

1. **Applicability.** These terms and conditions for services (these “**Terms**”) are the only terms that govern the provision of services by Signature Engines, Inc., an Ohio corporation (“**SEI**”) to the customer referenced in the above work order (“**Customer**”). The accompanying work order (the “**Work Order**”) and these Terms (collectively, this “**Agreement**”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Customer's general terms and conditions regardless of whether or when Customer has submitted its request for proposal, order, or such terms. Provision of services to Customer does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these Terms.

2. **Services.** SEI shall provide the services to Customer as described in the Work Order (the “**Services**”) in accordance with these Terms.

3. **Performance Dates.** SEI shall use reasonable efforts to meet any performance dates specified in the Work Order, provided, that any such dates shall be estimates only. Estimated delivery dates do not include delays caused by outside services, supply chain delays, part shortages, or other circumstances beyond the reasonable control of SEI.

4. **Customer's Acts or Omissions.** If SEI's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Customer or its affiliates, agents, subcontractors, consultants, or employees, SEI shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Customer, in each case, to the extent arising directly or indirectly from such prevention or delay.

5. **Fees and Expenses; Payment Terms; Interest on Late Payments.** In consideration of the provision of the Services by SEI under this Agreement, Customer shall pay the fees set forth in the Work Order. All fees are subject to change without prior notice to Customer. Except as otherwise expressly set forth in the Work Order, Customer shall pay all invoiced amounts due to SEI within ten (10) days from the date of SEI's invoice. Customer shall make all payments hereunder in US dollars by wire transfer, check, or other payment method agreed upon between the parties. In the event payments are not received by SEI within ten (10) days after becoming due, SEI may charge interest on any such unpaid amounts at a rate of 1% per each ten-day period on amounts remaining unpaid, or if lower, the maximum amount permitted under applicable law, from the date such payment was due until the date paid, and suspend performance for all Services until payment has been made in full.

6. **Financial Assurances.** If SEI has reason to believe that Customer is insolvent, or if the financial condition of Customer does not, in the sole discretion of SEI, justify continuance of the Services, Customer agrees that SEI may terminate this Agreement and the Work Order. Customer shall remain responsible for all fees and reasonable costs and expenses incurred by SEI up and until the date of termination, including, but not limited to, the cost of purchased materials and labor.

7. **Shipping and Delivery.** Unless otherwise specified in the Work Order, SEI shall ship to Customer all products (whether articles or engines, as applicable) under this Agreement using SEI's standard methods for packaging and shipping such products. If the shipping location is outside of the 48 continental United States, Customer shall arrange its own shipping method, and shall arrange for pick-up of the products at SEI's facility. Title and risk of loss for any products shipped pass to Customer upon delivery to the carrier, regardless of whether the shipping is arranged by SEI or Customer. Customer is responsible for all costs and fees related to shipment of any products under this Agreement. SEI is not responsible for any delays in shipment of the products that are outside of SEI's reasonable control.

8. **Taxes and Fees.** All fees are in U.S. Dollars, and exclude taxes, duties, tariffs, brokers VAT, GST and other fees associated with the import or export of any goods through local customs, or any other charge of any nature imposed by any governmental authority. Customer shall be responsible for all sales, use, and excise taxes, and any other similar taxes, duties, tariffs, VAT, GST and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by Customer hereunder. Customer shall be responsible for any shipping, storage, inspection, and brokerage fees. Customer hereby acknowledges and agrees that SEI is not collecting on behalf of Customer or including any such fees in the amounts invoiced to Customer. Customer agrees to indemnify, hold harmless, and reimburse SEI in the event SEI is required to pay any such taxes, charges, or fees.

9. **Limited Warranty.** SEI offers a limited warranty for overhauled engines only on the terms and conditions attached hereto as Exhibit A (the “**Limited Engine Warranty**”). No person is authorized to give any other warranty or to assume any additional obligation or liability on behalf of SEI except in writing signed by a duly authorized representative of SEI. The Limited Engine Warranty will only apply after all fees due and owing to SEI have been paid in full by Customer. **THE REMEDIES SET FORTH IN THE LIMITED ENGINE WARRANTY SHALL BE THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND SEI'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED ENGINE WARRANTY. EXCEPT FOR THE LIMITED ENGINE WARRANTY, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, SEI MAKES NO ADDITIONAL WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, AND DISCLAIMS ALL EXPRESS, IMPLIED, AND STATUTORY WARRANTIES AND CONDITIONS, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST HIDDEN OR LATENT DEFECTS.**

10. **Limitation of Liability.** **IN NO EVENT SHALL SEI BE LIABLE TO CUSTOMER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF**

BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SEI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL SEI'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID OR PAYABLE TO SEI UNDER THIS AGREEMENT.

11. **Termination.** In addition to any remedies that may be provided under this Agreement, SEI may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of the terms of this Agreement, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.

12. **Waiver.** No waiver by SEI of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by SEI. No failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

13. **Assignment.** Customer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of SEI. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Customer of any of its obligations under this Agreement.

14. **Governing Law.** All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Ohio without giving effect to any choice or conflict of law provision or rule (whether of the State of Ohio or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Ohio.

