



## I. APPLICABILITY

The following Terms and Conditions (“Terms and Conditions”) apply to any order covering the sale of an engine accessory that has been repaired or overhauled (“Exchange Unit”) and the return of a core (“Core Unit”) between VSE Aviation Services, LLC, including its affiliates (“VSE”) and the procuring party (“Customer”).

Any order covering the purchase of an Exchange Unit and return of a Core Unit will be governed solely by these Terms and Conditions and any other mutually agreed upon written provisions. Verbal understandings are not binding on VSE.

## II. PURCHASE ORDERS

(a) **Quote.** VSE shall provide a quote for the Exchange Unit and the maximum charge associated with the Exchange (“Max Bill Back Charge”) to the Customer (“Quote”). Customer shall accept or reject the Quote in writing within fifteen (15) calendar days from the date of issuance by issuing an order for the Exchange Unit (“Purchase Order”).

(b) **Customer Assent.** Customer’s acceptance of the Quote or issuance of a Purchase Order is expressly made conditional on Customer’s assent to these Terms and Conditions and the terms contained in the Quote. The silence of VSE shall not indicate acceptance of a Purchase Order. Customer’s acceptance of, payment for, or use of the Exchange Unit also constitutes Customer’s assent to these Terms and Conditions.

(c) **Waiver.** VSE does not waive any term in these Terms and Conditions if it fails to object to provisions appearing on, incorporated by reference in, or attached to Customer’s Purchase Order or other Customer furnished documents (“Customer Documents”). Any additional or different terms, which may be contained in Customer Documents are deemed material and VSE hereby objects to and rejects them. Any such additional or different terms are effective only if in writing and signed by an authorized representative of both VSE and Customer.

(d) **Requirements.** Customer’s Purchase Orders must include and be limited to

- VSE’s part number or applicable specifications referenced in VSE’s quotation, including a general description of the Exchange Unit;
- VSE’s quoted delivery date;
- VSE’s quoted price;
- Location to which the Exchange Unit is to be shipped;
- Where invoices should be sent for payment;
- Customer’s Purchase Order number and VSE’s Quote number, if applicable
- Customer’s carrier and mode of transportation plus any special routing, packing, labeling, handling or insurance requested by Customer, if applicable;
- the end-use and end-user, if known, of the Exchange Unit ordered and whether the Exchange Unit will be used for military or quasi-military purposes.

(e) Purchase orders shall be sent to: [sales-ks@vseaviaton.com](mailto:sales-ks@vseaviaton.com)



### III. PRICES

(a) Prices for Exchange Units sold by VSE to the Customer are quoted in United States Dollars. Prices do not include any non-standard costs, including but not limited to, testing, Customer-specific certification or inspection requirements, etc., unless specifically stated on VSE's Quote. VSE reserves the right to change or withdraw quoted prices until VSE has sent Confirmation of Customer's Purchase Order.

(b) Prices do not include any taxes or duties on the purchase or sale of the Exchange Unit, including, but not limited to, federal, state, or municipal excise, sales, use or value added taxes or import duties, if any. Any such taxes and duties that may become due and owing will be paid by Customer, excluding taxes based upon VSE's gross income. Customer shall reimburse VSE upon demand for any such taxes, duties or similar charges that VSE is required to pay or collect on behalf of Customer.

#### (c) **Bill Back Charges.**

Upon VSE's receipt of the Core Unit from the Customer and required documentation as described in Section V(c), VSE will perform an evaluation and will either (i) credit the Customer for any refund amount available or (ii) invoice the Customer for applicable charges "Bill Back Charges.

Bill Back Charges are not to exceed the Max Bill Back Charge included in the Quote.

If Customer is located outside of the U.S. or Canada, the Max Bill Back Charge will be invoiced at the time of sale, unless pre-approved by VSE.

If VSE determines the cost to repair a Core Unit exceeds sixty-five percent (65%) of the serviceable Unit's fair market pricing (i.e. is beyond economic repair) or there is any other discrepancy with the Core Unit such as a traceability concern, Customer will be invoiced for the Max Bill Back Charge.

Customer may, if sent within 5 days of receipt of VSE's invoice, provide parts or an additional Core Unit to be utilized as replacement parts. If VSE determines the parts are in serviceable condition, they will reduce Customer's Bill Back Charges accordingly. For clarity, upon receipt of the initial Core Unit to VSE's facility, title to the Core Unit transfers to VSE and will remain with VSE even if Customer provides an additional Core Unit.

