



Exchange Agreement (v7.0)

Company Name: _____
Address: _____

This Exchange Agreement (Agreement) between Precision Aviation Group, Inc. including its subsidiaries and affiliates ("PAG"), and the company listed above ("Customer") governs all exchange transactions between the parties. Unless the parties enter into a different agreement, this Agreement will apply to all exchange transactions between the Customer and PAG, and shall remain in effect indefinitely unless it is superseded by another agreement entered into by both parties or rescinded by PAG.

Billing
The Customer will be charged an exchange price as quoted by PAG for each exchange transaction. The Customer will also be advised of and billed a core charge. This core charge will represent the amount that the Customer will owe PAG above and beyond the exchange price if a core of equal or greater value is not returned or the returned core is unacceptable.

Core Conditions
PAG defines a repairable core as a unit that is in the condition as removed from an aircraft, a unit that is not incident related (i.e. no fire, crash or water damage) and a unit that can be economically repaired. If the cost to repair the core exceeds 75% of the flat rate exchange charge, the unit may be subject to additional billing.

Core Returns
All cores shall be returned to PAG (see specific subsidiary or affiliate address on invoice). Any and all transportation costs for the return of the core are the responsibility of the Customer. Customer exchange cores are to be returned to PAG within 30 calendar days.

Original exchange units returned for credit after seven days may, at the discretion of PAG, be subject to a restocking fee of 25% of the exchange price or \$175.00 (whichever is greater). In addition to the restocking fee, the cost to recertify the returned unit may also be assessed if the original certification is not returned.

Cores Returned After Billing
Customers may return a core after it has been billed, however the credits issued will be completed on a pro-rated basis as follows:
- Returned within 30 days of Core Billing will be accepted @ 100% (no late charges)
- Returned within 31 to 60 days of Core Billing will be accepted, subject to a 25% late return fee
- Returned within 61 to 90 days of Core Billing will be accepted, subject to a 50% late return fee
- Returned over 90 days of Core Billing will be accepted, subject to a 75% late return fee

Other
Both Customer and PAG agree that if any provision of this Agreement is unenforceable, that provision either may be enforced to the maximum extent allowed by law, modified as necessary to make it fully enforceable, or considered severed from this Agreement. Customer and PAG further agree that any unenforceable provision does not invalidate any other provision of this Agreement, or the Agreement in its entirety, and the parties agree that they will continue to fulfill all other obligations hereunder.

The undersigned parties agree to all of the conditions set forth in this Exchange Agreement.

PRECISION AVIATION GROUP, INC.
Signature
Print Name and Title
Date Signed

CUSTOMER
Signature
Print Name and Title
Date Signed

Please email the completed form to your Sales Representative