

EXCHANGE PLUS COSTS AGREEMENT ("Agreement")

Please sign in full pages 1 (on the top table) & 4, and your initials on pages 2-3 & return by email: sales@hawkaviation.com

As of the date written above and subject to the terms and conditions set below, Hawk Aviation LTD or Hawk Aviation LA-LLC or Hawk Aviation Europe LTD ("Hawk") agrees to exchange with Customer (the "Customer") the certified part referenced below ("Exchange Unit" or "Original Exchange Unit") in return for Customer's As Removed part ("Core") and exchange fees plus all recertification costs and surcharges incurred by Hawk as of the date written above, as set below. The agreed terms of this Agreement are final and will not be subject to post sale renegotiation.

BY IT'S AUTHORIZED REPRESENTATIVE'S SIGNATURE BELOW, THE CUSTOMER CONFIRMS AND AGREES TO THE EXCHANGE TERM AS SET HEREIN:

Exchange Unit Reference & Definitions as used in this Agreement			
The Customer:	Exchange Unit P/N:		Customer Ref Number:
Contact:	Description:		Outright Value: \$ _____
Email:	S/N:	QTY:	Exchange Fee: \$ _____ + Costs
Tel:	Condition:	SB/Status:	Authorized Signer: _____
Enter here if any special approval granted by Hawk to Customer (" Special Terms "): None			

