

GENERAL TERMS AND CONDITIONS OF SALE – Liebherr-Aerospace Lindenberg GmbH

Any and all deliveries made or services performed by LIEBHERR as well as any and all payments to be made to LIEBHERR in relation thereto shall be exclusively governed by the following General Terms and Conditions of Sale. LIEBHERR does not accept - and herewith explicitly rejects - any conflicting terms in any purchase order or other document submitted by the CLIENT.

1. GOODS AND SERVICES

- 1.1 The CLIENT may order goods and services as offered by LIEBHERR.
- 1.2 LIEBHERR is entitled to make changes or improvements to its goods, without liability to incorporate such changes or improvements in any good previously manufactured.
- 1.3 The CLIENT may order services in relation to the goods. Goods will be maintained, repaired, or overhauled and returned in accordance with the maintenance manuals, service bulletins and approved maintenance data in accordance with EASA Part 21 J and other instruction issued by LIEBHERR.

2. ORDERS

- 2.1 Service orders shall indicate the part number, serial number, amount of flight hours/flight cycles, reason for return (e.g. flight report), requested work scope, requested certification type, aircraft registration, aircraft type and removal date of the part, respectively complete back to birth traceability for life limited parts and in addition, if applicable, any documentation/evidence that indicates the part came from a non-certified or accident related aircraft/helicopter, incurred severe stress, sudden stoppage, major failure or excess heat above design specification.
- 2.2 The order of new goods shall indicate the part number and description mentioned in the catalogue of the goods.
- 2.3 Any order is only accepted, when LIEBHERR issues an order acknowledgement, which will state the delivery date, price, quantity and designation.
Orders placed in an amount less than three hundred Euros/US Dollars (300 EUR/USD) will be increased to such minimum order amount.
- 2.4 Orders placed with the AOG help desk outside office hours or on AOG priority within office hours will be charged with additional five hundred Euros/US Dollars (500 EUR/USD) per order.

3. PRICE AND PAYMENT TERMS

- 3.1 Unless otherwise specifically stipulated in the LIEBHERR order acknowledgement, any and all prices shall be "Free Carrier" main offices of LIEBHERR ("FCA" - Incoterms 2010), excluding value added tax (or similar taxes, dues or duties) or governmental charges now or hereafter imposed on the import/export of the goods, but including packaging and an EASA/FAA certificate of airworthiness or a certificate of conformity ("CoC"). The prices applicable at the agreed time of delivery shall apply. With respect to services, in particular, but without limitation, maintenance, repair, overhaul, or other services ("Services"), LIEBHERR shall charge its then current hourly rates and prices for the material used in the performance of such Services.
- 3.2 LIEBHERR reserves the right to impose extra charges on the CLIENT for any order requesting a lead time outside of the lead time stated in the catalogue of goods. LIEBHERR reserves the right to charge the CLIENT for storage of the goods, in the event the CLIENT does not promptly provide the information as stated in Section 2 'ORDERS', does not promptly reply on quotes, or in case of delayed collection of the goods by CLIENT.
- 3.3 Any and all payments to LIEBHERR shall be made without offset or deduction and free from any charges, fees or similar immediately on receipt of invoice. LIEBHERR reserves the right to require a partial or total advance payment for any order placed by the CLIENT. LIEBHERR may grant a payment term of thirty (30) days net from date of invoice at LIEBHERR's sole discretion.
- 3.4 If any applicable payment date or payment period is not complied with by the CLIENT, LIEBHERR shall be authorized to charge and invoice the CLIENT - without need of any particular notification to this effect - an annual finance charge of 8 %-points (eight percentage points) above the then current Main Refinancing Rate set by the European Central Bank, but in no event less than an annual finance charge of 10% (ten percent), of the past due balances, together with any and all other costs (including, without limitation, reasonable attorneys' fees) incurred by LIEBHERR as a result of or in relation to the CLIENT's non-compliance with applicable payment terms. The above compensation for finance charges and other costs shall be without prejudice to any other right or remedy that LIEBHERR may have pursuant hereto, under any other contract with the CLIENT or at law.