### IV. PAYMENT

(a) **Timing and Invoicing.** Payment must be made in full upon receipt of invoice unless Customer has established net 30 credit terms with VSE. If no payment terms are listed on an invoice net 30 credit terms will apply. All payment(s) must be made in United States Dollars and must be accompanied by remittance detail containing at a minimum VSE's invoice number and amount paid per invoice. VSE reserves the right to correct any inaccurate invoices. Payments, without deduction for electronic funds transfer fees, must be in accordance with the "Remit To" or other similar field on each invoice.

(b) **Delinquency.** If Customer is delinquent in its payment obligations to VSE, VSE may at its option (i) be relieved of its obligations with respect to commitments, including without limitation, turnaround times, spares support and delivery lead-times; (ii) refuse to process any credit to which Customer may be



entitled; (iii) set off any credit or sum owed by VSE to Customer against any undisputed amount owed by Customer to VSE; (iv) withhold future deliveries to Customer; (v) declare Customer's performance in breach and terminate the Purchase Order; (vi) repossess Exchange or Core Units for which payment has not been made; (vii) make future deliveries on a cash-with-order or cash-in-advance basis; (viii) charge interest on delinquent amounts at a rate of 1.5% per month or the maximum rate permitted by law, if lower, for each month or part thereof; (ix) charge storage or inventory carrying fees on Units; (x) recover all costs of collection including, without limitation, reasonable attorneys' fees; (xi) if Customer is delinquent on a payment schedule, accelerate all remaining payments and declare the total outstanding balance then due and owing; or (xii) combine any of the above rights and remedies as may be permitted by applicable law. The above remedies are in addition to all other remedies available at law or in equity.

(c) **Disputes.** If Customer disputes VSE's invoice, or any portion thereof, Customer will so notify VSE within thirty (30) calendar days of the date of VSE's invoice. The parties will use all reasonable efforts to resolve invoice disputes expeditiously. Notwithstanding any invoice disputes, Customer shall promptly remit payment for invoices, or portions thereof, not in dispute.

(d) **Setoff.** VSE may setoff payments made on a Purchase Order or future purchases for amounts owed on other purchases orders where payment is delinquent.

## **V. Delivery of Exchange and Core Units**

### **(a) Exchange Units**

Exchange Unit delivery to Customer shall be Free Carrier (FCA) VSE's facility (Incoterms 2020). Risk of loss will pass to Buyer at delivery, which shall be defined as when VSE hands over a Unit to the shipper for carriage from VSE's facility.

The Customer is responsible for all shipping costs, customs, duties, taxes and other charges associated with the shipment of the Units to or from VSE's facility. If VSE prepays such transportation charges, Customer will reimburse VSE upon receipt of an invoice for those charges. VSE may charge additional fees for any rush shipments, special routing, packing, labeling, handling or insurance requested by Customer.

The Customer is responsible for payment to the appropriate taxing authority of any and all taxes, duties and customs or other charges which may be imposed by any taxing or other authority, for the performance of Services under the Agreement. If VSE is required to make a payment to any taxing authority rising out of this Agreement the Customer will reimburse VSE for such charges within fourteen (14) days of payment.

VSE will ship Exchange Units by the mode and carrier designated by Customer in accordance with the shipping instructions provided in the applicable Purchase Order. Where Customer provides no instructions for the method of shipment, the method of shipment will be at VSE's discretion.

VSE will schedule delivery in accordance with its standard lead time unless VSE agrees in writing to a separate delivery date. Customer's acceptance of late deliveries shall constitute a bar to a claim of late delivery.



Title to Exchange Units shall remain with VSE who shall retain a lien thereon until all funds due and payable hereunder have been received.

**(b) Core Units**

Core Unit delivery to VSE shall be Delivered at Place (DAP) VSE's facility (Incoterms 2020). Risk of loss and title will pass to VSE at delivery, which shall be defined as when VSE receives the Core Unit at VSE's facility. For purposes of the following delivery provision, "Seller" shall mean VSE and "Buyer" shall mean Customer.

The Customer is responsible for all shipping costs, customs, duties, taxes and other charges associated with the shipment of the Core Unit to or from VSE's facility.

