



Service Center Terms and Conditions HAF-840-008

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Work Order Estimates. Hillsboro Aviation's work order estimates are valid for 30 calendar days from the date of issue within the same calendar year. Unless otherwise noted, all costs and scheduled dates are estimated and subject to change. Work order estimates are based on completion in accordance with FAA and manufacturer's standards. Changes to a work order estimate by either the customer or Hillsboro Aviation will be accomplished in writing and will be handled on a time and materials basis. Customers must approve all work order estimates prior to the work being performed.

Payment. For any maintenance work over \$5,000 and for all avionics installations, a non-refundable 50% deposit will be required before any parts are ordered for the project to ensure that the administrative work, restocking fees, and gaps in maintenance schedule are recompensed in the event of an agreement cancellation. For any maintenance/avionics work over \$10,000 and/or a projected completion time of more than 30 days, a non-refundable 50% deposit will be required before any parts are ordered for the project and a 30% progress payment will be required on the date of the projected halfway point of the project. Upon Hillsboro Aviation's completion of the services performed, including any additions or change order adjustments, the customer will pay the outstanding balance prior to delivery of the aircraft. Customers' aircraft, and logbooks/maintenance entries will not be released until Hillsboro Aviation has received full payment.

Customers with Payment Terms. For customers with payment terms, written approval of the work to be performed will be required before any parts are ordered for the project. It is the customer's responsibility to make payment in accordance with their term's agreement. A maintenance lien will be placed on the aircraft if payment is not received within the customers terms agreement (maximum 30 days). Any deviations from the above-outlined schedule must be approved by the Service Center Manager, the Director of the Service Center and FBO, as well as the Chief Operating Officer.

Acceptable Forms of Payment. All estimates include a discount for cash payment or immediate payment using wire transfer/ACH. We only accept domestic (United States) credit cards. Prices quoted are in United States Dollars (USD) and do not include inbound or outbound freight charges and/or freight charges for special order items. A 3.5% service fee for credit card payments may be added to the purchase price. Credit-based accounts are subject to a daily 0.3% interest charge per day on late invoices. A maintenance lien will be placed on the aircraft if payment in full is not received within 30 days of the delivery date.

Scheduling. Hillsboro Aviation will make every effort to meet the estimated completion date but does not warrant or guarantee a date and time of delivery. Aircraft deliveries may be impacted by changes to the scope of work, delayed approvals, late parts delivery, delayed payments, or other conditions outside of Hillsboro Aviation's control. The customer waives any liability or claims that come as a result of a delay in completion date. The customer will be notified if timelines are expected to go past the original maintenance window estimate.

Labor and Parts Charges. Unless otherwise noted, all labor will be invoiced at Hillsboro Aviation's posted labor rates. Every effort will be made to perform the work during normal business hours; however, overtime may be required to meet the customer's schedule. When overtime is required, efforts will be made to notify the customer if the overtime is expected to be significant. Overtime rates of 1.5x the posted labor rates will apply for hours worked outside of normal business hours and on weekends. Work performed on holidays will be invoiced at double the posted shop rates. A callout fee of \$500 per AOG occurrence will be charged when service center personnel are required after hours, on weekends, on holidays, or outside of existing/previously scheduled commitments. The callout fee will be in addition to the applicable overtime labor charges. A callout fee will not be applied if maintenance personnel are only required to work overtime, however overtime rates of 1.5x the posted labor rates still apply. Hillsboro Aviation will invoice parts based on current parts pricing. Prices do not include any sales or use tax. All taxes must be paid by the customer.

Freight. Standard freight charges for aircraft parts are included on the invoice. Additional charges for expedited or AOG shipping will be added if requested by the customer or if required by the service center due to delays in customer approval.

Change of Scope. Changes to the original estimate by either the client or Hillsboro Aviation will be accomplished in writing. All changes to the scope of work will be billed as time and materials with a range given for the estimated cost to complete the changes. The customer must approve the change in scope to the work package prior to the work being performed.

Aircraft Cleaning. Aircraft must be clean and organized to be properly inspected. Hillsboro Aviation may charge posted labor rates for cleaning and time spent removing personal items at our discretion. If the customer requests that their aircraft be detailed, they will be billed through the FBO department at the current detailing rates.

Hangar Availability. While every effort will be made by Hillsboro Aviation to store aircraft inside the hangar during maintenance, we cannot guarantee that hangar space will be available. Five nights of complimentary ramp storage outside of the maintenance window is included with every maintenance event. If the customer requires additional time on the ramp, they will be charged at the current nightly rate for said aircraft. If hangar space is desired between drop off, pickup, and the scheduled maintenance period, the customer will be billed at our current nightly rate for said aircraft, pending hangar space availability.

Movement of Aircraft. HAI shall retain the right to move, park and/or relocate the aircraft within and outside the hangar in the event that HAI reasonably determines, in its sole discretion, that such a move is necessary or appropriate. The customer hereby authorizes HAI to move, park or relocate the aircraft. The customer is not authorized to move the aircraft under any circumstances without HAI present.

Warranty on Work Performed. Hillsboro Aviation warrants that all labor performed under our FAA Part 145 Repair Station, complies with all applicable FAA regulations and are free from defects in workmanship for the period of 30 days or 10 hours of aircraft operation from the time of the aircraft's release. Warranty coverage for defects in workmanship excludes parts warranties, damages/defects resulting from customer supplied parts, an accident, normal wear and tear, failure to recognize any applicable service/maintenance schedules, damages from repairs or modifications performed by any third party entity, and/or warranty work performed by third party entities other than Hillsboro Aviation.

