

## FSEMC MEMBERSHIP AGREEMENT

This Membership Agreement (“Agreement”) is made by and between \_\_\_\_\_ (“Member”) and ARINC Industry Activities (“AIA”), a Division of ARINC Incorporated. This Agreement contains the terms and conditions for membership in the FSEMC—an aviation industry activities organized by AIA. Membership to FSEMC is subject to Member’s acceptance of these terms and conditions.

1. **Mission:** The FSEMC cooperatively establishes common technical standards and develops shared technical solutions that no one organization could develop independently. Use of the resulting solutions and standards creates value by improving cost effectiveness, increasing productivity, and reducing lifecycle costs for airlines; aircraft and flight simulator manufacturers; and flight crew training providers.
2. **ARINC Industry Activities:** AIA coordinates and serves as secretariat for the FSEMC. Membership Fees paid under the terms of this agreement are used to support the AIA secretariat function and related costs.
3. **Membership:** Fundamental to the success of the FSEMC is cooperation among the members of the aviation community that participate in the FSEMC and related activities. The FSEMC exists to create value for its members, and FSEMC cannot create value without the financial support and participation and of those members. Members elect the executive committee responsible for leading the FSEMC, including the development of the work program to be pursued. Members also benefit from the information exchange among participants in the activities and the ARINC Standards and other technical deliverables that result from the work of these activities. The basic terms and conditions of membership appear on page 2 of this Agreement. Attachment A describes how the FSEMC create value for the airlines and the aviation community and presents the terms and benefits of membership. Attachment B describes the formula used to determine the Membership Fee for an individual training service provider. By this application, Member accepts the Terms and Conditions of this Agreement and any attachments thereto.
4. **Point of Contact:** Member and AIA shall each appoint an exclusive point of contact for the purpose of coordination of technical information and notices relating to this Agreement. Either party may change their point of contact by written notification. Invoices will be sent to the Organization Point of Contact unless otherwise specified in writing by Member.

Organization Point of Contact

AIA

Name:

Name:

Industry Activities Membership

Address:

Address:

2551 Riva Road  
Annapolis, Maryland 21401

Telephone:

Telephone:

410-266-4000

Fax:

Fax:

410-266-2047

Email:

Email:

Industry.Activities@arinc.com

**IN WITNESS WHEREOF**, each party hereto intending to be bound, has caused its duly authorized representative to execute this Agreement on its behalf as of the Effective Date. The person executing this document hereby certifies that the Member name set forth below is the full, complete and correct name of the entity entering into this Agreement.

HDQ Address:

**ARINC Incorporated**

2551 Riva Road  
Annapolis, MD 21401

**SIGNED BY:** \_\_\_\_\_

**SIGNED BY:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

*Please return executed Membership Agreements by fax to 410-266-2047 or by mail to: ARINC Industry Activities, C/O ARINC Incorporated, 2551 Riva Road, Annapolis, MD 21401-7465 USA, Mail Stop 6-3550.*