15. **Submission to Jurisdiction.** Any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Ohio in each case located in the City of Cincinnati and County of Hamilton, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

16. **Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

17. **Survival.** Provisions of these Terms, which by their nature should apply beyond their terms, will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Taxes and Fees, Governing Law, Submission to Jurisdiction, and Survival.

18. **Cumulative Remedies.** Except as otherwise provided in this Agreement, all rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, or otherwise.

19. **Amendment.** This Agreement may only be amended or modified in a writing which specifically states that it amends this Agreement and is signed by an authorized representative of each party.

--END--

EXHIBIT A

LIMITED ENGINE WARRANTY



MODEL:
SERIAL #:

WORK ORDER #:
COMPLETION DATE:

Signature Engines, Inc. ("SEI") warrants each overhauled engine to be free from defects in material and workmanship, under normal use and service, for 500 hours of operation or two years (flight school operations are limited to 300 hours of operation or one year) from date of release to shipment, whichever occurs first, in accordance with the following conditions:

1. The determination whether the overhauled engine is defective in material or workmanship shall be made by SEI, in its sole discretion.
2. SEI is notified via written correspondence promptly after Customer discovers such defect, and before any repairs are performed on the overhauled engine.
3. SEI shall have the option to furnish any necessary materials needed for the repair.
4. If overhauled engine cylinders are applied to this engine, the warranty on the engine cylinders is limited to one year or 300 hours, whichever occurs first.
5. SEI's warranty is for the engine only, and not accessories (including, but not limited to, carburetors, starters, alternators, turbochargers and fuel controls).
6. All repairs performed, under an accepted warranty claim by SEI, are to be on a standard charge basis and must be agreed to between SEI and Customer prior to any warranty work being done. All labor charges are paid based on a prevailing local flat rate labor charge based on the procedure time schedule published by the original engine manufacturer.
7. The engine is further warranted on a pro-rated basis to time between overhauls ("TBO") except that no labor allowance will be provided after 500 hours of operation or two years from date of release to shipment (flight school operations are limited to 300 hours of operation or one year), whichever occurs first. The engine proration is based on the ratio of hours logged or at the rate of 40 hours per month, whichever is greatest, over the TBO of the engine.
8. No other express warranty and no affirmation of SEI, agent, employee, or representative, by words or actions, shall constitute a warranty unless agreed to in writing between Customer and SEI.
9. Customer supplied articles or accessories, either supplied as having 'no life limit' or as requested by the Customer to be re-used after inspections are NOT warranted.
10. Repair or replacement of any engine, component, or article under this warranty will not extend the period of warranty coverage.
11. This warranty applies only to engines overhauled by SEI, and nothing contained herein should be construed as a warranty by SEI for any engine component or article.
12. This warranty applies only to engines which have been installed, inspected and maintained in accordance with the instructions for continued airworthiness, including compliance with all applicable service bulletins, including those issued by the aircraft manufacturer or any accessory or component manufacturer. Performance of recommended inspections and maintenance must be documented by appropriate logbook entries and the logbook must accompany any engine being returned for warranty consideration.
13. THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES AND SEI'S SOLE LIABILITY TO CUSTOMER IS TO REPAIR OR REPLACEMENT. THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED. WITHOUT LIMITATION, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL SEI BE RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT WITHOUT LIMITATION, DAMAGE TO OTHER PROPERTY INCLUDING THE AIRCRAFT, LOSS OF TRANSPORTATION OR USE OF THE AIRCRAFT, PERSONAL OR COMMERCIAL LOSSES, LOSS OF REVENUE, LOST PROFITS, LOSS OF TIME, COST OR RENTAL AIRCRAFT, FUEL, TELEPHONE, TRAVEL, MEALS OR LODGING, OR DAMAGE RELATED TO GROUNDING OF AIRCRAFT.
14. This warranty, exclusions, limitations and disclaimers are governed by the laws of the State of Ohio, excluding its conflicts of laws rules. Any legal suit, action, or proceeding arising out of or relating to this Warranty shall be instituted in the federal courts of the United States of America or the courts of the State of Ohio in each case located in the City of Cincinnati and County of Hamilton, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.
15. SEI's Standard Terms and Conditions of Service (the "Terms") are hereby incorporated into this Limited Engine Warranty by reference. In the event of any conflict between the provisions of this Warranty and the Terms, the Terms shall control.

WARRANTY VALIDATION

This document must be completed and returned within 45 days in order to validate and activate your warranty via trackable post, email or fax and you will receive, and must retain, written confirmation of receipt by SEI .

Only upon receipt and acknowledgement of this signed document by SEI, will the warranty commence on the earlier of the following:

- (a) on the date the aircraft is released as "airworthy" per logbook entry following installation of the engine on the aircraft; or*
- (b) 45 days after SEI ships the engine from its facility.*

I have read, and understand the warranty provided on my engine, and agree that all claims will be handled according to the provisions of that warranty.

I acknowledge and agree that SEI accepts no responsibility and will not be liable for any loss of use expenses of the aircraft and/or its engine due to a malfunction of the engine or component part thereof.

SIGNED _____ **DATE:** _____