

Repair Order Terms

Royal Aero GmbH ("RA")

Definitions: The following definitions shall apply to this Repair Order ("RO"):

Contractor: Royal Aero GmbH

Contract, RO or Subcontract: These terms are used interchangeably and refer to this contractual instrument

Subcontractor, Supplier, SELLER, or Vendor: The legal entity to whom this RO is issued by RA

- 1. Compliance with Law:**

VENDOR shall comply with all applicable federal, state, and local laws, rules, regulations and orders in effect on the date of this RO, including, but not limited to federal law concerning labor relations, non-discrimination in employment, minimum wage, overtime compensation, and hours of employment. VENDOR agrees to indemnify and hold BUYER harmless against any loss or liability due to VENDOR's violation or noncompliance with such regulations. Upon BUYER's request, VENDOR shall furnish evidence demonstrating such compliance.
- 2. Acceptance of RO:**

This RO contains the entire agreement between VENDOR and RA and acceptance is expressly limited to the terms and conditions stated. VENDOR warrants that all supplies/services furnished under this RO: (a) shall be of good workmanship and free of defects; (b) shall comply with RA's Supplier Requirements under Terms and Conditions accessible at Supplier Requirements. Any terms and conditions proposed by VENDOR inconsistent with or in addition to terms and conditions hereof are objected to and void unless agreed in writing by RA.
- 3. RO Number:**

The RO Number appearing on the face hereof must appear on all correspondences, invoices, containers, packages, packing slips, and shipping documents.
- 4. Setoff:**

RA shall have the right at all times to set off any amount due or payable to VENDOR hereunder against any claim or charge RA may have against VENDOR.
- 5. Notification of repair costs:**

It is important that we are notified of the expected repair cost of each item after it's inspection, prior to starting the repair process. No liability will be accepted for repair costs incurred unless approved in writing.
- 6. No D.E.R. Repair:**

No D.E.R. repairs accepted under any circumstances without prior written approval.
- 7. Dual Release:**

A Dual Release is required on all FAA 8130-3 and EASA form one certificates.
- 8. Re-Identification:**

Please re-identify PN and SN on the part if they have become illegible for identification.
- 9. Ex-ESN and TSN/CSN on dual release:**

Please add always "removed from ESN xxx" in block 12 of the certificates. TSN/CSN need to be marked on the certificate for LIFE LIMITED PARTS. Also please send inspection/workshop reports for these parts.
- 10. Rejected Parts**
 - 10.1** Scrap tags with reasons are required for all rejected parts.
 - 10.2** If RA informed you to scrap rejected parts locally, a corresponding confirmation is mandatory. On the scrap report the PN must be listed (if available the SN) and, if possible, it has to be personally signed.
- 11. Payment Terms:**

Unless otherwise specified in this RO, terms of payment are "Net 30 days" (N30) from the date RA receives VENDOR's invoice provided the parts are ready to ship at that date.
- 12. Invoices:**

VENDOR shall submit an itemized invoice to RA's address shown on the face of this RO to the attention of the Accounts Payable Department. Invoices can be sent to finance@royalaero.com. In order to support rapid processing of invoices for payment, the invoice should contain the RO Number, part number, description of services furnished, and total price. Payment of invoices may be delayed pending correction of any errors or omissions.
- 13. Inspection:**

This RO is issued subject to RA's inspection approval and conformity to manufacturer's specifications.
- 14. Warranty:**

VENDOR's standard warranty shall apply to this RO or in lieu thereof the standard commercial warranties provided under applicable law.
- 15. Termination for Default:**

RA may, without liability, and in addition to any other rights and remedies provided herein or by law, terminate this RO in whole or in part by written notice of default if VENDOR; (a) fails to perform the services within the time specified; (b) fails to make sufficient progress with the work, thereby endangering completion of performance within time specified; or (c) fails to comply with any of the other instructions, terms, or conditions of the Purchase Order. RA's right to terminate for default may be exercised if VENDOR does not cure the failure within ten (10) days after

receiving RA's notice of such failure. If RA terminates this RO in whole or in part, RA may procure similar supplies or services from others and VENDOR shall be liable for any additional costs above the original price for the terminated supplies/services.

16. Packaging and Packing:

VENDOR shall be responsible for properly packing the part(s) to RA in suitable containers for protection during shipment in accordance with transportation regulations and good commercial practice. VENDOR shall insure that packing list accompany each case or parcel clearly show RA's RO Number and complete description of contents. VENDOR shall pay all costs for packing and packaging unless otherwise specifically agreed in writing by RA and VENDOR.

17. Subcontracting:

VENDOR agrees that if it subcontracts any of the services to be provided hereunder, it shall do so only to approved Federal Aviation Administration ("FAA") facilities holding a current and valid FAA license to perform said work.

18. Waiver of Rights:

Failure of either party to insist on performance of any provision of this RO shall not be construed as a waiver of that provision or any waiver of VENDOR's or VENDOR's right to require compliance with such provision in any later instance. If any provision of this RO is found to be illegal or unenforceable under law, that provision shall be deleted; however, all other provisions of this RO shall not be affected thereby and shall remain in full force an effect.

19. Shipping instructions:

- Please inform RA in advance of the estimated ship date and make sure that any delay is acceptable for RA.
- Please contact repairs@royalaero.com if the ship-to address is noted "to be advised".
- The VENDOR is not allowed to ship without RA's confirmation of the certificates and the shipping instructions. Otherwise, we will bill all shipping costs back to the VENDOR.
- The VENDOR must send copies of the required dual release as pdf files to RA **before** shipping the parts. Also, they have to provide the AWB details as soon as available.
- If a drop-shipment is made to RA's customer, the repair invoice must not be sent.
- Please do not insure RA's goods when shipping.

20. Risk of Loss:

Unless otherwise provided in this RO, the shipping point shall be the delivery destination indicated on the face of this RO, and risk of

loss or damage shall pass at that point to VENDOR upon delivery and back to RA upon acceptance of services and redelivery. If the shipping point is designated as the VENDOR's location, then risk of loss or damage shall pass to RA upon VENDOR's delivery of the supplies to the carrier.

21. Title:

Title to the parts provided to VENDOR for service hereunder shall at all times remain with RA or RA's customer. VENDOR agrees that it shall not cause any third-party claims or liens to attach to the parts.

22. No extra charges:

Unless RA otherwise agrees in writing, the total price payable to VENDOR shall be stated in this RO. The price shall not be increased to cover any future VENDOR price increases and shall include packing, packaging, and cartage, reusable containers, service or carrying charges, permits, fees, and licenses, or any other charges.

23. Entire RO:

This RO constitutes the entire agreement between RA and VENDOR regarding the services contracted hereunder and supersedes all previous oral and written agreements and commitments. Any subsequent additions, deletions, or modifications to this RO shall not be binding upon RA unless mutually agreed upon and incorporated herein in writing.

24. AS9120:

Supplier agrees that RA, RA's customers & regulatory authorities shall have access to all facilities involved in this RO & all applicable records. Supplier further agrees to flow this requirement down to its suppliers.