

General Terms and Conditions of Sale and Exchange

Aviarena Trading

1. Definitions

In these Terms and Conditions, unless the context requires otherwise, the following terms - when written with a capital - will have the meaning as stated below:

Aviarena: the limited liability company Aviarena Trading BV, duly incorporated and validly existing under the laws of the Netherlands, having its registered office and principal place of business in (2461TR) Ter Aar at Smidskade 11, the Netherlands, registered in the trade register of the Dutch Chamber of Commerce under number 61935034.

CMM: the most recently revised component maintenance manual issued by the OEM.

Clause: a clause of the Terms and Conditions.

Component: an aircraft part or a subpart, also defined as serialized LRU, which has its own CMM and for which there is a repair scheme available by the component manufacturer of the relevant aircraft part or subpart, sold by Aviarena to Customer.

Contract: the written or verbal agreement regarding the sale or exchange of a Component/Tool, the repair or overhaul of a Part or the repair, overhaul or calibration of an Instrument, arising when any offer or quotation made by Aviarena is accepted by the Customer, or when the Customer's order is accepted by Aviarena.

Customer: the natural person, partnership or legal entity receiving an offer or quotation from Aviarena with respect to a Component or purchasing a Component from Aviarena.

Delivery Location: global headquarters of Aviarena, in (2461TR) Ter Aar at Smidskade 11, the Netherlands, or other such other address as may be notified to the Customer by Aviarena from time to time.

Goods: a Component, Part, Tool and/or Instrument.

Instrument: a tool for the purpose of placing, adjusting, adapting, adjusting and/or removing of a Component or Part, repaired, overhauled or calibrated by Aviarena by order of Customer.

LRU: Line Replacement Unit and is a Component that can be promptly removed and replaced at an operating location during line maintenance.

OEM: the original equipment manufacturer.

Overhauled: the restoration of a Component in accordance with the instructions defined in the CMM supplied by the original equipment manufacturer.

Part: an aircraft part or a subpart of Customer, also defined as serialized LRU, which has its own CMM and for which there is a repair scheme available by the component manufacturer of the relevant aircraft part or subpart, repaired by Aviarena by order of Customer.

Parties: Aviarena and Customer.

Workshop: the contractor who repairs a Part on behalf of Aviarena;

Serviceable: the condition of a Component which has been repaired and classified as fully functioning and able to be

fitted to an airworthy aircraft as stated by EASA and/or the FAA.

Terms and Conditions: this underlying terms and conditions of sale and exchange of Aviarena.

Tool: a tool for the purpose of placing, adjusting, adapting, adjusting and/or removing of a Component or Part, sold by Aviarena to Customer.

I. GENERAL PROVISIONS

2. In general

- 2.1 The Terms and Conditions apply to every offer made, or quotation issued, by Aviarena to Customer and every Contract between Aviarena and Customer to which the Terms and Conditions has declared applicable, insofar as the Parties have not expressly agreed otherwise in writing.
- 2.2 All exclusions of liability, defenses, indemnifications, conditions and rights of any nature stipulated by Aviarena for itself in the Terms and Conditions also apply to all persons who are or were employed by Aviarena at the time of the pre-contractual phase and/or execution of the Contract, or all persons engaged by Aviarena pre-contractual phase and in the execution of any Contract, or all persons for whom Aviarena's actions or omissions could be legally liable ("clause for third parties").
- 2.3 The applicability of any terms and conditions (of purchase) of the Customer, or which terms and conditions are implied by trade, custom, practice or course of dealing, is expressly rejected.
- 2.4 If one or more provisions of the Terms and Conditions at any time, in whole or in part are null and void or should be terminated, the rest of the Terms and Conditions will remain applicable in full. Parties will then enter into consultation in order to agree on new provisions to replace the void or annulled provisions, taking into account as much as possible the purpose and purport of the original provisions.
- 2.5 If there is uncertainty about the interpretation of one or more provisions of the Terms and Conditions, then the explanation must take place in the spirit and essence of the Terms and Conditions.
- 2.6 If a situation arises between Parties that is not regulated in the Terms and Conditions, then this situation must be assessed in accordance with the spirit and essence of the Terms and Conditions.
- 2.7 If Aviarena does not always require strict compliance with the Terms and Conditions, this does not mean that its provisions do not apply, or that Aviarena to any