4. TIME OF DELIVERY OR PERFORMANCE, DUTY TO COOPERATE

- 4.1 The agreed periods or dates of delivery of the goods or performance of the Services shall be automatically extended for such period of time as LIEBHERR is prevented from or delayed in complying with its respective obligations by any causes outside of LIEBHERR's control, including, without limitation, any act of God, accident, fire, earthquake, flood, explosion, strike, epidemic or pandemic, act of public enemy, war, rebellion, insurrection, sabotage, transportation delay, shortage of raw material, energy or machinery, executive, judicial or administrative act or regulation, order or decree of any government (hereinafter collectively referred to as "Events of Force Majeure"). Any such Event of Force Majeure shall also automatically suspend, for its respective duration, the legal consequences of any default situation for which LIEBHERR is to be held responsible. Upon occurrence of any such Event of Force Majeure LIEBHERR may cancel unfulfilled contracts in whole or in part by giving written notice thereof. Should LIEBHERR cancel any such contract in whole or in part in accordance with the above, it shall forthwith refund to the CLIENT any such amount of advance payments as is attributable to the cancelled part of the contract and the CLIENT shall not be entitled to any other compensation, right or remedy with respect to the so cancelled contract (or part thereof).
- 4.2 LIEBHERR reserves the right to deliver or perform in instalments.
- 4.3 The compliance of LIEBHERR with the agreed periods or dates of delivery or performance of the Services is subject to the CLIENT's prompt provision of all necessary information as stated in Section 2.1 hereof and such other information and decisions as specifically requested by LIEBHERR. If CLIENT is unwilling to accept a repair quote provided by LIEBHERR, CLIENT shall so notify LIEBHERR in writing within a period of 45 (forty-five) calendar days, otherwise, CLIENT shall be deemed to have agreed to such repair quote and must pay the quoted price.

5. TRANSFER OF RISK

Unless otherwise agreed in writing, the risk of loss of or damage to the goods in transit shall be transferred to the CLIENT "Free Carrier" main offices of LIEBHERR ("FCA" - Incoterms 2010).

6. RETENTION OF TITLE

- 6.1 LIEBHERR reserves full title in and property to the delivered goods until such time as the CLIENT has fully paid any and all amounts owed to LIEBHERR as a result of or in relation to the respective contract.
- 6.2 If the retention of title and property as set forth in Section 6.1 hereof is not enforceable in accordance with the applicable laws of the country where the goods are located, a corresponding mean of security in the form and of the substance enforceable in that country shall be deemed as agreed. The CLIENT will execute (or support LIEBHERR in the execution of) any documents and/or perform (or support LIEBHERR in the performance of) any other action necessary for or in relation to the establishment and maintenance of such security instrument.
- 6.3 The CLIENT hereby assigns to LIEBHERR any and all claims and rights resulting from the resale, the letting or leasing or any other transaction with respect to the delivered goods, irrespective of whether or not the delivered goods have been attached to or connected or processed with any other goods, and LIEBHERR hereby accepts such assignment. To the extent that the value of the assigned claims exceeds the secured debts by more than 20% (twenty percent), LIEBHERR shall release the assigned claims to the CLIENT upon request. The CLIENT shall be entitled to collect the claims and to assert its other rights in relation thereto only to the extent that the CLIENT meets its payment obligations towards LIEBHERR and/or is not insolvent.

7. DELAY, ACCEPTANCE, DEFECTS, WARRANTY, LIABILITY

The following provisions set forth the sole and exclusive remedies available to the CLIENT under the contract or otherwise in connection with the goods or Services to which these General Terms and Conditions of Sale apply:

