR FOR ANY OTHER INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES OF ANY KIND OR NATURE, FOR ANY LOSSES OR DAMAGES FOR OR ARISING OUT OF ANY LACK OR LOSS OF USE OF ANY AIRCRAFT, EQUIPMENT OR SURPLUS SPARE PARTS, OR FOR ANY FAILURE BY SELLER TO PERFORM ANY OBLIGATION UNDER THESE TERMS AND CONDITIONS.

ARTICLE 12 - GENERAL PROVISIONS

- 12.1 These Terms and Conditions are governed by and are to be construed in accordance with the internal laws of the State of Kansas, exclusive of its choice of law provisions. The parties agree that the courts of the State of Kansas shall have exclusive jurisdiction over any dispute arising hereunder and that venue shall be proper therein. The parties have agreed to exclude the application of the United Nations Convention on contracts for the International Sale of Goods.
- 12.2 These Terms and Conditions are for the benefit of and bind the parties and their respective successors and assigns. An order may not be assigned in whole or in part by Buyer without the express prior written consent of Seller. Seller may: (a) assign any order to any of its affiliates; or (b) assign any of its rights to receive money under an order to any party.
- 12.3 The benefit of the disclaimer in Article 8 and the exclusion of liabilities in Article 11 extend also to Bombardier Inc. and any of its subsidiaries (including their respective predecessors) that are not the Seller, and to their respective officers, directors, employees and representatives, on whose behalf and/or for whose benefit Seller is, for purposes of this Article 12.3, acting as agent, trustee or otherwise.
- 12.4 These Terms and Conditions supersede all prior representations or agreements relating to the subject matter hereof and supersede any terms and conditions found on any order submitted by Buyer to Seller. In the event of any inconsistency between these Terms and Conditions and the terms and conditions on any other document provided by Seller to Buyer, these Terms and Conditions shall prevail. Seller reserves the right to correct any errors or reject any purchase order at its discretion.
- 12.5 Any proposal made by Buyer or order acknowledgments made by Seller are deemed to incorporate by reference these Terms and Conditions as amended at the time of placing the relevant proposal or order. No additional or different Buyer terms will therefore be included in any resulting contract. If construed as an acceptance, such acceptance is conditional upon Buyer's agreement to these Terms and Conditions by reference.
- 12.6 Time is of the essence of any accepted order and these Terms and Conditions.