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- extent would lose the right to strict compliance with the provisions of the Terms and Conditions.
- 2.8 If any provision of the Contract conflicts with a provision in the Terms and Conditions, the provision of the Contract prevails.
- 3. Quotations, offers, orders and conclusion of the Contract**
- 3.1 All quotations and offers from Aviarena are without obligation, unless in the quotation a term for acceptance has been submitted. If no acceptance period has been set, to the offer or quotation no right can be derived whatsoever, if the Component or Workshop to which the quotation or offer relates is no longer available in the meantime.
- 3.2 A Contract is concluded if and as soon as:
- Aviarena has received an order from the Customer which order is accepted by Aviarena by sending a written order confirmation.
 - Aviarena has provided the Customer with an offer or quotation which is accepted by the Customer in writing.
 - Aviarena has provided the Customer with an offer or quotation which is accepted by the Customer orally and sends a written order confirmation thereof to Customer.
- 3.3 Aviarena is free to prove that the Contract was concluded in a different way.
- 3.4 In case of discrepancies between the offer or quotation signed by the Customer and the written order confirmation from Aviarena, only the recording by Aviarena is binding, subject to evidence to the contrary.
- 3.5 Aviarena cannot be held to its offer, quotation or order confirmation if the Customer can reasonably understand that the offer, quotation or order confirmation or any part thereof, contains an obvious mistake or error.
- 3.6 The Customer shall be responsible towards Aviarena for ensuring the accuracy of the terms of any order submitted by the Customer.
- 3.7 The prices stated in an offer, quotation or order confirmation are in US dollars, unless stated otherwise in the offer, quotation or order.
- 3.8 The prices stated in an offer, quotation or order is exclusive of VAT and other levies by the government, any costs to be incurred in the context of the Contract, including travel and accommodation, shipping and administration costs, unless otherwise indicated.
- 3.9 Quotations in a currency other than US Dollars are based on the rate of exchange at the time of quoting and unless otherwise stated the price may at Aviarena's discretion be subject to revision up or down if any different rate of exchange shall apply at the date of invoice.
- 3.10 A composite quote does not oblige Aviarena to perform a part of the Contract against a corresponding part of the quoted price.
- 3.11 Offers or quotations do not automatically apply to future Contracts.
- 3.12 The Contract constitutes the entire contract between Parties regarding the sale or exchange of the Component/Tool or the repair, overhaul and/or calibration of the Part/instrument and shall supersede and exclude all prior representations, proposals or Contracts whether oral or in writing to this respect.
- 3.13 The Customer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of Aviarena which is not set out in the Contract. The Customer acknowledges that, in entering into this Contract, it does not do so on the basis of, and does not rely on, any representation, warranty or other provision except as expressly provided herein, and all conditions, warranties or other terms implied by statute or common law are hereby excluded to the fullest extent permitted by law.
- 3.14 Any amendment or alteration to the Contract (or the Terms and Conditions) shall not be effective unless it is agreed on in writing by Parties
- 4. Price**
- 4.1 The price is in exclusive of all taxes and duties which shall be paid by the Customer and which the Customer hereby undertakes to pay without delay.
- 4.2 Should Aviarena be required to pay any taxes or duties on behalf of the Customer the Customer shall reimburse Aviarena forthwith upon demand.
- 4.3 If Aviarena agrees a fixed price with the Customer, Aviarena is nevertheless entitled at all times to increase this price without the Customer being entitled in that case to dissolve the Contract for that reason, if the price increase arises from an entitlement or obligation under the applicable law or regulations or is caused by an increase in the price of a Component, wages, etc. which at entering into the Contract were not reasonably foreseeable.
- 4.4 If the price increase, other than as a result of an amendment to the Contract, amounts to more than 10% and takes place within three months after the conclusion of the Contract, then only the Customer who is entitled

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to invoke Title 5 Section 3 of Book 6 of the Dutch Civil Code entitled to dissolve the Contract by means of a written statement, unless:

- a) Aviarena is then still prepared to perform the Contract on the basis of what was originally agreed.
- b) the price increase results from an entitlement or an obligation resting on Aviarena by law.
- c) it has been stipulated in the Contract that the delivery will be longer than three months will take place after entering into the Contract.