The Customer is responsible for payment to the appropriate taxing authority of any and all taxes, duties and customs or other charges which may be imposed by any taxing or other authority, for the performance of Services under the Agreement. If VSE is required to make a payment to any taxing authority rising out of this Agreement the Customer will reimburse VSE for such charges within fourteen (14) days of payment.

Within twenty (20) days of Customer's receipt of the Exchange Unit, Customer must deliver the Core Unit to VSE's facility, along with (i) the return materials authorization ("RMA") form (ii) green tag annotating the previous engine serial number for the Core Unit and (iii) complete back-to-birth records, non-incident statements and part movement traceability sheets (PMTS) in accordance with the relevant aircraft manufacturer and OEMs requirements and/or any associated airworthiness directives (collectively "Documentation.")

If a Customer fails to provide the required Documentation, they will be charged an amount equal to ten percent (10%) of the Max Bill Back Charge.

If an acceptable Core Unit (according to VSE in its sole discretion) is not received by VSE within 20 days, Customer will be invoiced for the Max Bill Back Charge.

Customer must prepare and package Core Units according to OEM specifications. All Core Units containing fluids should be completely drained and capped to prevent leaking during shipment and must comply with applicable hazardous material shipping regulations.

Unless return of scrap parts is requested by the customer, VSE will properly dispose of nonconforming parts in accordance with Advisory Circular 21-43.

For clarity, upon delivery of the Customer Core Unit to VSE, title to the Core Unit shall transfer to VSE.

**VI. ACCEPTANCE**

(a) Exchange Units will be deemed accepted unless VSE receives written notice of rejection from Customer within seven (7) calendar days of receipt, explaining the basis for such rejection.

(b) Once accepted, Customer's only recourse or remedy for uninstalled, non-conforming or defective Exchange Units shall be as provided in the warranty section of these Terms and Conditions.



(c) At VSE's option, VSE may (i) make repairs required to return the Exchange Unit to service, (ii) replace the Exchange Unit with a similar unit, or (iii) refund the purchase price paid for the Exchange Unit. Following initial delivery, the party initiating shipment will bear the risk of loss or damage to Exchange Units in transit, except that VSE will reimburse Customer for normal and reasonable surface shipping costs incurred to return properly rejected Exchange Units to VSE's designated facility. If VSE reasonably determines that rejection was improper, Customer will pay all expenses relating to the improper rejection. Customer will comply with VSE's return material authorization policies and will ship returned Exchange Units to VSE suitably packed for shipment to prevent damage in transit in accordance with reasonable shipping practices.

#### **VII. TERMINATION/ORDER CANCELLATION/CHANGES**

Any changes to a Purchase Order, including but not limited to, specification, price, delivery time, or interchangeability of any Unit can only be made by a change order signed by the authorized representatives of Customer and VSE.

#### **VIII. NONDISCLOSURE**

These Terms and Conditions do not supersede any confidentiality agreement executed by VSE and Customer that otherwise applies to services performed by VSE, technical data or other information delivered in connection with any Purchase Order. In the absence of such confidentiality agreement, Customer agrees that it shall not, without the prior written consent of VSE, use or disclose any of VSE'S Confidential Information or data, material or deliverables created, developed, produced or otherwise obtained in the course of the work required hereunder including any pricing or quantity information (hereafter "Confidential Information") for any purpose except as necessary to implement or perform the Purchase Order and shall protect the Confidential Information using the same standard of care as it uses to protect its own confidential information.

For purposes of these Terms and Conditions, "Confidential Information" shall mean any business records, technical information or data of any kind including, but not limited to, all financial information, costs, quotations, price lists, designs, specifications, or drawings, that have been disclosed by VSE, or any other information expressly marked as "Confidential" or "Proprietary" by VSE or any of its suppliers.

Confidential Information shall remain the property of VSE. Customer may only disclose Confidential Information to its employees on a need-to-know basis, will protect against its inadvertent disclosure, and will not disclose Confidential Information to any third party without VSE's prior written consent. Customer further agrees that it will not divulge any matter known to it, the disclosure of which would be detrimental to the interests of VSE as determined by VSE.

#### **IX. WARRANTY**

(a) **Warranty Scope.** Subject to the terms of this warranty, VSE warrants that the services performed by VSE on the Exchange Unit delivered to the Customer will be free from defects in workmanship, provided the Exchange Unit for which the Customer is seeking a warranty has been operated under normal operating conditions and has not been otherwise modified.