Manufacturer's Warranty. As an FAA Certified 145 Repair Station Hillsboro Aviation will perform warranty work on all makes of aircraft, appliances, accessories, and avionics equipment for which we are authorized dealers or representatives. Additional expenses, including labor and parts, which are not covered by these manufacturers due to warranty limitations or denial of warranty claims, will be the financial responsibility of the customer. Labor will be billed at the posted shop rates and parts will be invoiced at Hillsboro Aviation's current prices. These expenses may occur after delivery of the aircraft due to warranty processing delays by the manufacturer, or denial of warranty claims. The customer will be notified and billed as soon as details of any additional expenses become available. Credit-based accounts are subject to a daily 0.3% interest charge per day on late invoices.

Old Parts Disposal. Once a maintenance window has been closed and an aircraft is no longer in Hillsboro Aviation's possession, any part permanently removed from the aircraft will become the sole property of Hillsboro Aviation. Hillsboro Aviation reserves the right to dispose of any old/used aircraft parts or personal belongings left behind by the customer at their discretion unless otherwise previously requested/arranged by the customer. Hillsboro Aviation is not liable and does not take any responsibility for damage incurred to these items after the aircraft has been released to the customer or appropriate parties.

Installation of Customer Supplied Parts. Aircraft parts supplied by customers must be accompanied by the proper documentation and paperwork. Hillsboro Aviation's Chief Inspector or their representative will determine if Hillsboro Aviation's service center may install a customer-supplied part. Customers who supply their own parts assume responsibility for dealings with vendors in the case of warranty, exchange, or premature failure. Any costs associated with the removal and installation of defective or failed parts, which were supplied by customers, will be at the customer's expense and are not covered under HAI's warranty. Hillsboro Aviation reserves the right to charge up to a 30% surcharge of the purchase price of customer-supplied part. If the purchase price is not available, then Hillsboro Aviation will add a surcharge based on the purchase price provided by our vendors.

Parts Restocking Fees. Parts ordered per owner/operator's request may require a 50% deposit of the quoted price prior to ordering. Parts ordered and not used are subject to a 15% restocking fee, or full value if the part is unable to be returned.

Engine Runs and Test Flights. Qualified Hillsboro Aviation service center personnel will perform on-ground engine runs. Maintenance test flights require qualified pilots who are familiar with all aircraft systems and are experienced in performing maintenance test flights. Aircraft owners/operators are expected to provide pilots who are qualified for such activities. When requested, Hillsboro Aviation may provide qualified maintenance test pilots pending availability. If Hillsboro Aviation personnel are required to be present during a test flight, the customer will be invoiced at the posted rates. Test flights will only be made available once Hillsboro Aviation has received full payment for the work performed under this agreement. The risk of loss during maintenance ground runs and test flights remains with the aircraft owner.

Owner/Agent. The person authorizing the maintenance represents that, if they do not hold legal title to the aircraft described above, they are acting as a duly authorized agent of the legal owner and in that capacity has been given the authorization set forth above. If work is requested by any other parties besides the legal owner, Hillsboro Aviation requires that full payment be made prior to the work being performed.

Confidentiality. The customer acknowledges and agrees that information not commonly known by or available to the public or knowledge which relates to the business of Hillsboro Aviation, or its clients, not generally known by competitors of Hillsboro Aviation, or as otherwise defined under applicable law shall remain strictly confidential and protected from disclosure. This acknowledgment of confidentiality shall survive the termination or expiration of this document.

Non-Solicitation. The customer acknowledges and agrees not to solicit HAI's employees for the customer's benefit or for the benefit of a competitor to Hillsboro Aviation.

Compliance with Laws. Each party shall comply with all federal, state, and local laws. Each party will also comply with all executive orders, regulations issued, and including but not limited to all FARs that are applicable.

Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Oregon and the parties unconditionally submit to the jurisdiction of the courts of Oregon.

Agreement to Mediate. The customer and Hillsboro Aviation agree that in the event of a dispute, to make a good faith effort to reach a consensual agreement through means of mediation. Both parties will appoint and retain a neutral third-party mediator in order to resolve the conflict. Once a consensus has been reached, both parties approve that a mediator or lawyer will be appointed to draft a document that records the arrangements discussed which both parties will sign to finalize the agreement.

Agreement to Arbitrate. In the event that both the customer and Hillsboro Aviation are unable to come to an agreement through means of mediation, the dispute or controversy arising out of this agreement shall be resolved through means of binding arbitration in accordance with the rules of The American Arbitration Association. Any such arbitration proceedings shall be brought and held in Hillsboro, Oregon. Any claims will be made on an individual basis, not as a plaintiff or purported class member of any class claims, class arbitration or any unification of individual arbitrations.

Loss of Revenue. In no event shall any party be liable for or have any duty for indemnification of or contribution to the other party for any claimed indirect, special, incidental, consequential, or punitive damages or for any damages consisting of damage for loss of use, revenue, profit, business opportunities and the like.

Damage to the Aircraft. Hillsboro Aviation covenants and agrees to repair, at Hillsboro Aviation's own cost and expense, any damage to the aircraft to the extent such damage is caused by the negligence or willful misconduct of Hillsboro Aviation.