5. Execution and amendment Contract

- 5.1 Aviarena is entitled to perform the Contract in various phases and to thus invoice the part of the Contract executed separately.
- 5.2 If Aviarena requires information from the Customer for the execution of the Contract, the execution period will not commence until the moment the Customer has provided Aviarena with correct and complete information.
- 5.3 In the event the Contract concerns the repair, overhaul or calibration of a Part/Instrument, the execution period will not commence until the moment the Customer has made available the Part/Instrument to Aviarena.
- 5.4 If a period has been agreed or specified for the execution of the Contract this is never a strict deadline. If a term is exceeded, the Customer must therefore give Aviarena written notice of default. Aviarena must be offered a reasonable period of time in which to execute the Agreement as well.
- 5.5 Aviarena is entitled to sub-contract its obligations under the Contract or any part thereof.
- 5.6 If it appears during the execution of the Contract that it is necessary for its proper execution to change or supplement it, Parties will proceed to amend the Contract timely and in mutual consultation. If the nature, scope or content of the Contract, whether or not at the request or instruction of the Customer, of the competent authorities, etc., is changed and the Contract is changed in qualitative and/or quantitative terms as a result, this may also have consequences for what was originally agreed. As a result, the originally agreed price can be increased or decreased. Aviarena will provide a quotation of this in advance as much as possible. An amendment to the Contract may also change the originally stated term of execution. The Customer accepts the possibility of amending the Contract, including the change in price and term of execution.

- 5.7 If the Contract is amended, including an addition, Aviarena is entitled to implement this only after approval has been given by the person authorized within Aviarena and the Customer have agreed to the price and other conditions stated for the execution, including the time to be determined at which execution will take place. Not or not immediately executing the amended Contract does not constitute a breach of contract by Aviarena nor it enables the Customer to terminate the Contract.
- 5.8 Without being in default, Aviarena can refuse a request to amend the Contract if this could have a qualitative and/or quantitative effect for example for the Components to be delivered or Parts to be repaired in that context.
- 5.9 If the Customer should fail to properly fulfill its obligations towards Aviarena to this respect, the Customer will be liable for all damage (including costs included) on the part of Aviarena arise directly or indirectly as a result.

6. Packaging and delivery of Part/Instrument to Aviarena

- 6.1 Delivery of a Part/Instrument by Customer to Aviarena takes place DDP at the Delivery Location. Customer shall notify Aviarena (either written or oral) when and by whom the Part/Instrument shall be delivered at the Delivery Location.
- 6.2 A Part will be packed by Customer for delivery in compliance with ATA-300 specification (or any amendment thereto from time to time).
- 6.3 A Part/Instrument send to Aviarena by a Customer must be provided with a repair order and – in the event Customer sends the Part/Instrument to Aviarena from outside the EER – with a customs invoice.
- 6.4 If Parties agree that Aviarena shall arrange or undertake the insurance and (part of the) transport of the Part/Instrument before the point of delivery at the Delivery Location, such costs shall be for the Customer's account and shall not affect Clause 6.1 as to the passing of risk.

7. Packaging and delivery of Goods to Customer

- 7.1 A Component/Part will be packed by Aviarena for delivery in compliance with ATA-300 specification (or any amendment thereto from time to time).
- 7.2 Attached to the packaging of the Component/Part will be the airworthiness certificate of the Component/Part.
- 7.3 Attached to the packaging of a calibrated Tool/Instrument will be a calibration certificate.