TERMS AND CONDITIONS

- The Customer hereby agrees to pay in full the Exchange Fee plus all additional Costs incurred by Hawk with regards to the exchange transaction. The additional costs ("**Core Charges**") will include the actual total and complete costs and fees incurred by Hawk in connection with and as a consequence of certifying the airworthiness of the Core by an airworthiness authorization or authorized repair facility ("**Authorized Repair Facility**") in accordance with the aviation regulations ("**Recertification**"), and return the Core to a condition at least equal to the condition of the Exchange Unit. The additional costs will include all final overhaul, repair, evaluation, test or flat replacement fees set by the Authorized Repair Facility, evaluation fees result in a determination that the Core is Beyond Economical Repair ("**BER**"), scrap fees, all transportation costs including transportation costs to return your core to the same location the Exchange unit was released from, customs fees, applicable taxes, insurance fees, charge-backs, collection fees and any other cost related to the return of the Core or the Exchange Unit to Hawk in the same condition as supplied and the same location as released from. The terms set in this clause will apply, regardless of whether Customer returns the Exchange Unit used or unused. Hawk will charge additional handling fee of ten percent on top of the Core Charges, minimum of \$250, for Core recertification handled by Hawk. Each Core Charges will include additional \$180 Entry Fee for Core imported to the US/UK. All Haz-Mat shipments will bear an additional DG fee of \$150. The Customer hereby confirms that they have read all the above and below and accepted all the specified charges and terms and took upon themselves the obligation to fulfil and comply with these terms, without any exceptions or concessions.
- This Agreement does not provide the Customer the option to purchase the Exchange Unit offered by Hawk under the terms of this Agreement or to convert this transaction to Outright sale; Hawk at its sole discretion may accept or reject Customer's request to charge the Outright Value in addition to any Exchange Fee or Additional Exchange Fee previously invoiced and/or to relieve the Customer from the obligations set in this Agreement, such as delivering a Core, and a sole discretion of waiving any Exchange Fee or the accrual of any additional fees.
- Retention of title – Title to the Exchange Unit and the Core ("**The Goods**") respectively, shall remain with and be vested in Hawk and shall not pass to the Customer until Hawk has received full payments for any indebtedness per this Exchange Agreement (including all Exchange fees plus all Core Charges and the full Outright Value). Until title to The Goods respectively passes to The Customer, The Customer shall store or mark The Goods in a manner that indicates that title to The Goods remains vested in Hawk; Hawk shall have authority to enter any property upon which The goods are stored or reasonably believes them to be kept and retake and collect the Goods under unpaid invoices; Irrespective of whether title to the Exchange Unit and the Core remains vested in Hawk, risk in the Exchange Unit shall pass to the Customer upon delivery. In case The Customer is not the final end user of The Goods, Hawk will have full entitlement on the proceeds of the sale of The Goods from the Customer to any third party and the Customer will only be holding any proceeds related to The Goods as a fiduciary agent for Hawk. The Customer must also present these terms to the final end user of The Goods and disclose to them the entitlement and title provided to Hawk under this Exchange Agreement.
- Core must be same OEM P/N as Exchange Unit and will be recertified to at least same condition (unless a mandatory repair upgrade is required due to the poor condition of the unit or due to a regulatory requirement) and by the same Authorized Repair Facility whom certified the Exchange Unit, subject to the terms of this Agreement. For avoidance of doubt, Core Recertification shall include all latest SB's and Mods. In case Exchange Unit is in New condition, Core will be sent to the OEM for re-certification to Overhauled condition or to be replaced by a unit in New condition. In case Hawk supplied a unit tagged by the OEM, the core unit will be sent for recertification by the OEM only. For the avoidance of doubt, Hawk has the sole discretion to recertify the Core at any FAA/EASA/CAAC Authorized Repair Facility, including the OEM, or any aftermarket Authorized Repair Facility.
- Life/cycle limited Core shall have the same times/cycles (or less) as the Original Exchange Unit. In case a life/cycle limited Core returned with shorter lifespan than the Original Exchange Unit, Hawk will have the right (at its sole discretion) to either (i) reject the Core; or (ii) charge Customer an additional prorate charges to compensate for the Core value depreciation, calculated as prorate based on the Outright Value. Slide Cores with inflatable/reservoir date of manufacture (DOM) older than Exchange Unit DOM, will be charged with prorate charges based on a 1/15 of the Outright Value for the inflatable and 1/10 of the CLP for the reservoir, multiplied by each year's difference (or part thereof) from the DOM the Original Exchange Unit. Hawk reserves the right to reject any Core with a DOM that is considered too old or at end of its life, unless agreed in advance.
- The Exchange Unit and/or Outright Value sales base is Ex Works Hawk's warehouse (Incoterms 2010). Customer agrees to bear all shipping risks, expenses and insurance liabilities related to this transaction, and return of the Core per this Agreement under DDP basis. In the event that the Exchange Unit or the Core are lost, stolen, damaged, or destroyed after leaving Hawk facility, while in Transit to the Customer, in Customer premises or during transportation to Hawk, the Customer shall be obligated to pay all amounts that would be due and payable to Hawk same as if no such loss, theft, damage, or destruction occurred. In the event that the lost, stolen, damaged, or destroyed Exchange Unit or Core was shipped as part of the Agreement, the Customer shall be responsible for paying the full Outright Value for the Exchange Unit and any Exchange Fee or Additional Exchange Fee previously billed and apply per this Agreement, may be credited at Hawk's sole discretion. In all events, the Customer is expected to insure The Exchanged Unit or the Core against loss at full value. If the Customer fails to insure the Exchange Unit or the Core against loss, then the Customer does so at its own risk.
- Customer agrees to pay in full any and all charges related to Core's return to Hawk following the Recertification completion. Notwithstanding any other charges set in this Agreement, Customer also agrees to pay in full the Exchange Unit Outright Value in the event of (i) Core loss and/or damage while under Customer's liability; (ii) Core demand BER and/or non-repairable by an authorized shop; For the avoidance of doubt, in case Exchange

Unit Outright Value is charged, for any reason, previously billed Exchange Fee will not be waived and additional costs-to-date charges, on top of the Outright Value, will apply.

