# **Breakdown Assistance Service Agreement**

THIS AGREEMENT is between Savvy Aircraft Maintenance Management, Inc., a Nevada corporation that provides aircraft breakdown assistance services ("Savvy"), and an individual or entity ("Client") that owns a general aviation aircraft ("Aircraft") for which Client desires aircraft breakdown assistance services ("Services") to be performed by Savvy in consideration of an annual subscription fee ("Fee") paid by Client.

## **TERM**

Savvy agrees to provide Services defined herein to Client for a period of one year from the effective date of this Agreement ("Start Date"), which shall be the date upon which Savvy has received electronic notification of Client's intention to be bound by the terms of this agreement or the date upon which Client has paid the Fee, whichever occurs later.

#### **COVERED AIRCRAFT AND OPERATIONS**

Aircraft eligible to receive Services hereunder are limited to aircraft types set forth in Exhibit A hereto operated as set forth in Exhibit B hereto. All other aircraft are explicitly ineligible.

## **ANNUAL FEE**

The Fee hereunder shall be as set forth in Exhibit C hereto.

#### **COVERED EVENTS**

Services provided by Savvy to Client hereunder include management of the diagnosis and repair of mechanical breakdown events that occur when the Aircraft is away from home base ("Covered Events"). However, Services shall not be provided hereunder for:

- Inspections, oil changes, and other routine, scheduled, preventive maintenance, and other maintenance events not related to mechanical breakdown of the Aircraft.
- Events occurring when the aircraft is within 50 statute miles of the Aircraft's home base(s). For purposes of this provision, any airport at which the Aircraft is parked, hangared or stored for at least 25% of the term of this Agreement shall be deemed to be the Aircraft's home base.
- Events resulting in damage to the Aircraft that is a covered risk under the Client's aircraft hull insurance policy.

## SERVICES PROVIDED FOR COVERED EVENTS

When a Covered Event occurs to a Covered Aircraft and upon request by Client, Savvy shall provide the following Services for a period not to exceed 30 days following the Covered Event:

- Work with Client to diagnose what is wrong with the Aircraft.
- Assist Client in making a determination whether or not the Aircraft is safe to fly and whether or not Client is comfortable flying it, or whether repairs and/or further diagnostics are necessary prior to further flight.
- In the event repairs and/or further diagnostics are deemed to be necessary prior to further flight:
  - Research the suitability of nearby maintenance resources (e.g., service facilities, maintenance technicians).
  - Assist Client in selecting a suitable service facility or maintenance technician to perform any necessary troubleshooting and/or repair of the Aircraft.
  - Recommend to Client the appropriate repairs, further diagnostics, or other maintenance work to be performed upon the Aircraft, and obtain Client's approval of such work.
  - Obtain cost estimates from the service facility or maintenance technician for the work to be performed on the Aircraft, and obtain Client's approval of such estimates.
  - Provide direction to and oversight of the service facility or maintenance technician with respect to the work being performed on the Aircraft.
  - At completion of the work, review the maintenance record entries and invoice, and advise Client whether the
    maintenance records appear to be appropriate and whether the invoice appears to be fair and reasonable for the
    work performed.

Under no circumstances will Savvy or any of its employees or agents:

- Perform inspection, repair, or any other maintenance to the Aircraft.
- Make maintenance decisions concerning the Aircraft on behalf of the Client.
- Assume financial responsibility for any inspection, repair or maintenance to the Aircraft.
- Make any recommendation to Client or give any direction to a service facility or maintenance technician working on the Aircraft that in Savvy's judgment might violate any FAA regulation or compromise the safety of the Aircraft.

## PROTOCOLS AND PROCEDURES

- When a Covered Event occurs to Aircraft, Client will contact Savvy to request assistance by placing a telephone call to the toll-free number of Savvy's call center that is staffed 24/7.
- A customer service specialist at the call center will obtain the Aircraft's tail number and location (to verify that it is covered), the nature of the event (to verify that it is covered), Client's name, contact information and time constraints, and any other relevant information that could assist Savvy in providing needed assistance to Client.
- The call center specialist will create a new trouble ticket in Savvy's online maintenance tracking system ("Ticket"), and will assign a member of Savvy's technical team ("Manager") to work with Client to resolve the Covered Event.
- The Manager will contact Client via telephone, text message or email to work with Client to evaluate and troubleshoot the problem with Client's Aircraft, and assist Client in determining whether the Aircraft is safe to fly or whether repairs or other maintenance are necessary prior to further flight.
- If necessary, the Manager will research available maintenance resources at the airport where the aircraft is situated or nearby, assist Client in selecting a suitable service facility or maintenance technician, direct and oversee any repairs or other maintenance to Aircraft deemed necessary as a result of the Covered Event, and provide other appropriate services as provided herein until the Aircraft is safe to fly.
- Manager will maintain on the Ticket a complete and contemporaneous written record of all communications with Client and service facility or maintenance technician, including advice and recommendations by Manager, decisions by Client, directions to the service facility or maintenance technician, and other communications related to the Covered Event.
- Client is expected to use text or email for all communications with Manager under all but the most time-critical circumstances. Should Client insist on communicating with Manager via telephone on matters deemed by Savvy not to be time-critical, Savvy reserves the right to charge Client an additional fee of \$3.00 per minute for such telephonic communications.
- Client is responsible for payment for all work performed on Aircraft by service facilities and maintenance technicians, including but not limited to labor, parts, outside work, and applicable taxes and fees. Manager will request a copy of any invoice for such work, and will review the invoice and advise Client whether the amounts invoiced appear to be fair and reasonable.
- When any necessary repairs have been completed, any invoices and maintenance record entries have been reviewed, and Aircraft has been determined to be safe to fly, Manager will close Ticket and cease performing Services in connection with the Covered Event. However, Savvy will preserve the closed Ticket as long as this Agreement remains in effect (including renewals), and in the event of any follow-up issues the Ticket can be re-opened.
- In the event that work on the aircraft has still not been completed 30 days after the Covered Event, Savvy's obligations hereunder with respect to the Covered Event shall terminate.