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- 7.4 Delivery of Goods by Aviarena to Customer takes place Ex Works at Delivery Location. Aviarena shall notify the Customer (either written or oral) that the Goods are ready for collection from the Delivery Location on the date specified. Unless expressly provided otherwise, delivery of the Goods shall be effected by Aviarena making the Goods available for collection by the Customer on the date specified.
- 7.5 Customer is obliged to take delivery of the Goods at the moment they are made available by Aviarena. If the Customer refuses to take delivery or is negligent in providing information or instructions necessary for the delivery, Aviarena is entitled to store the Goods at the expense and risk of the Customer.
- 7.6 Each delivery of a Component/Tool or repair of a Part/Instrument shall be treated as taking place under a separate Contract and default or delay by Aviarena in any single delivery of a Component/Tool or repair of a Part/Instrument shall not entitle the Customer to repudiate any previous or subsequent Contract.
- 7.7 If Parties agree that Aviarena shall arrange or undertake the insurance and (a part of the) transport of the Goods beyond the point of delivery at the Delivery Location, such costs shall be for the Customer's account and shall not affect the provision of Clause 7.4 as to the passing of risk.
- 8. Payment**
- 8.1 Aviarena shall render to the Customer invoices showing the sums due under the Contract. All payments due thereunder shall be made by the Customer in the currency, to the bank account and within the time period for payment as detailed on Aviarena's invoices in cleared funds.
- 8.2 If the Customer fails to make any payments within the term of payment Aviarena - without prejudice to Aviarena's rights under Clause 11 - shall have the right (without prejudice to any other rights or remedies which may be available to Aviarena) forthwith to terminate or suspend all further deliveries until such default is made good. Any additional costs and expenses of whatever nature incurred by Aviarena as a result thereof shall be borne by the Customer.
- 8.3 If the Customer fails to pay an invoice on time, the Customer is legally in default. The Customer then is due an interest of 1% per month, unless the statutory commercial interest is higher, in which case the statutory commercial interest is due. The interest on the due and payable amount will be calculated from the moment that the Customer is in default until the moment of payment of the full amount due. The Customer shall reimburse all costs and expenses (including legal costs) incurred in the collection of any overdue amount.
- 8.4 Aviarena has the right to have the payments made by the Customer go first to reduce the costs, then to reduce the interest that has accrued and finally to reduce the principal sum and the accrued interest.
- 8.5 Aviarena may, without being in default as a result, refuse an offer for payment if the Customer designates a different order for the allocation of the payment. Aviarena may refuse full repayment of the principal sum, if the accrued and accrued interest and collection costs are not also paid.
- 8.6 The Customer is never entitled to set off the amount it owes to Aviarena against any claim it might have against Aviarena.
- 8.7 Objections to the amount of an invoice do not suspend the payment obligation of the Customer. The Customer who is not entitled to appeal to Title 5 Section 3 of Book 6 of the Dutch Civil Code is also not entitled to suspend payment of an invoice for any other reason.
- 8.8 If the Customer is in default or in default in the (timely) fulfillment of its payment obligations, then all reasonable costs incurred in obtaining payment out of court will be borne by the Customer. The extrajudicial costs are calculated on the basis of 15% of the amount due. However, if Aviarena has incurred higher collection costs that were reasonably necessary, the actual costs incurred will be eligible for reimbursement. Any judicial and enforcement costs incurred will also be payable by the Customer. The Customer also owes interest on the collection costs due.
- 8.9 If the Customer fails to take delivery of the Goods on the date agreed by Parties for delivery or if Aviarena is prevented or hindered from performing any of its obligations under the Contract as a result of any act or omission on the part of the Customer, Aviarena shall be entitled (without prejudice to any other rights or remedies which Aviarena may have) to invoice the Customer for the amount due and payment shall be due as if delivery of the Goods had been effected. In such event the Customer shall be liable for and shall promptly reimburse Aviarena upon demand for all costs and expenses incurred by Aviarena up to the time of actual collection of the Goods.

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9. Retention of title Component/Tool

9.1 Notwithstanding that risk related to the Component/Tool shall pass to the Customer in accordance with Clause 7.2, title to the Component/Tool shall remain with Aviarena until payment in full has been received by Aviarena:

- a) for the concerning Component/Tool.
- b) for any other Component/Tool supplied by Aviarena to the Customer.
- c) for any repair or overhaul of a Part/Instrument by Aviarena for Customer, and
- d) in respect of any other amounts due from the Customer to Aviarena on any account.