8. The Customer declares hereby, that any Core returned to Hawk was removed from an operational aircraft in adjacent to this Agreement's date, and it has not been (i) sent to a repair shop following its removal; or (ii) declared BER or scraped, and is returned in good faith as a repairable Core. Hawk shall have sole discretion to reject any Core that does not comply with the above mentioned terms. Hawk reserves the right to reject Core that does not meet one or more of the conditions specified, and the Customer acknowledge that Additional Exchange Fee will apply in accordance to the terms of this agreement for the period until an acceptable Core is delivered by the customer.
9. Core returned to Hawk must be same P/N, same dash number and same modification status as the Original Exchange Unit. Core must be properly packed, undamaged, with no missing parts or components. Core must be OEM original unit, fully traceable to FAA/EASA/CAAC regulated source with no incident related history. Core that does not comply with the terms herein shall be rejected and the terms of this Agreement shall apply.
10. The Exchange Fee shall be charged in periods of 21 days commencing from the date in which Exchange Unit became available to Customer and ending once Core was received at Hawk's facilities (the first period shall be the "**Exchange Period**" and any other following periods shall be the "**Additional Exchange Period**"). For the avoidance of doubt, Core shall be accounted as returned to Hawk solely once arrived at its facilities ("**Core Return Date**"). Customer hereby agrees and accepts that no partial Exchange Fee shall apply. Customer expressly agrees to pay both the exchange fee and an additional Exchange Fee equal to the value of the Exchange Fee ("**Additional Exchange Fee**") for each additional chargeable exchange period or part, if the Core is not so delivered to Hawk before the end of Exchange period. Failure by a Customer to meet any of the deadlines specified in this Agreement shall be considered as a breach of this Agreement as time is considered of the essence. Following 2 (two) Additional Exchange Periods, Hawk reserves the right at its sole discretion to continue charging Additional Exchange Fee for each additional chargeable exchange period or part or bill the Customer for the Outright Value and finalize this Exchange transaction, and the Customer undertakes herein, to pay Hawk the Exchange Unit Outright Value, in addition to the previously billed Exchange Fee, Additional Exchange Fees and all other relevant costs incurred by Hawk in support of the Exchange transaction. For the avoidance of doubt, it is clarify that in any case, the Exchange Fee or the Additional Exchange Fees will not be credited in such case and will remain due in additional to the billed Outright Value.
11. Customer agrees, that regardless of any Special Terms set between Hawk and the Customer concerning an extended Exchange Period or prior approval to return a Certified Core within an extended Exchange Period, in case the customer fails to return the Core within the period set in the Special Terms, the Customer will be billed for the each Exchange Period and any Additional Exchange Periods per the terms set in in Clause 9 and in such case, the Special Terms will revoke.
12. Customer agrees to pay Hawk all amounts as they become due and payable in accordance with the terms of the Agreement. Core charged will be due upon recipient. In the event that (a) the Core unit is not in full compliance with the above and below mentioned requirements or (b) the Core unit is deemed BER or NON repairable or cannot be tested by an the OEM or (c) the Core unit found non-repairable by the OEM or (d) the estimated cost of repair, overhauled or Recertification charges of the Core exceeds 60% of the Outright Value or (e) the completion of the repair by an Authorized Repair Facility of the Core is delayed beyond a reasonable period of 60 calendar days due to unavailability of spars, obsoleted spares or for reason that is not attributable to Hawk; Hawk will have the right to reject the Core and (a) continue to charge Additional Exchange Fees for each additional Exchange Period, counting from the date the Exchange Unit became available to Customer or (b) charge the Customer the full Outright Value in addition to the Exchange Fee, the Additional Exchange Fee (if applicable), and any other associated costs incurred by Hawk (i.e. evaluation fee, freight charges and other charges specified in Clause 1); In such case described in the preceding clause, the Customer will not be entitled to send Hawk a replacement Core, unless accepted by Hawk per the terms set herein. For the avoidance of doubt, in any case, the Exchange Fee or the any Additional Exchange Fee will not be credited.
13. In case of unusual Core repair and/or Recertification charges, Hawk may notify the Customer of such outstanding charges. The Customer will have to approve the outstanding charges or may provide with a replacement core ("**Replacement Core**") within 5 calendar days from day of notice and reply to the notice within 48 hours. In such case, any solution other than cost approval or providence of a Replacement Core by the Customer will be subject to the continuation of the Exchange Period and Additional Exchange Fees will apply and be billed. Should a satisfactory Customer's Replacement Core not be received within 5 calendar days, Hawk will have the sole discretion to approve the high repair costs and complete the Recertification or purchase a factory new replacement core or bill the customer for the Outright Value of the unit plus all costs-to-date.
14. The Core must be delivered to Hawk with the full following acceptable documentation ("**Acceptable Documentation**") showing the P/N & S/N as detailed hereunder. A Core returned without the Acceptable Documentation will be placed in quarantine and treated as overdue until the Acceptable Documentation is provided. Such delay in providing the Acceptable Documentation may cause the Customer to incur an Additional Exchange Fee and/or be billed the Outright Value:
 - a. Full ownership transfer documentation - A packing slip, invoice, or other commercial document typically used in the aerospace industry from a regulated source and every entity involved in the Exchange chain thereafter indicating that the Core was released from that regulated source, to evidence full trace on material flow from a regulated source back to Hawk.
 - b. Removal documentation - Unserviceable/Removal tag or airline official failure report, indicating the reason for removal of the Core from the aircraft.
 - c. Non Incident documentation - Non Incident declaration or ATA 106 form issued by a regulated source and every entity involved in the Exchange chain thereafter that includes:
 - i. Fully identified and documented source for the Core, back to a U.S. FAA Part 121, 125, 135, 129, or 145, certificated carrier or the back to the OEM;
 - ii. Non-incident statement from a regulated source stating that the Core has not been subject to any unusual stress, heat, environmental conditions, harsh conditions or subject to an accident that could adversely affect the airworthiness of the Core and that the Core was not obtained from any governmental or military source and verification (such as a part marking where appropriate, OEM documentation or written verification by the certificated source) that the Core was produced by the OEM.
 - d. Official regulated records issued by the last End-User stating the time and cycles, DOM and time since new and since overhaul, for life-limited parts ('LLP'). The Core must have similar cycles and times records to the Exchange Unit, unless agreed otherwise by Hawk in writing. Core is subject to pro-rate charges as agreed herein.
15. Full time and cycles records and traceability documentation back to the OEM from the day of manufacture ('Back to Birth') must be supplied where applicable. Notwithstanding, Hawk reserves the right to reject any Core not fully complying the Agreement's terms and conditions and not supplied with the Acceptable Documentation.

