Subject to the below terms and conditions, AAR Supply Chain, Inc. (“AAR”) d/b/a AAR Distribution, located at 1100 N. Wood Dale Road, Wood Dale, IL 60191 USA agrees to exchange with \_**\_** \_\_\_\_\_\_\_ (“Customer”) a certified part as referenced below (“Exchange Unit”) for Customer’s unserviceable part (the “Off-Unit”).

* AAR will deliver the requested Exchange Unit per Customer’s instructions, EXW (Incoterms 2010) origin. Customer agrees to pay the Exchange Fee (described below) plus all transportation costs (including Customs fees and duties) and any applicable taxes). The Exchange Fee includes AAR’s anticipated cost to repair the Off-Unit, based on the OEM’s quoted repair charges (the “OEM Repair Quoted Price”)
* If an Off-Unit is not received in advance, the Customer is to deliver an Off-Unit to AAR’s facility, at Customer’s expense and risk of loss, within fourteen (14) days from the date of the Exchange Unit shipment. The Off-Unit is to be the same or better modification status as the supplied Exchange Unit.
* If the OEM advises that the condition of the Off-Unit requires that OEM charge an amount over and above the OEM Repair Quoted Price (said amount referred to as the “Incremental Repair Cost”), AAR will advise Customer and, at Customer’s option, either (i) AAR will invoice Customer for the Incremental Repair Cost, or (ii) Customer shall provide a replacement Off-Unit within ten (10) days.

If AAR has not received the Off-Unit within fourteen (14) days from the date of shipment of the Exchange Unit, AAR will invoice Customer for the “Replacement Fee” described below (in addition to the Exchange Fee already invoiced).

Title to the Exchange Unit shall pass to Customer free and clear of all liens and encumbrances upon delivery hereunder. Title to the Off-Unit shall pass to AAR free and clear of all liens and encumbrances upon AAR’s receipt thereof.

**Off-Units must be accompanied by the following documents:**

* **Unserviceable/Removal tags**
* **Packing List**

If the Off-Unit is rejected per AAR quality system and such reject cannot be resolved within 10 working days after written notification by AAR, the Off-Unit will be returned to the Customer, and Customer will be invoiced for the Replacement Fee (and AAR shall retain the Exchange Fee).

All payment terms under this Exchange Agreement are **\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Customer :** | | | | | **Customer PO#:** | |
| **Contact Name**: | | **Phone #:** | | | **Email address** : | |
| **Part Number** | **Serial Number** | | **Cond.** | **Exchange Fee** | | **Replacement Fee** |
|  |  | |  |  | |  |
|  |  | |  |  | |  |

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| --- |
| **Customer Comments:** |

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Customer) **AAR Supply Chain, Inc.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Signature:** |  | **Signature:** |  |
| **Name:** |  | **Name:** |  |
| **Title:** |  | **Title:** |  |
| **Date:** |  | **Date:** |  |

**THIS AGREEMENT MUST BE SIGNED AND RETURNED TO AAR PRIOR TO SHIPMENT OF UNIT**