(b) **Duration.** An overhauled Exchange Unit is warranted for twenty-four (24) months or 1,000 flight hours, after shipment of the Exchange Unit from VSE facility, whichever occurs first, however electrical components on overhauled Exchange Units are only warranted for twelve (12) months or 1,000 hours for, after shipment of an Exchange Unit from VSE facility, whichever occurs first. Any repair, modification or inspection/test work scope is warranted, but limited to the workmanship of the specific work scope performed for six (6) months after completion.

(c) **Notice.** This warranty is only valid if a covered defect in workmanship is discovered within the duration of the warranty periods listed in section (b) and customer notifies VSE in writing within thirty (30) days of discovery of such defect.

(d) **Return.** Customer will return together with its warranty claim any Exchange Unit alleged to be defective and covered under this warranty, properly packaged and prepaid to VSE or as otherwise directed by VSE. The warranty claim should include engine traceability and hours of operation.

(e) **Liability Scope.** VSE does not warrant parts and/or materials, which are covered by manufacturers' warranties; however, VSE will assist the Customer in the processing of claims or adjustments arising out of such defects.

VSE does not warrant any Customer furnished parts and/or materials that are supplied for use in a unit. If a failure or defect is found to be caused by Customer furnished parts or materials, the warranty claim will be denied and normal repair charges will apply.

VSE's obligation under this warranty is limited to the repair of any covered defect that is required to return the Exchange Unit to service or at VSE's option the replacement of the Exchange Unit with a similar unit. VSE makes no express or implied representation that a zero-time replacement unit will be provided under VSE's warranty policy. All warranty work will be performed at VSE's facility.

VSE is not liable under this warranty for any defect resulting from an Exchange Unit having been exposed or subjected to (i) any alteration, modification, maintenance, repair, installation, handling, transportation, storage, operation or use, that is improper; (ii) any accident, contamination, abuse, neglect or negligence; or (iii) any Exchange Unit whose warranty seals or stickers are removed or tampered with in any way.

**THESE WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, CONDITIONS OR REPRESENTATIONS, WHETHER ORAL, WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WHICH ARE HEREBY DISCLAIMED AND EXCLUDED BY VSE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. IN NO EVENT WILL VSE BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUES OR USE EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT WILL VSE'S LIABILITY TO CUSTOMER, WHETHER IN CONTRACT, TORT, OR OTHERWISE, EXCEED THE AMOUNT PAID BY CUSTOMER FOR THE EXCHANGE UNIT. NO MODIFICATION OR EXTENSION OF THESE WARRANTIES WILL BE BINDING UPON VSE UNLESS SET FORTH IN WRITING AND SIGNED BY VSE'S AUTHORIZED REPRESENTATIVE.**



**X. INDEMNITY**

Customer shall defend, indemnify and hold harmless VSE, its affiliates and subsidiaries and their directors, officers, employees and agents from and against any and all claims, suits, damage, loss, liability, cost or expense (including, without limitation, reasonable attorneys' fees and expenses) resulting from, arising out of, or relating to, directly or indirectly, these Terms and Conditions, violation of any applicable law or regulation, Customer's activities or contractual relationships with third parties with respect to these Terms and Conditions, or the installation, operation, use, maintenance, repair or modification of Parts, other than such claims as arise from the gross negligence or willful misconduct of VSE.

**XI. AFTERMARKET ACTIVITY**

VSE's sale of an Exchange Unit to Customer does not convey to Customer any right or license to any present or future patent, trademark, copyright, trade secret or other intellectual property owned, controlled, or licensed by VSE or an OEM nor any right to use VSE or an OEM's Proprietary Information which is incorporated or embodied in Exchange Units other than as set forth in these Terms and Conditions.

**XII. EXCUSABLE DELAYS AND FORCE MAJEURE EVENTS**

VSE will not be liable to Customer for any failure to meet its obligations due to any cause beyond VSE's reasonable control and not occasioned by its fault or negligence (an "Excusable Delay or Force Majeure Event"). Excusable Delay or Majeure Events may include but are not limited to (i) delays or refusals to grant an export license or the suspension or revocation thereof; (ii) any other acts of any government that would limit the ability for contract performance; (iii) fires, earthquakes, floods, severe weather conditions, or any other acts of God; (iv) quarantines or regional medical crisis or pandemics; (v) labor strikes or lockouts; (vi) riots, strife, insurrection, civil disobedience, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property); and (vii) shortages, delays, or inability to obtain materials, components or Parts from any VSE supplier. If an Excusable Delay or Force Majeure Event causes a VSE delay or does not allow performance, then the date of VSE's performance will be automatically extended by the period of such delay. VSE may also at its sole discretion cancel Customer's order with respect to such delayed performance in the event of an Excusable Delay or Force Majeure Event.