## TERMS AND CONDITIONS

- A. **Joint Responsibilities:** The relationship between AIA, ARINC, the Activities and its Members shall be, and at all times, advisory only, and no party shall have the authority to enter into any contract or commitment in the name of, or on behalf of, any other party. Nothing in this Agreement shall be construed to confer upon either party the status of employee, agent, partner, joint venturer or legal representative of the other, it being intended by all parties to remain independent legal entities solely responsible for its own actions.
- B. **Fees:** Members fees shall be calculated in accordance with Attachment B. Fees are non-refundable. Membership is contingent upon the receipt of the Fees for the Initial Term. *Please Note* –Fees are assessed on a calendar year basis, and the Fees structure is effective only for the term for which a Member is assessed. AIA, in consultation with the AEEC, AMC, and FSEMC executive committees may modify Membership Fees for subsequent terms in accordance with Section I.
- C. **Payments:** All payments shall be made by check, wire transfer or credit card (Visa, MasterCard, American Express, 410-266-4312, 8:00 a.m. – 4:00 p.m. E.S.T.) to the following address, as appropriate:
- |                              |                                      |
|------------------------------|--------------------------------------|
| <b>For Payment By Check:</b> | <b>For Payment By Wire Transfer:</b> |
| ARINC Industry Activities    | Acct Name: ARINC Incorporated        |
| C/O ARINC Incorporated       | Acct Number: 2000022987866           |
| P. O. Box 951273             | Bank : Wachovia Bank, N.A            |
| Dallas, TX 75395-1273        | Wire ABA: 053000219                  |
- Taxes:** Member shall be responsible for any applicable sales, use, gross receipts or customs taxes or fees associated with Membership and its benefits.
- D. **Currency:** All fees, payments, and taxes are in United States currency.
- E. **Term and Termination:** This Agreement shall commence as of the date of Member's signature below and shall continue for an Initial Term expiring on December 31 of the current calendar year. Membership is contingent upon receipt of Fees. Fees for the Initial Term shall be due concurrently with Member's application. For subsequent terms, Member shall be invoiced annually or semi-annually upon request and payments shall be due within thirty (30) days of the date of invoice. This Agreement shall automatically renew for successive Subsequent Terms of one (1) year unless either party provides ninety (90) days advance written notice to the other that it elects to terminate this Agreement upon the expiration of the then-current Initial or Subsequent Term. Unless Member terminates in accordance with Section I (Changes), fees are non-refundable. In the event that Member breaches its license obligations hereunder, ARINC may terminate this Agreement and any rights associated with it upon thirty (30) day written notice.
- F. **Warranties and Limitations of Liability:** AIA and ARINC's support of the Activities and the services they provide are on an "AS IS" basis. AIA, ARINC, AEEC, AMC, and FSEMC make no determination whether the ARINC Standards could be subject to valid claims or patent, copyright or other proprietary or intellectual property rights by third parties. AIA or ARINC make no warranty, express, implied, written, or oral, as to the condition or nature of membership or any membership service as delivered or provided pursuant to this Agreement. AIA, ARINC, AEEC, AMC, and FSEMC SPECIFICALLY DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. In no event shall these parties be liable for any direct, indirect, special, incidental, consequential, reliance, or any other damages, including, but not limited to, loss of revenue or profits, arising out of Member's use of any of the services of the Activities even if they have been advised of the possibility of such damages. No action, regardless of form, arising out of any claimed breach of the Agreement may be brought by either party more than one (1) year after the cause of action has accrued.
- G. **Access to Electronic Data:** While ARINC will use reasonable efforts to maintain AIA-related data on a server, it is understood that any Internet connected server can be subject to service interruptions from time to time and Member accepts such risk. Member agrees to all reasonable efforts not to allow introduction of viruses, Trojan horses, worms, or other service disruptive elements into the service server.
- H. **Waiver:** A waiver of a breach or default under this Agreement shall not be a waiver of any subsequent default. Failure of AIA to enforce compliance with any term or condition of this Agreement shall not constitute a waiver of such term or condition.
- I. **Changes:** This Agreement and any attachments thereto is the entire and sole agreement of the parties with respect to its subject matter and shall take precedence over any document that may conflict with it. AIA may add, delete or modify the terms and conditions of this Agreement at any time. AIA will provide Members reasonable notice of these changes. In the event a Member does not accept a change, Member shall notify AIA in writing and a pro-rated refund of Member's Fees shall be refunded concurrent with the termination of membership.
- J. **Law Governing:** The terms and conditions of this Agreement shall be governed by the laws of the State of Maryland, without regard to its choice of laws, rules or principles, and expressly not including the 1980 United Nations Convention on Contracts for the International Sale of Goods.
- K. **Assignment:** Membership is assessed on an individual basis; therefore, Member may not assign its Membership for any reason.
- L. **Survival:** Notwithstanding the termination or expiration of this Agreement, it is acknowledged and agreed that those rights and obligations which by their nature are intended to survive such expiration or termination and which have accrued but have not been fully satisfied, performed or complied and prior to the expiration or termination, shall survive the expiration or termination hereof to the extent necessary for the full and complete performance of such obligations.
- M. **Headings:** Section headings contained in this Agreement are for convenience of reference only, and shall not be used in construing or interpreting the provisions contained herein.
- N. **Severability:** If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

