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# Standard Exchange Agreement

Customer

Return Core Address

Item	Exchange Unit (Part Number and Serial Number)	Description	Outright Sale Price (USD)	Condition	Exchange Fee (USD)

**TOTAL (USD)** \$

## 1 Exchange Transaction

By execution of this **Exchange Agreement**, Customer agrees to;

- (i) pay the **Exchange Fee** noted above under such payment terms agreed with KILLICK AEROSPACE
- (ii) return an **Exchange Core Unit** to KILLICK AEROSPACE within the **Exchange Core Return Period**
- (iii) pay for the **Exchange Core Unit Repair** upon receipt of invoice
- (iv) pay all additional charges upon receipt of invoice

## 2 Exchange Core Return Conditions

- (i) The Customer shall deliver a like part complete with all of the documentation detailed in Section 6 herein (the "**Exchange Core Unit**") within twenty one (21) days from the date of this Agreement (the "**Exchange Core Return Period**").
- (ii) In the event that Customer fails to deliver the **Exchange Core Unit** within the agreed **Exchange Core Return Period**, Customer agrees to pay an additional **Exchange Fee**.
- (iii) In the event that Customer fails to deliver the **Exchange Core Unit** within 45 days of the date of this Agreement, Customer agrees that the transaction is automatically converted to an Outright Sale at the **Outright Sale Price** above, payment of which is due upon receipt of invoice. No credits will be issued by KILLICK AEROSPACE for either the **Exchange Fee**, additional **Exchange Fee**, or other charges incurred by KILLICK AEROSPACE and invoiced to Customer.
- (iv) Customer acknowledges that the delivery to KILLICK AEROSPACE of an Exchange Core Unit without all of the documentation detailed in Section 6. is not in compliance with this Agreement, and that in such an event the Exchange Core Unit is considered not delivered to KILLICK AEROSPACE, and that this Section 2 item (ii) or item (iii) will continue to apply accordingly.**
- (v) The **Exchange Core Unit** must be economically repairable and be the same part number and modification status (or be capable of modification to the same part number and modification status) as the **Exchange Unit**. An **Exchange Core Unit** that has an alternate part number is not acceptable without prior written authority of KILLICK AEROSPACE. In the event that KILLICK AEROSPACE accepts an **Exchange Core Unit** with an alternate part number to the **Exchange Unit**, Customer agrees to pay for for any modification fees incurred within the **Exchange Core Unit Repair**.
- (vi) Once the **Exchange Unit** is dispatched from KILLICK AEROSPACE's facility, this agreement is in effect in its entirety. Cancellations and/or an **Exchange Unit** returned unused must be approved in advance by KILLICK AEROSPACE and are subject to the **Exchange Fee**, additional **Exchange Fee**, and/or **Exchange Core Unit Repair** if required. An unused and returned **Exchange Unit** must be accompanied by all original paperwork supplied by KILLICK AEROSPACE, plus a Non-Usage Statement indicating that part was not used or installed and signed by the Customer's Quality Control Representative..
- (vii) KILLICK AEROSPACE, at its sole discretion, may approve the return of a certified **Exchange Core Unit**, however this must be authorized in advance and in writing. In such case, KILLICK AEROSPACE and Customer may agree to an extended **Exchange Core Return Period**. Customer's failure to deliver the certified **Exchange Core Unit** within the extended **Exchange Core Return Period** will result in the additional **Exchange Fee** and/or **Outright Sale Price** in accordance with Section 2, items (ii) and (iii) herein.



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Customer acknowledges that KILLICK AEROSPACE at it's sole discretion may choose not to accept an **Exchange Core Unit** which contains PMA parts, or which contains non-OEM or non-SRM repairs, or to replace such PMA parts or non-OEM or non-SRM repairs within the **Exchange Core Unit Repair** workscope at the Customer's expense.