- 7.1 If LIEBHERR exceeds the contractually agreed periods or dates of delivery or performance or any other term (including, without limitation, any extension thereof that may apply in accordance with Section 4 hereof) by more than 8 (eight) weeks, the CLIENT shall be entitled to cancel the contract by giving a respective written notice by registered mail, always provided that LIEBHERR does not remedy such default within 14 (fourteen) calendar days; notwithstanding anything to the contrary in the contract or at law, LIEBHERR shall in no event be liable for any damages that the CLIENT may incur as a result of or in relation to such cancellation.
- 7.2 If the CLIENT suffers damages as a direct result of an intentional default of LIEBHERR to deliver the goods or perform the Services when due, the CLIENT shall be entitled to claim and receive from LIEBHERR, as liquidated damages, a financial compensation in the amount of 0.5 % (zero point five percent) of the price of the goods or Services in delay per full week of delay, but in no event more than 5 % (five percent) of the price of the respective goods or Services. The above remedy shall be in lieu of any and all other rights or remedies that the CLIENT may have pursuant hereto, under any other contract or at law. In no event shall LIEBHERR be liable for any delay in delivery or performance caused by negligence.
- 7.3 Immediately upon the delivery of the goods or the completion of the Services, the CLIENT shall thoroughly inspect the goods or Services. Any damage, defect or other non-compliance with the contract that the CLIENT detects as a result of such thorough inspection shall be immediately, but in no event later than within 7 (seven) calendar days after the delivery of the goods or completion of the Services, notified to LIEBHERR. Any damage, defect or other non-compliance with the contract that could not reasonably have been detected by the CLIENT in the course of such thorough inspection and that becomes apparent thereafter, shall be notified to LIEBHERR immediately, but in no event later than within 48 (forty-eight) hours after its detection. In its notification, the CLIENT shall provide evidence and specify the damage, defect or other non-compliance with the contract detected with supporting documents (e.g. photos), the number and date of the respective delivery documents and/or invoice and the circumstances under which such damage, defect or other non-compliance with the contract became apparent. Should the CLIENT fail to comply with any of the above requirements, the respective goods

or Services shall be deemed as accepted by the CLIENT. The CLIENT shall compensate LIEBHERR for any and all costs incurred as a result of or in relation to any non-justified claim or any claim that does not comply with the above requirements.

- 7.4 LIEBHERR exclusively warrants the goods delivered or Services performed to be free from defects in material and workmanship at the time of shipment or (to the extent Services are concerned) the completion of their performance. Warranty periods shall be specific to each aircraft program. However, without prejudice to Section 7.3 above, the warranty period for new goods shall be twelve (12) months from their delivery, and the warranty period for Services shall be six (6) months from the completion of their performance.
- 7.5 LIEBHERR's obligation and the CLIENT's sole remedy under the warranty extended in Section 7.4 above is limited to either the repair or replacement, at LIEBHERR's option and expense, of any good or Service (or part thereof) found to be defective by LIEBHERR (for the purpose of Sections 7.5 and 7.6 hereinafter collectively referred to as "Remedies"). If LIEBHERR finally fails in its performance of the Remedies and the CLIENT so requests, LIEBHERR shall grant the CLIENT the right to cancel the respective contract. The Remedies shall be the only remedies available to the CLIENT. Title to the goods (or parts thereof) replaced by LIEBHERR in the course of the performance of the Remedies shall pass to LIEBHERR. The costs of corrective actions performed by the CLIENT or third parties mandated by the CLIENT shall not be reimbursed by LIEBHERR.
- 7.6 The performance of the Remedies shall in no event extend the original warranty period set forth in Section 7.4 hereof.
- 7.7 The above warranty shall however not apply with respect to any:
 - 7.7.1 normal wear and tear of the goods (or parts thereof),
 - 7.7.2 any maintenance, repair, installation, handling, transportation, storage, operation or use which is improper or otherwise not in compliance with the instructions of the original manufacturer of the good,
 - 7.7.3 any alteration, modification or repair by any person other than LLI or the original manufacturer of the good,
 - 7.7.4 any accident, contamination, foreign object damage, abuse, neglect or negligence after delivery to CLIENT,
 - 7.7.5 any damage caused by failure of a good (or part thereof) not under warranty or by any good (or part thereof) not supplied by LIEBHERR,
 - 7.7.6 any repair, overhaul and other form of servicing using other than spare parts authorized by the original manufacturer of the good;
- 7.8 For the performance of the Remedies, the CLIENT shall grant LIEBHERR a remedy period of twenty-one (21) calendar days from the date the good has been received by LIEBHERR.
- 7.9 The obligations of LIEBHERR under this warranty are conditioned on CLIENTS's obligation to maintain records which will accurately reflect operating time and maintenance performed on the goods and establish the nature of any unsatisfactory conditions of the good. LIEBHERR, at its request, shall be given access to such records for substantiating warranty claims.
- 7.10 Operator must notify LIEBHERR in writing of the non-conformance of any good or Service within the warranty period and return the good or Service to LIEBHERR within thirty (30) days after such discovery.
- 7.11 If the goods (or parts thereof) actually infringe any copyrights, trademarks or patents granted in Europe, the USA or Brazil and if, furthermore, such infringement prevents the CLIENT from using the respective goods or materially impairs its use of the respective goods, LIEBHERR shall, at its option and expense, either procure for the CLIENT the right to use the goods free from any liability to third parties that may result from the given infringement or replace the goods (or parts thereof) found to be infringing, within a reasonable period of time, by non-infringing goods (or parts). The provisions of Section 7.4 hereof shall apply accordingly. The foregoing states the entire liability of LIEBHERR with respect to the infringement of any copyrights, trademarks or patents by the goods (or parts thereof). In no event shall LIEBHERR be liable for any infringement based upon the manufacture, use, operation or sale of the goods (or parts thereof) that results from or in relation to a combination of such goods (or parts thereof) with any apparatus or things not furnished under the order.
- 7.12 LIEBHERR extends no representations or guarantees whatsoever with respect to the goods or Services, unless such representations or guarantees have been explicitly accepted by LIEBHERR in writing. Should such representations or guarantees have been extended by LIEBHERR in accordance herewith and should LIEBHERR breach any such representations or guarantees, then the provisions of this Section 7 (in particular, but without limitation, the provisions of Sections 7.3 to 7.12) shall apply accordingly.
- 7.13 In no event shall LIEBHERR be liable to the CLIENT for any misuse, abuse or other unusual or improper use of the goods (or parts thereof) or for any modification of the goods (or parts thereof) not in compliance with the maintenance manual or service bulletin of LIEBHERR or the original equipment manufacturer. The CLIENT shall defend, fully indemnify and hold LIEBHERR, its affiliates, distributors and agents, and their respective officers, directors and employees, harmless from any and all claims, suits, actions, liabilities, damages and costs (including without limitation attorney's fees) arising out of or in relation to any such misuse, abuse or other unusual or improper use of the goods (or parts thereof) or any such non-compliant modification of the goods (or parts thereof).
- 7.14 Any and all rights or remedies of the CLIENT (whether under contract or at law) other than those specified herein above shall herewith be excluded. In particular, but without limitation, LIEBHERR shall in no event be liable for the CLIENT's loss of profit, loss of goodwill, loss of use of the goods, loss of time, business interruption, inconvenience or for any indirect, consequential or incidental damages.