## ATTACHMENT A

### FSEMC MEMBERSHIP AND BENEFITS

1. FSEMC: The FSEMC is an ARINC-organized aviation industry activity. Fundamental to the success of the FSEMC is cooperation among the members of the aviation community that participate in the FSEMC. These activities exist to create value for their members, and they cannot create value without the financial support and participation of those members. The FSEMC creates value by reducing life-cycle costs for flight simulators and training devices by promoting reliability and improving maintenance and support techniques through the exchange of engineering, maintenance, and associated technical information and the development of technical standards related to simulation and training. AIA provides the secretariat for the aviation industry activities organized by ARINC.
2. Membership: FSEMC Membership is offered under the terms of this Agreement. FSEMC operates under terms of reference established by ARINC in consultation with the FSEMC membership as represented by the FSEMC executive committee. Ongoing operation of the FSEMC is primarily at the direction of the FSEMC executive committees through the AIA-provided secretariat, in accordance with rules and procedures established in consultation between AIA and the FSEMC.
3. Member Benefits:
  - a. Value Created by FSEMC: FSEMC cooperatively develops shared technical solutions and establishes common technical standards and that no one organization could develop independently. The primary benefit of membership is to ensure the continued viability and success of the FSEMC. Active participation and financial support provided by Members are the critical factors that enable the FSEMC to create value by improving cost effectiveness, increasing productivity, and reducing lifecycle costs for airlines; aircraft and flight simulator manufacturers; and flight training service providers. Members also benefit from the information exchange among participants in the activities and the ARINC Standards and other technical deliverables that result from the work of these activities.
  - b. Executive Committee: The FSEMC has an executive committee constituted of voting members elected by the membership of the FSEMC and non-voting members of the secretariat. FSEMC Members are eligible to vote for companies to serve on the executive committee and are eligible to be elected to the FSEMC executive committees. The FSEMC executive committee is responsible for planning for the international meetings conducted by the FSEMC and leading the development of the work program to be pursued by FSEMC.
  - c. Electronic Access to ARINC Standards and other FSEMC, AEEC, and AMC, Documentation: Members receive the following:
    - i. Electronic access and download capability via the Internet for *ARINC Standards* (defined below), as well as other publicly available documents produced by the ARINC Industry Activities division in support of the AEEC, AMC, and FSEMC including, Draft *ARINC Standards* documents, meeting announcements, meeting reports, working papers, and the AeroLine<sup>®</sup> and Plane Talk<sup>®</sup> newsletters.
      1. *ARINC Standards* specify avionics equipment, avionics systems, and avionics and flight simulator engineering and maintenance best practices. There are three classes of *ARINC Standards*: ARINC Characteristics, ARINC Specifications, and ARINC Reports. The *Standards* obtained by a Member under this Agreement are the product of industry consensus through the AEEC, AMC, and FSEMC, and it is understood that ARINC's role is to provide Secretariat services related, *inter alia*, to document development and distribution; ARINC

administers the distribution of the *Standards* but does not guarantee the technical content.

- ii. Automatic notification via electronic mail of newly posted documents identified in Section i. above.
- iii. To obtain the benefits of electronic access specified in this section, Members shall comply with the responsibilities identified in Attachment C.