16. Customer certified Core is acceptable only with Hawk's prior written consent ("**Customer Certified Core**"). **Customer Certified Core** may be rejected by Hawk for any reasonable reason. Any Customer Certified Core is subject to airworthiness test and Hawk reserves the right to send the Customer Certified Core for test by an Authorized Repair Facility and additional Recertification (repair, overhaul or test) charges may apply, per the terms of this Agreement, regardless of the core being certified. Any findings related to the test of a Customer Certified Core by Authorized Repair Facility per this clause will be final and non-disputable by the Customer and any invoice related to these findings will be final and due for immediate payment, per the terms of this Agreement. Hawk reserves the right to reject and return to the Customer any Customer Certified Core which has not passed functional test by an Authorized Repair Facility or doesn't comply with the requirements of Hawk for a certified core.
17. Subject to Hawk prior approval, the Customer Certified Core must be recently certified by the same Authorized Repair Facility, in the same condition and mod status as the Exchange Unit, and must hold at minimum a Dual release Airworthiness certificate including FAA 8130-3 and EASA release. Customer will grant their unconditional full airworthy warranty from the Core Return Date to Hawk, for a period of 6 months for Serviceable Core or 1 year for Overhauled or New Core ("**Customer Warranty Coverage**"). If such Customer Certified Core will fail within the Customer Warranty Coverage period thereafter, Customer will fully compensate Hawk for any costs associated with such failure regardless of a related or unrelated to the actual cause of failure.
18. This Exchange Agreement includes a standard RMA ("**Returned Material Authorization**") for the Core return, which includes the complete return instructions for the Core back to Hawk (**Appendix A**). Customer agrees to pay and cover for all costs incurred by Hawk in cases of a shipping error or mistake made by Customer or its shipping agents, including errors in shipping destination or method or costs related to receiving of a Core that is not fully complying with the requirement set herein. For the avoidance of doubt, Core shall be accounted as returned to Hawk solely once arrived at its facilities and is in Hawk's possession.
19. In case the Customer request to cancel this Agreement or to return an unused Exchange Unit in its original condition ("**Unused Exchange Unit**"), a prior written consent and return RMA must be provided by Hawk at its sole discretion. Following such a prior consent, an Unused Exchange Unit must be returned to Hawk for credit within 5 (five) calendar days from the date in which the Exchange Unit became available for the Customer, in unused and airworthy condition, with original ARC and documentation accompanying the Exchange Unit when release to Customer by Hawk. Customer must include with the Unused Exchange Unit a non-usage formal written statement, signed by an official officer, on behalf of the Customer and any other entity, back to the End-User, which had the Unused Exchange Unit on their possession, certifying that the Unused Exchange Unit has not been used, installed, and that no attempt has been made to install it, since it was released by Hawk. Customer acknowledges that for the purpose of this clause, the Un-Used Exchange Unit will be considered as returned to Hawk only once received at Hawk facilities. Hawk acceptance to receive an Un-Used Exchange Unit in accordance with this clause will be subject to a restocking charge of not less than 25% of the Exchange Fee, minimum of \$250; Regardless of the agreed restocking charges set herein, Customer undertake to bear all relevant costs incurred by Hawk in case of cancellation or return of the un-used Exchange Unit for credit. For Unused Exchange Unit that does not meet one or more of the conditions specified herein, Customer shall not be entitled to a refund or credit, the terms of this Agreement will apply and the Exchange Fee will remain due and payable.
20. In any case, Hawk reserves the right to test, on Customer's account, any returned Exchange Unit at an Authorized Repair Facility for evaluation, even if returned un-used and fully documented, to insure the airworthiness of the Exchange Unit.