## **EXPIRATION AND RENEWAL**

At least 60 days prior to expiration of this Agreement, Savvy shall email Client to request Client give notice online or via return email of Client's decision to terminate or renew this Agreement on its anniversary date. Absent termination instructions by Client, this Agreement shall automatically be renewed on its anniversary date for an additional year, and the terms, conditions and fees hereunder shall be automatically amended to the then-current revision of Savvy's breakdown assistance service agreement and fees as it appears on Savvy's web site on the renewal date.

Savvy reserves the right at its option not to renew this Agreement upon expiration.

#### **TERMINATION**

Client may terminate this Agreement at any time for any reason upon 7 days prior written notice to Savvy.

Savvy may terminate this Agreement prior to its anniversary date upon 7 days prior written notice to Client under the following circumstances:

- During the course of a Covered Event for which Client has requested Savvy's assistance, Client is unavailable to make needed maintenance decisions for more than 3 consecutive days.
- Client refuses to pay or fails to pay in a timely fashion any maintenance invoice that Savvy has reviewed and advised Client is fair and reasonable.
- Client demands that Savvy perform services that Savvy deems to be excessive and beyond the scope of this Agreement.
- Savvy deems that Client has been uncooperative with the protocols and procedures set forth herein.

In the event this Agreement is terminated prior to its anniversary date, either by Client or Savvy, Client shall not be entitled to any refund of the Fee paid by Client hereunder.

## SALE, SUBSTITUTION, OR ACQUISITION OF AIRCRAFT

If Client sells Aircraft during the term of this Agreement, Client may (at his option):

- Transfer the remaining term of this Agreement to the new owner of the covered Aircraft; or
- Transfer the remaining term of this Agreement to a substitute aircraft that Client acquires.

## **OPERATOR**

At all times and under all circumstances hereunder, Client is the "operator" of the Aircraft as that term is defined in 14 CFR. At no time will Savvy be or act as operator of the Aircraft. Although Savvy may assist Client in making maintenance decisions and complying with Client's obligations as owner or operator of the Aircraft under 14 CFR, at no time will Savvy make maintenance decisions relating to the Aircraft.

#### **MAINTENANCE RECORD ENTRIES**

Client is responsible for ensuring maintenance record entries are made for any repairs or other maintenance performed on Client's Aircraft hereunder, and for keeping such entries as required by 14 CFR.

## **NO WARRANTIES**

Savvy makes no guarantees or warranties, express or implied, as to the quality of maintenance performed on Client's Aircraft, or the safety or airworthiness of Client's Aircraft following any repairs, diagnostics, or other maintenance by any service facility or maintenance technician hereunder.

## ADDITIONAL TERMS AND CONDITIONS

- Confidentiality: Savvy will use its best efforts to keep Client's private information confidential.
- **Privacy:** Client has reviewed Savvy's privacy policy on Savvy's web site, agrees that Savvy has taken reasonable steps to protect Client's information, and agrees to hold Savvy harmless for any loss of such information.
- **Dispute Resolution:** Any dispute arising out of this Agreement shall be resolved by arbitration under the commercial rules of the American Arbitration Association.
- Applicable Law: This Agreement shall be interpreted in accordance with the laws of the State of Nevada.
- Entire Agreement: This Agreement constitutes the entire agreement between the parties.
- Modification of Agreement: Any modification of this Agreement must be in writing and executed by both parties to be effective.
- Partial Invalidity: If any part of this Agreement is determined to be invalid or unenforceable, that shall not invalidate or render unenforceable any other parts of this Agreement.

## **Exhibits**

## **EXHIBIT A - COVERED AIRCRAFT**

Piston-powered or single-engine turbine-powered airplanes weighing less than 12,500 pounds maximum gross takeoff weight that have a standard United States airworthiness certificate, and that in Savvy's judgment are well-supported by the manufacturer. (Experimental airplanes, light sport airplanes, antique airplanes, and non-fixed-wing aircraft are not covered.)

## **EXHIBIT B - COVERED OPERATIONS**

Owner-flown operations conducted under 14 CFR Part 91. (Aircraft operated for compensation or hire and flight school, rental, flying club, charter, and operations under 14 CFR Parts 121 or 135 are not covered.)

## **EXHIBIT C - ANNUAL FEE**

- \$149.00 per year for single-engine piston airplanes.
- \$199.00 per year for twin-engine piston airplanes.
- \$249.00 per year for single-engine turbine airplanes.

At renewal, these fees shall be automatically amended in accordance with Exhibit C of the then-current revision of Savvy's breakdown assistance service agreement as it appears on Savvy's web site on the renewal date.