**XIII. ASSIGNMENT**

Customer will not assign any rights nor delegate any obligations under these Terms and Conditions or any portion thereof in whole or in part, by operation of law or otherwise, without VSE's advance, written consent which will not be unreasonably withheld. VSE may assign any right or obligation under these Terms and Condition to any third party in its sole discretion. Any attempt to assign or delegate in violation of this section will be void.



**XIV. NOTICES**

(a) Notices or non-routine communications between the parties, other than purchase orders, will be in writing, sent by prepaid overnight courier service or email and shall be effective upon receipt by the party to which notice is given.

(b) Notices shall be addressed to the following respective mailing or email addresses of the parties, or such other addresses as the parties may designate by notice from time to time:

- (i) If to VSE: The addresses indicated on VSE's quotation.
- (ii) If to Customer: To Customer's addresses on its Purchase Order.

**XV. WAIVER**

The failure or delay of VSE to enforce any of the provisions of these Terms and Conditions shall not be construed to be a continuing waiver of any provisions hereunder nor shall any such failure prejudice the right of VSE to take any action in the future to enforce any provisions hereunder.

**XVI. COMPLIANCE WITH LAWS**

Customer represents and warrants that it will comply in all respects with all laws, rules, regulations, ordinances, proclamations, demands, directives, or other legal requirements that now govern or may hereafter govern the Exchange Units, including but not limited to the US Foreign Corrupt Practices Act, UK Bribery Act and those of all applicable agencies and instrumentalities of the United States and foreign countries. Customer agrees upon request to furnish VSE with a certificate of compliance relating to any such laws and regulations in such form as VSE may require. Customer agrees to indemnify and hold VSE harmless from any liability arising from any failure of Customer to comply with such laws and regulations.

**XVII. EXPORT COMPLIANCE**

(a) Customer represents and warrants that it will comply with all applicable import and export control laws and regulations, including, without limitation, the United States Export Administration Regulation ("EAR"), the United States International Traffic in Arms Regulations ("ITAR"), the United States Office of Foreign Assets Control Regulations, the United States Foreign Trade Regulations, European Union and country-specific import and export regulations including EU and/or country-specific sanctions regimes, and other applicable laws and regulations, and will retain documentation evidencing such compliance. Customer will obtain import and re-export approvals and licenses required for Parts, transfers, services and technical data delivered and will retain documentation evidencing compliance with those laws and regulations. Customer agrees to indemnify and hold VSE harmless from any fines, penalties, or other liability imposed by any government entity arising from any failure of Customer to comply with such laws and regulations.

(b) VSE will not be liable to Customer for any failure to provide Exchange Units, services, transfers or technical data as a result of government actions that impact VSE's ability to perform, including, but not limited to (i) any governmental failure to provide, or the cancellation of, export or re-export licenses; (ii) any subsequent interpretation of applicable import, transfer, export or re-export law or regulation after the date of any order or commitment that has a material adverse effect on VSE's performance; or (iii)



delays due to Customer's failure to follow applicable import, export, transfer, or re-export laws and regulations or to assist VSE in acquiring same. Customer shall not be relieved of its payment obligations if any of the above events occur.

(c) If Customer designates the freight forwarder for export shipments from the United States or any another country (whichever applicable), then, unless otherwise instructed or notified by VSE, Customer's freight forwarder will export on Customer's behalf and Customer will be responsible for any failure of Customer's freight forwarder to comply with all applicable export requirements. VSE will provide Customer's designated freight forwarder with required commodity information. It is the responsibility of Customer and Customer's freight forwarder to provide an ITN number. Any delays related to receipt of an ITN number from Customer or Customer's freight forwarder will not be the responsibility of VSE.

(d) Where Customer holds the design authority for a Unit or otherwise possesses the relevant export classification for a Part, Customer shall provide VSE with the relevant export classification data. At VSE's request, Customer shall complete all forms requested by VSE to facilitate the exports of Parts in accordance with all applicable laws and regulations. Customer shall provide updates to VSE in a timely manner as changes occur.