21. This agreement is delivered to customer upon the placing of the customer's exchange order. Customer's failure to return this agreement, duly signed, constitutes full acceptance of the conditions as set in this agreement, in full, by the Customer, and the Customers waves any claim with regards to the validity of this agreement. By accepting delivery of the Exchange Unit and not making any warranty claim on loss, damage or any other deficiency, within less than 7 days from date of shipping, Customer agrees to accept and comply with the terms of this agreement as if it was fully signed by the Customer. Hawk's records, regarding emailing of this agreement constitutes enough evidence that the customer received this agreement and agreed to its terms.
22. In case an Authorized Repair Facility determines the Core passes a functional test and/or that the reason for removal of the Core, as reported by the Customer, cannot be duplicated or confirmed, the Customer will grant their unconditional Customer 1 year Warranty Cover to Hawk. If such a Core specified in this clause will fail within the warranty period of 1 year thereafter, Customer will fully compensate Hawk for any costs associated with such failure regardless of a related or unrelated to the actual cause of failure.
23. Warranty terms and definitions are as per standard warranty of the actual Authorized Repair Facility that last certified the Exchanged Unit, unless otherwise agreed between Hawk and the Customer. Hawk will not be responsible to supply a warranty replacement Exchange Unit. Warranty shall be granted only subject to warranty approval of the failed unit by an Authorized Repair Facility. The choice to issue a warranty RMA shall be at Hawk's sole discretion. The Customer shall inspect the Exchange Unit delivered to Customer within five (5) business days from receipt of the Exchange Unit and must notify Hawk in writing of any alleged discrepancies found during its inspection. No claims of discrepancies will be accepted beyond the five (5) business days period specified above. Unless written pre-approval is authorized by Hawk, all warranties, expressed or implied, shall immediately cease if the Exchanged Unit is compromised, tampered with or if any protective warranty label or stickers are removed from the Exchanged Unit by the Customer or any third party. The Customer here by undertakes to accept any findings, investigation and conclusion made by an authorized repair shop, related to any dispute regarding the functionality and/or the condition of the Original Exchange Unit and the Core unit. Any warranty claim that results in *no-fault-found*, the customer will incur full costs (including shop evaluation fee, freight to/from the shop, etc.) plus a handling fee of \$250.
24. Hawk will have the sole discretion to approve a quote related to the Core for its repair/overhauled by authorized repair shop, and the Customer's approval will not be required under any circumstances.
25. Unless agreed otherwise, this Agreement shall be governed in accordance with the laws of the County or State of Hawk's residence.
26. Customer warrants that it is solvent and has no knowledge of any impending insolvency proceedings against it at the time of the transaction. Until such time as all fees and costs identified in the Agreement are fully paid by the Customer, the parties agree that Hawk retains a security interest in the Exchange Unit and the Core and both will be collateral for all fees and costs due from the Customer.
27. This Agreement is binding and no amendments, documents, instructions or additions to the Agreement will be accepted unless made specifically with reference to alter this agreement and are in writing and signed by both Hawk and the Customer, and only a written and signed amendment will govern.
28. Customer agrees to defend, hold harmless, and indemnify Hawk, its affiliated companies, their directors, officers, employees and agents from and agency and all present and future liabilities, damages, losses, demands, fines, penalties and claims of any kind whatsoever, including all costs, expenses and reasonable attorneys' fees incidental thereto, which are or may be suffered by, accrued against, be charged to, or be recoverable by reason of any loss or damage to property or injuries or death of any person arising from Exchange Unit that is the subject of the Agreement and its terms.
29. The officer signed on this agreement agrees that he/she is a duly authorized representative of the Customer and sing of its behalf.