9.2 A Component/Tool delivered by Aviarena, which are subject to retention of title pursuant to Clause 8.1, may not be resold by the Customer, may never be used as a means of payment or may not be processed or pledged or encumbered in any other way without the prior written consent of Aviarena. If Aviarena grants this consent, the Customer undertakes, at Aviarena's first request:

- a) to cooperate in the establishment of a (hidden) pledge on the claims that the Customer acquires or will acquire on account of the onward delivery of goods to its customers, or
- b) to provide an adequate bank guarantee in favor of Aviarena in this respect.

9.3 The Customer must always do everything that may reasonably be expected of it to secure Aviarena's property rights.

9.4 If third parties seize a Component/Tool delivered under retention of title or wish to establish or enforce rights thereon, the Customer is obliged to immediately inform Aviarena thereof.

9.5 The Customer undertakes to insure the Component/Tool delivered under retention of title and keep them insured against fire, explosion and water damage as well as against theft and to make the policy of this insurance available to Customer for inspection on first request. In the event of a potential payment by the insurer, Aviarena is entitled to these payments. Insofar as necessary, the Customer commits to Aviarena in advance to cooperate with everything that may (appear to be) necessary or desirable in that context.

9.6 At any time before title to the Component/Tool passes to the Customer (whether or not any payment to Aviarena is then overdue or the Customer is otherwise in breach

of any obligation to Aviarena), Aviarena may (without prejudice to any other of its rights):

- a) retake possession of all or any part of the Component/Tool.
- b) require delivery up to Aviarena of all or any part of the Component/Tool.

9.7 In the event that Aviarena wishes to exercise its property rights referred to in this Clause, the Customer hereby gives its unconditional and irrevocable permission to Aviarena - and third parties to be designated by Aviarena - to enter all those places where Aviarena's Component/Tool is located and take back the Component back.

9.8 Each Clause and sub-clause of this Clause is separate, severable and distinct and, accordingly, in the event of any of them being for any reason whatsoever unenforceable according to its terms, the others shall remain in full force and effect.

10. Right of retention Part/Instrument

Aviarena is authorized to suspend the delivery of a Part/Instrument to Customer until payment in full has been received by Aviarena:

- a) for the repair or overhaul of a concerning Part/Instrument.
- b) for any other repair or overhaul of a Part/Instrument by Aviarena for the Customer.
- c) for any Component/Tool supplied by Aviarena to the Customer.
- d) in respect of any other amounts due from the Customer to Aviarena on any account.

11. Warranty

11.1 A Component will be duly certified to EASA Form 1 or if supplying a repaired or overhauled Component or a Part under FAA Form 8130-3, a dual EASA Part 145 Maintenance Release Statement.

11.2 Aviarena warrants that a Component is free from defects in design, material and workmanship and will remain so:

- a) for a factory new Component: in accordance with the warranty period specified by the concerning OEM.
- b) for an overhauled Component: for a period of 6 months from the date of delivery of the Component

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to Customer or 1000 flight hours, whichever occurs first.

- c) for a serviced/repaired Component: for a period of 3 months from the date of delivery of the Component to Customer or 500 flight hours, whichever occurs first

, unless otherwise specified in the Contract.

11.3 Aviarena warrants that a Part/Instrument is free from defects in design, material and workmanship and will remain so in accordance with the warranty period specified by the concerning Workshop, unless otherwise specified in the Contract.

11.4 Aviarena warrants that a Tool is free from defects in design, material and workmanship and will remain so:

- a) for a factory new Tool: in accordance with the warranty period specified by the concerning OEM.
- b) for an overhauled Tool: for a period of 12 months from the date of delivery of the Tool to the Customer.
- c) for a serviced/repaired Tool: for a period of 6 months from the date of delivery of the Tool to the Customer.
- d) for a calibrated Tool: for a period of 3 months from the date of delivery of the Tool to the Customer

, unless otherwise specified in the Contract.

11.5 If Goods do not conform with the warranty in Clause 11.2, 11.3, respectively 11.4, Aviarena will repair or replace such Goods (or the defective part thereof).

