

Nebraska ARMES Aviation – General Aviation Terms and Conditions

Effective Date: 1 January 2025

Address: 707 William Northern Blvd, Tullahoma, TN 37388

A. GENERAL TERMS

Governing Law and Jurisdiction

All transactions shall be governed by and construed in accordance with the laws of the State of Tennessee, excluding its conflict of law principles. Disputes shall be resolved exclusively in the courts located in Franklin County, Tennessee.

Compliance with Law

Both parties shall comply with all applicable U.S. laws and regulations, including FAA regulations, OSHA, and environmental laws. Any export-controlled data or items must be disclosed in writing.

Force Majeure

Nebraska ARMES Aviation shall not be liable for delays or failures in performance caused by circumstances beyond its reasonable control, including but not limited to acts of God, war, embargoes, labor disputes, or material shortages.

Confidentiality

Proprietary information exchanged in the course of business shall remain confidential and shall not be disclosed without prior written consent, except as required by law or regulatory authorities.

B. TERMS FOR GENERAL AVIATION CUSTOMERS

Work Scope and Estimates

A written estimate will be provided prior to commencement of work. No work shall begin without the customer's written approval. Any changes to the agreed scope must likewise be approved in writing.

Priority of Work

Nebraska ARMES Aviation's primary business is the modification and support of government-operated Black Hawk aircraft. General aviation work will be scheduled and completed as capacity permits. Customer aircraft will therefore be worked on only when government aircraft are not in process. While NAA will make reasonable efforts to provide timely service, no guarantee of turnaround time is made for general aviation projects.

Customer-Supplied Parts

All customer-furnished parts must be accompanied by traceability documentation acceptable under FAA standards. Nebraska ARMES Aviation reserves the right to reject non-compliant or undocumented parts.

Airworthiness and Return to Service

Work will be performed in accordance with applicable FAA regulations. Return-to-service documentation will be issued only upon successful completion of required inspections and compliance with all regulatory requirements.

AOG and Scheduling

In cases where a customer requires immediate repair or inspection, and schedule permits, an Aircraft on Ground (AOG) fee may be assessed if mutually agreed upon in writing.

Liability for Prior Work

Nebraska ARMES Aviation shall not be held liable or responsible for any accidents, incidents, defects, discrepancies, or damage arising from maintenance, repairs, or alterations performed prior to induction of the aircraft into our facility, including but not limited to unreported accidents, improperly performed maintenance, or previously completed work by third parties.

Logbook Review and Induction

Nebraska ARMES Aviation reserves the right to review all aircraft and engine logbooks as part of the induction process. The company further reserves the right to be compensated for all work and inspections conducted during induction.

Invoicing and Payment

A weekly invoice for all work performed will be presented to the client at the beginning of each work week for the prior week's activities. All invoices are due upon receipt unless alternative arrangements are made in writing and agreed upon by both parties. Under no circumstances will an aircraft Return to Service be issued unless all invoices have been paid in full.

Parts and Embodiment Fees

Nebraska ARMES Aviation reserves the right to impose an embodiment fee of 18% on all customer-provided parts.

Labor and Service Rates

- Technician Rate: \$160/hour
- Inspector Authority (IA) Rate: \$175/hour
- Avionics Technician Rate: \$165/hour
- Engineering Rate: \$225/hour
- Material Markup Factor: 1.20
- Embodiment Fee: 18% (applies to customer-supplied parts)
- Engine Run and Taxi: To be determined based on aircraft type and scope
- Maintenance Test Pilot Fee: \$1,500 per day (8-hour duty day)
- Hangar and Storage Fee: \$300 per day
- Aircraft Ground Handling: \$100 per event

Warranty

A limited warranty of 90 days is provided on labor and workmanship. Warranty does not cover misuse, abuse, normal wear, latent defects, or issues arising from prior maintenance.

Insurance Requirements

The customer shall maintain liability insurance at all times while the aircraft is located at a Nebraska ARMES Aviation facility. Proof of insurance must be provided upon request.

Customer Communications

All customer communications with Nebraska ARMES Aviation shall be conducted through designated points of contact within the Nebraska ARMES Production Team. Specific points of contact will be identified to each customer at the initiation of a project.

Payment Terms

Payment terms are NET30 upon completion of work unless otherwise agreed in writing. Late payments may incur a finance charge of 1.5% per month (18% annually). Nebraska ARMES Aviation reserves the right to withhold aircraft, logbooks, or documentation until full payment is received.

Delivery Terms

All shipments shall be made Ex Works (EXW), Incoterms® 2020, Seller's facility, Tullahoma, Tennessee, USA. Title and risk of loss shall transfer to Buyer upon Seller's hand-off of properly packaged Products to the designated freight forwarder or other shipper.

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