HAWK AVIATION

- Appendix A -

Core Shipping Instructions

Returned Material Authorization (RMA) for Exchange Cores

To avoid unnecessary expenses, please carefully follow the shipping instructions below:

Method of shipment of the Core unit: Door to Door, Customs Cleared, DDP basis - All transportation and insurance risks on Shipper's / Customer's account. All Duties, insurance fees and other fees paid by shipper / Customer (ship via FedEx/DHL/UPS or other courier). The Customer will be fully liable for all logistics aspects of returning the Core to Hawk premises. The Customer here by approves and accepts that Hawk will bill back to the Customer all charges related to the core return to Hawk and billed back to the Hawk not in accordance to the terms of this agreement.

Ship to address for Core return: HAWK AVIATION LA LLC
975 SHOTGUN ROAD
SUNRISE, FL 33326 USA
ATTN: SHIPPING/RECEIVING DEPT.
TEL: 1-954-414-9898
FAX:1-954-414-8182
For further assistance, please reach Art, Tel: 1-954-414-9898 Email: logistic@hawkaviation.com

Attention: In case core unit will be shipped to any other address than the address mentioned above, customer will bear the full costs of relocating of core unit plus any late fees resulted in the late core return due to mis-shipment - with no exceptions.

Required Documents: Full trace to last operator must be provided:
required: - ATA106 certificate and Non Incident Statement from all related entities on the chain of ownership transfer.
- Packing Slip (Showing Hawk Exchange ref#) indicating the Core's correct P/N and S/N;
- Statement showing that the unit is a US MADE RETURN GOOD, were applicable;
- Original Removal Tag;
- For Customer Certified Core, verify to attach the original ARC and original Authorized Repair Facility teardown report.
In case of more than one company is involved in the exchange transaction, kindly provide ATA106/NIS and Packing Slips from all entities in chain of the ownership transfer to Hawk.

Notify Hawk: Email: sales@hawkaviation.com and rfa@hawkaviation.com

Please notify hawk with AWB # and copies of all shipping documents ahead of time;
Please mention your PO No., Core P/N and S/N and Hawk reference on every notification.

Authorized signer's name: _____
Capacity: _____
Company name: _____
Signature: _____
Date: _____