#### **XVIII. GOVERNING LAW, VENUE AND JURISDICTION**

These Terms and Conditions and the transactions arising out of or related to Customer's Purchase Order will be governed by and interpreted in accordance with the laws of the State of Kansas, without regard to conflicts of law principles. This choice of the governing law shall also apply to non-contractual claims, including tort claims, arising out of or related to Customer's Purchase Order. The United Nations Convention on Contracts for the International Sale of Goods, and any successor thereto, shall not apply.

To the fullest extent permitted by law, Customer hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs these Terms and Conditions and the transactions arising out of or related to Customer's Purchase Orders. Venue and jurisdiction for all legal proceedings of any kind or nature brought to enforce or relating to or arising from any provisions of these Terms and Conditions or the transactions arising out of or related to Customer's Purchase Order shall lie exclusively in a court of competent jurisdiction in the State of Kansas, and Customer hereby irrevocably submits to the exclusive jurisdiction of such courts in any such legal proceedings, and hereby expressly and irrevocably waives its rights to any other jurisdiction that may apply by virtue of its present or future domicile or for any other reason.

This choice of jurisdiction shall also apply to legal proceedings of any kind or nature brought to enforce any non-contractual claims, including tort claims, arising out of or related to Customer's Purchase Order.

If Customer is organized outside the United States, to the extent that Customer or any of its property is or becomes entitled at any time to any immunity on the grounds of sovereignty or otherwise from any legal action, suit or proceeding, or other legal process in any jurisdiction, Customer for itself and its property does hereby irrevocably and unconditionally waive, and agrees not to assert, plead or claim, any such immunity with respect to its obligations, liabilities or any other matters resulting from or arising under or in connection with these Terms and Conditions and the transactions arising out of



Customer's Purchase Order. Nothing in these Terms and Conditions are to be construed as excluding any mandatory local law which cannot be excluded.

**XIX. LIMITATION OF LIABILITY**

**ALL LIABILITY OF VSE IS PRECLUDED UNLESS VSE IS LIABLE BECAUSE OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, THESE LIMITATIONS WILL APPLY REGARDLESS OF WHETHER LIABILITY ARISES FROM BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE), BY OPERATION OF LAW, OR OTHERWISE.**

**NOTWITHSTANDING THE PROVISIONS OF ANY APPLICABLE LIMITATIONS ACT OR OTHER STATUTE, IN NO EVENT SHALL CUSTOMER COMMENCE ANY ACTION ARISING OUT OF THE PURCHASE ORDER OR THE CONTRACT BETWEEN THE PARTIES LATER THAN ONE YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED.**

**XX. SETOFF**

Customer will not set off any amount, whether or not liquidated, against sums Customer asserts are due to Customer, Customer's parent, subsidiaries, affiliates or other divisions or units under any transaction with VSE, VSE's parent, subsidiaries, affiliates or other divisions or units, whether under these Terms and Conditions or otherwise.

**XXI. SURVIVAL**

All provisions of these Terms and Conditions which by their nature should apply beyond completion of Customer's order will remain in force after the expiration or any termination of these Terms and Conditions.

**XXII. SEVERABILITY**

If any provisions of these Terms and Conditions are at any time held to be invalid or unenforceable, such provisions shall be construed as severable and shall not in any way render invalid or unenforceable the remainder of the provisions which shall remain in full force and effect and, in lieu of the invalid or unenforceable provisions, there will be added as part of these Terms and Conditions one or more provisions as similar in terms as may be valid and enforceable under applicable law.

**XXIII. THIRD PARTY BENEFICIARIES**

Except as expressly provided to the contrary in these Terms and Conditions, the provisions of these Terms and Conditions are for the benefit of the parties hereto and not for the benefit of any third party.

**XXIV. INDEPENDENT CONTRACTOR**

The parties acknowledge that they are independent contractors and no other relationship, including without limitation partnership, joint venture, employment, franchise, master/servant or principal/agent is intended by these Terms and Conditions. Neither party has the right to bind or obligate the other.



**VSE Aviation Services, LLC**  
**Terms and Conditions of Exchange**

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**XXV. HEADINGS**

Headings and captions are for the convenience of reference only and do not alter the meaning or interpretation of these Terms and Conditions.