11.6 The Customer will inspect the Goods right after delivery and may make a warranty claim or reject it if the Goods do not comply with Clause 11.2, 11.3, respectively 11.4 and in case of:

- a) a visible defect: inform Aviarena in writing within 5 calendar days after delivery; and
- b) an invisible defect: inform Aviarena in writing immediately, but in any event no later than 14 calendar days, after discovery thereof.

If no notice of rejection or claim is received in accordance with this Clause 11.6, the Customer will be deemed to have accepted the Goods free from defects in design, material and workmanship and defects.

11.7 The warranties in Clause 11.2, 11.3 and 11.4 are subject to the following conditions:

- a) that the Goods are stored, maintained, installed, operated and used in accordance with the CMM and not subject to willful damage; and
- b) in the event it is a Component/Part: that the Component/Part, or the aircraft it was fitted to, has not been subject to any misuse nor have they been involved in any incident.

11.8 Aviarena shall not be responsible for costs of fit or removal of a Component/Part from an aircraft (part).

11.9 Title to the Component/Tool or any parts thereof which is returned to Aviarena by the Customer and which Aviarena subsequently replaces pursuant to the terms of this warranty shall revert in Aviarena.

11.10 Aviarena's obligations under this warranty shall not apply:

- a) if the Customer has failed to make payment in accordance with Clause 6 or
- b) if any defect arises from fair wear and tear, willful damage or abnormal working conditions.

11.11 A warranty claim by the Customer in respect of any defect in the Goods or in respect of any delay in delivery shall not entitle the Customer to cancel or refuse such delivery or payment for such Goods.

11.12 If it is established that a warranty claim is unfounded, the costs incurred as a result, including the research costs incurred by Aviarena, will be borne in full by the Customer. After the warranty period has expired, all costs for repair or replacement, including administration, shipping and call-out costs, will be charged to the Customer.

11.13 Contrary to the statutory limitation periods, the limitation period for all claims and defenses against Aviarena is one (1) year.

11.14 This Clause represents the entire warranty of Aviarena, to any matter arising out of or in connection with the quality or condition of the Goods or any part thereof. All other warranties, guarantees, terms, conditions, representations as to quality, description, standard of workmanship, condition, fitness for purpose or otherwise (whether express or implied by statute or common law) are hereby excluded to the fullest extent permissible at law.

12. Liability and Indemnification

12.1 The liability of Aviarena for damage suffered by the Customer as a result of an attributable failure in the performance of the Contract, or from an unlawful act (or otherwise) related to the (legal) acts in the context of

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the performance of the Contract, is limited to what is stipulated in this Clause.

- 12.2 Aviarena shall in any event take out - and maintain - for a period of five (5) years after the conclusion of the Contract an adequate professional liability insurance with an insurer of good repute for ensuring the risks that might arise from the activities Aviarena performs under the Contract.
- 12.3 If Aviarena should be liable towards the Customer for any damage, the liability of Aviarena is limited to the amount paid out in a given case by its liability insurer, increased by the amount of the excess payable by Aviarena under that insurance policy in the case in question.
- 12.4 If, for whatever reason, the insurer of Aviarena does not pay out, Aviarena's liability, per event, where a series of related events count as one event, shall in any event always be limited to a maximum of three times the invoice value of the Contract in question, however, with a maximum of \$ 150.000,00.
- 12.5 As an exception of the provision of Clause 12.4, applies that the limitation of Aviarena's liability as included in article 12.4 shall not apply in the event that the reason for non-payment under the mentioned professional liability insurance lies in the fact that the insurance premiums of said insurance have not been paid to the insurer (on time) by Aviarena.
- 12.6 Contrary to the provision of article 12.4, the total liability of Aviarena in the event of damage due to death or injury - if the insurer of Aviarena for whatever reason does not proceed to pay out in respect as such damage - amounts to a maximum of \$ 250.000,00.
- 12.7 Aviarena is only liable for direct damages.
- 12.8 'Direct damage' shall mean only:
- a) the reasonable costs to determine the cause and extent of the damage, insofar as the determination relates to damage within the meaning of these conditions.
 - b) any reasonable costs incurred to make the defective performance of Aviarena conform to the contract, insofar as they can be attributed to Aviarena; and
 - c) the reasonable costs incurred to prevent or limit damage, in so far as the Customer demonstrates that these costs have resulted in limitation of direct damage as referred to in the conditions
- 12.9 Damage that cannot be qualified as 'direct damage', is therefore to be qualified as 'indirect damage'. Aviarena is never liable for indirect loss, including in any case, but not exclusively, consequential loss, loss of profit, missed savings and loss due to business interruption.