## ATTACHMENT B

### FEES

1. Membership Fees: Members pay to AIA an annual FSEMC Membership Fee at the beginning of the Initial Term and at the beginning of each subsequent term thereafter. The FSEMC membership fee will be determined as follows:
  - a. The FSEMC Membership Fee for airlines and flight training service providers not affiliated with an airline, shall be the lesser of either
    - i. \$10,000 or
    - ii. \$750 for each full motion flight training device operated by that organization worldwide (as reported in publicly available industry surveys), with a minimum FSEMC fee of \$1,500 for operators of less than two full motion flight training devices.
  - b. The FSEMC Membership Fee for aircraft manufacturers delivering aircraft with Type Certificates issued in accordance with the requirements of Part 25 of the US Federal Aviation Regulations shall be \$10,000.
  - c. The FSEMC Membership fee for full flight simulator manufacturers and other suppliers of flight simulation products and services shall be based on the Members annual revenue from flight simulation related products and services, as follows:

|                                       |          |
|---------------------------------------|----------|
| i. Revenue of \$10 Million or greater | \$10,000 |
| ii. Revenue of \$1 to \$9.999 Million | \$4,000  |
| iii. Revenue of Less than \$1 Million | \$1,500  |
  - d. Appeal of FSEMC Membership Fee Determination: AIA will establish the FSEMC Fee for a specific organization using the method above and publicly available data. However, if a Member believes that Membership Fee is in error, the Member may submit the correct data to AIA for consideration and Fee revision, as appropriate.
2. Membership Contingent upon receipt of Fees: Membership is contingent upon the receipt of the Fees for the Initial Term. For subsequent terms, Member shall be invoiced annually or semi-annually upon request and payments shall be due within thirty (30) days of the date of invoice.

## ATTACHMENT C

### MEMBER RESPONSIBILITIES REGARDING ELECTRONIC ACCESS TO DOCUMENTATION

1. Web Access: Member shall be responsible for providing its own access to the World Wide Web in order to access the *ARINC Standards* and other publications available under the terms of this Agreement.
2. User ID and Password: Member is responsible for ensuring the security of their User ID and Password which is provided by AIA for accessing the benefits of committee membership. Passwords and User IDs provided to the Member are the property of AIA; however, it is the responsibility of the Member to secure their confidentiality. AIA reserves the right to assign a new Password (and disable rights to old Password) from time to time.
3. Access for Member Only: Member shall not distribute User ID and Password obtained under this Agreement to anyone that is not an Authorized User as defined in 6 below.
4. Rights: Upon payment in full by the Member of the fees set forth above, as applicable, and compliance with the terms and conditions of this Agreement, AIA shall grant to Member the right to use the *ARINC Standards* as set forth below.
5. Grant: AIA grants to Member a non-exclusive, non-transferable right to access and refer to the *ARINC Standards* for system development purposes.
6. Authorized Users: For the purposes of this Agreement, Authorized Users are defined as the full-time employees of the Member located at any Member facility. This specifically *excludes* employees of other organizations (e.g., subcontractors, vendors) that are also working at said Member facility.
7. Restrictions: Under no circumstances shall Member:
  - a. Make copies of any *ARINC Standard* in any form, *or portions thereof*, other than a single electronic copy stored on the computer of the individual Member Authorized User that downloaded the *ARINC Standard* and a single paper copy for personal use by such individual Authorized User. Storage on a multi-user server is permitted as long as access is strictly limited to Member Authorized Users;
  - b. Remove or otherwise modify any disclaimer, proprietary markings or notices contained within or placed upon any *ARINC Standards* or documentation;
  - c. License, sublicense, sell, assign, transfer or otherwise convey use of any *ARINC Standards* or other documentation without the prior written consent of ARINC;
  - d. Provide or allow any timesharing arrangements using any *ARINC Standards*;
  - e. Make any modifications to or derivative works from any *ARINC Standards* except in the context of making proposals for supplements to such standards as part of an AEEC/AMC/FSEMC sponsored process;
  - f. Disassemble, decompile, reverse engineer or otherwise create or attempt to create or allow others to create or attempt to create source code from any software and/or files provided by ARINC.