8. PLACE OF PERFORMANCE, GOVERNING LAW AND LEGAL VENUE

- 8.1 Unless otherwise agreed in writing, the place of performance for any delivery of goods shall be at the main offices of LIEBHERR and for any performance of Services at the place at which such Services are to be performed.
- 8.2 Any and all legal relations between the CLIENT and LIEBHERR out of or in relation to the contract shall be governed by and construed in accordance with the English version of the UNCITRAL-Convention on the International Sale of Goods dated April 11th, 1980 ("CISG"), as amended by the provisions of these General Terms and Conditions of Sale. Should the CISG not apply to the contract or to certain aspects thereof, then the material laws of Switzerland (excluding any conflict of laws provisions) shall apply.
- 8.3 Any and all disputes arising out of or in relation to the contract, including, without limitation, disputes on its conclusion, binding effect, amendment or cancellation, shall be exclusively resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution. The place of arbitration shall be Zurich, Switzerland, and the arbitration language shall be, unless otherwise agreed by the parties in writing, the English language. Notwithstanding the above, LIEBHERR reserves the right to bring an action to any ordinary competent court at the place where the CLIENT's main offices are located or at the CLIENT's domicile, or at the place where the CLIENT disposes of property or other tangible goods.

9. GENERAL CONDITIONS

- 9.1 The CLIENT shall not directly or indirectly assign the contract or any of its rights or obligations hereunder, without the prior written consent of LIEBHERR.
- 9.2 Any amendment, extension, limitation or other modification of the contract or the present General Terms and Conditions of Sale shall not be binding upon LIEBHERR, unless LIEBHERR has explicitly accepted such amendment, extension, limitation or other modification in writing.