

3 Points Aviation Inc. Purchase Order Terms and Conditions

A. CONDITIONS OF PURCHASE

1. **NON-PERFORMANCE:** 3 Points Aviation Inc. ("3PA") reserves the right to cancel this purchase order or any portion thereof if delivery or performance is not made within the specified time. If the vendor is unable to make shipment on the date specified, 3PA shall be notified at once.
2. **PACKING SLIP:** A packing slip IN DUPLICATE must accompany each shipment and refer to this purchase order.
3. **NON-CONFORMANCE PRODUCT:** Materials and/or services covered by this purchase order shall be subject to inspection by 3PA and to rejection if not satisfactory to 3PA. Material so rejected will be held by 3PA at the vendor's risk, pending directions from the vendor as to its disposal. Any expenses, including transportation charges incurred by 3PA in respect of rejected material, will be charged to the vendor's account.
4. **CERTIFICATION:** All materials supplied for aircraft use shall be accompanied by the appropriate Airworthiness Release Certificate (TCCA, FAA or EASA) and test reports, as requested on this purchase order.
5. **PACKAGING AND PRESERVATION:** Damages to any goods, material or equipment resulting from improper packaging will be charged to the vendor's account. All materials must be preserved, packaged and marked in a manner that meets or exceeds standard commercial practices.
6. **CARTAGE:** No charges will be accepted for boxing, crating, storage, demurrage or cartage unless previously agreed upon or stated on this purchase order.
7. **LAWS:** The laws of Prince Edward Island, or Ontario, Canada (applicable to where the PO is generated) shall apply to and govern the interpretation of this purchase order and any proceedings taken by 3PA or the vendor shall be initiated in the courts of Prince Edward Island or Ontario, Canada (applicable to where the PO is generated).
8. **RECORDS:** The vendor shall maintain records of all inspections and tests for a minimum of ten (10) years after final payment for materials or services, or the retention period stated on this purchase order, whichever is greater. These records shall be available, and copies of the records shall be furnished upon request to 3PA representatives.
9. **SUBCONTRACTED WORK:** The vendor shall notify 3PA prior to subcontracting any of the purchase order requirements to another vendor.
10. **FLOWDOWN:** The vendor shall flow-down the quality requirements of this purchase order to any subcontractor used in the performance of this contract.
11. **ACCESS TO FACILITIES:** 3PA and their customers, including government agencies, reserve the right to inspect any or all of the work included in this purchase order at the vendor's facility. The vendor shall provide all necessary facilities, equipment, documentation and support required to perform any inspection at no cost to 3PA.

12. **CORRECTIVE ACTION:** The vendor shall notify 3PA of any non-conforming product and take prompt action to correct conditions which have resulted, or could result in, non-conforming product or services being offered to 3PA for acceptance. Obtain 3PA's organization approval for nonconforming product disposition.
13. **AGE CONTROLLED PRODUCTS:** Age controlled products shall be identified with the date of manufacture and the shelf life expiry date or useful life of the product. Age controlled products must have at least 80% of shelf life remaining upon receipt by 3PA.
14. **PROPRIETARY INFORMATION:** Copies of data provided by 3PA shall be kept confidential and shall not be reproduced except for internal use. Such proprietary data shall be controlled to ensure that the data is used for the processing of 3PA work only.
15. **VENDOR'S REPRESENTATIONS:** The vendor represents and warrants that all materials sold to 3PA are sold in the ordinary course of its business and are free and clear of all liens, encumbrances and claims of others.
16. **VENDOR PROCESSES:** Notify the organization of changes in product and/or process, changes of suppliers, changes of manufacturing facility location and where required, obtain 3PA's organizational approval.

B. CONDITIONS OF PURCHASE

1. **INVOICING:**
 - A. Invoices for material and/or services will be rendered in duplicate by the vendor immediately after the material has been shipped and/or the services have been performed.
 - B. The invoice must contain a complete description of the material delivered and/or the services performed.
 - C. Any applicable sales tax, duties and transportation charged will be shown separately on each invoice.
 - D. A separate invoice shall be issued for each purchase order and shall reference the relevant purchase order.
 - E. Invoices must be mailed to 3PA and must not be left with a 3PA employee at the time of delivery of material and/or performance of services.
2. **CUSTOMS DOCUMENTATION:** Foreign shippers must supply one set of triplicate Commercial invoices and one set of quadruplicate Canada Customs invoices compiled and certified in accordance with Canadian Customs regulations. Otherwise, the vendor will be held responsible for storage or demurrage.
3. **DUTY DRAWBACK:** Should 3PA be entitled to make application for duty drawback with respect to any material imported by the vendor to satisfy 3PA's purchase order, the vendor shall provide the necessary information and documentation to enable 3PA to make such application without any cost to 3PA.

NOTE:

- a. All copies of Customs Invoices must have the original signature upon them (no carbon copies).
- b. Charges for materials as stated on the Customs Invoices must be shown exactly as invoiced to 3PA.