### 3 Exchange Core Return Shipping Details:

Unless otherwise agreed, the Customer shall deliver the Exchange Core Unit to the above **Return Core Address**.

### 4 Conversion from Exchange Transaction to Outright Purchase

- (i) Customer may, within the **Exchange Core Return Period**, convert the **Exchange Transaction** into a Purchase Transaction at the **Outright Sale Price**.
- (ii) Customer agrees that in the event of a conversion from **Exchange Transaction** to Outright Purchase, payment is due upon receipt of invoice.

### 5 Exchange Core Unit - Repair Approval & Invoicing

- (i) Upon receipt of the **Exchange Core Unit**, KILLICK AEROSPACE will promptly have the Part evaluated for Repair/Recertification or Overhaul and modification if so required (the "**Exchange Core Unit Repair**"), in order to have the **Exchange Core Unit** returned to the same condition as the **Exchange Unit**.
- (ii) Customer acknowledges that the **Exchange Core Unit Repair** will not allow for PMA Parts, or for non-OEM or non-SRM approved repair processes.
- (iii) Immediately upon receipt of the quote for the **Exchange Core Unit Repair**, KILLICK AEROSPACE will forward a copy to the Customer for approval. Customer will have five (5) working days to approve the quote, after which KILLICK AEROSPACE may at it's sole discretion (a) proceed to approve the **Exchange Core Unit Repair** or (b) determine the **Exchange Core Unit Repair** to be excessive and that the **Exchange Core Unit** is beyond economical repair ("**BER**").
- (iv) If the Exchange Core is beyond economical repair ("**BER**") KILLICK AEROSPACE will invoice the customer the agreed **Outright Purchase Price** + the original **Exchange Fee** + any **Scrap/evaluation Fees** charged by the repair facility.
- (v) All core repairs are subject to 10% **Repair Management Fee**. The **Repair Management Fee** will be a minimum of \$300 but will not exceed \$5,000.
- (vi) KILLICK AEROSPACE reserves the right to invoice the customer any freight charges accrued in returning the "**Exchange Core Unit Repair**" to a saleable condition.
- (vii) Customer acknowledges that in the event of either the **Exchange Core Unit Repair**, or the **Exchange Core Unit** being deemed **BER**, payment of invoices provided by KILLICK AEROSPACE are due upon receipt.

### 6 Exchange Core Unit – Documentation Requirements

The **Exchange Core Unit** must be accompanied by the following documents:

- (I) A Packing Slip or Commercial Invoice showing transfer of ownership to KILLICK AEROSPACE
- (II) A Removal Tag noting the following information;
  - a. the reason for removal or failure
  - b. the Aircraft or Engine Serial Number that the **Exchange Core Unit** was removed from
  - c. the Part Number and Serial Number of the **Exchange Core Unit**
- (III) A Material Certification (ATA-106) from the Customer that includes the following:
  - a. The source (Airline or Operator) of the **Exchange Core Unit**
  - b. A statement that the **Exchange Core Unit** is not incident related
  - c. A statement that the **Exchange Core Unit** has not been subject to severe heat, stress or corrosion.
  - d. A statement that the Exchange Core Unit was not procured from a U.S Governemnt, Foreign Government or Military source.
- (IV) A Material Certification (ATA-106) from the Last Operator (and prior Operators, if so required by KILLICK AEROSPACE that includes the following:
  - a. The source (Airline or Operator) of the Exchange Core Unit
  - b. A statement that the Exchange Core Unit is not incident related
  - c. A statement that the Exchange Core Unit has not been subject to severe heat, stress or corrosion
  - d. A statement that the Exchange Core Unit was not procured from a U.S Governemnt, Foreign Government or Military source.



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## Signature

The Customer, by signing below, has read and accepts/agrees to all the terms and conditions of this agreement.

*Company Name*

*Purchase Order #*

\_\_\_\_\_

*Name*

\_\_\_\_\_

*Signature*

\_\_\_\_\_

*Date*