- 12.10 The limitations of Aviarena's liability included in this article do not apply if damage is due to intent or gross negligence on the part of Aviarena or its executives.
- 12.11 The limitations of Aviarena's liability included in this article do not apply to the extent that Aviarena should be regarded as the 'producer' - in the sense of product liability - of the product that caused the damage.
- 12.12 The Customer shall indemnify Aviarena against any claim of a third party, who claim to suffer or have suffered damage due to or in condition with Customer's performance of the Contract.

13. Termination and cancellation

- 13.1 A Contract concerning the repair, overhaul or calibration of a Part/Instrument terminates by accomplishment.
- 13.2 In deviation of Section 7:408 of the Dutch Civil Code, Customer is not entitled to terminate the Contract concerning the repair, overhaul or calibration of a Part/Instrument.
- 13.3 Aviarena is entitled, without further notice of default or without judicial intervention, to dissolve the Contract with immediate effect in whole or in part and without becoming liable to pay damages to the Customer, if
- a) the Customer imputably fails to fulfill an obligation under the Contract, unless the failure does not justify dissolution with its consequences. Insofar as compliance is not permanently impossible, this right to dissolution only arises if the obligations are not fulfilled after the expiry of a reasonable term set in a written reminder.
 - b) the Customer applies for suspension of payment, or has been granted suspension of payment.
 - c) the Customer applies for its own bankruptcy or is declared bankrupt.
 - d) the Customer is dissolved.
 - e) assets of the Customer are seized, which seizure has not been lifted within 3 months.
 - f) as a result of, or to be allocated to, actions by the Customer, the continuation of the Contract suffers or would suffer damage to the interests, reputation and/or good name of Aviarena.
- 13.4 The events listed in Clause 13.3 also entitle Aviarena to suspend its obligations under the Contract.
- 13.5 Upon termination of the Contract for whatever reason, Aviarena shall be entitled to set off any claim it might have against the Customer against any sums or otherwise due to the Customer.

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- 13.6 Termination of the Contract shall not affect the accrued rights of Aviarena nor Aviarena's other rights and remedies.
- 13.7 The Customer shall not be entitled to cancel the Contract without the prior written consent of Aviarena. In the event Aviarena accepts the cancellation of the Contract:
- Customer will be due to Aviarena a cancellation fee of 10% of the concerning Contract price.
 - Customer is first entitled to return a concerning Component/Tool to Aviarena after Aviarena provided the Customer a RMA (Return of Material Authorization).

14. Force majeure

- 14.1 Aviarena is not obliged to fulfill any obligation towards the Customer if it is prevented from doing so as a result of force majeure and therefore a circumstance that cannot be attributed to the fault of Aviarena and is not for its account by virtue of the law, a legal act or generally accepted beliefs coming. Specific force majeure is understood to mean, in addition to what is understood in this regard by law and jurisprudence, all external causes, foreseen or unforeseen, over which Aviarena cannot exert any influence, but as a result of which Aviarena is unable to fulfill its obligations. The following - non-exhaustive listed – incidents will be considered to cause force majeure: acts of nature like natural catastrophes and extreme weather, fire, explosions, major local or (inter)national health issues declared by any government or by official health organizations (i.e. pandemic/epidemic disease), a riot, war circumstances, civil commotion or a terrorist attack or the threat thereof, strikes, prolonged power failure or prolonged shortage of energy supplies.
- 14.2 Aviarena also has the right to invoke force majeure if the circumstance that prevents (further) fulfillment of the Contract occurs after Aviarena should have started fulfilling its obligation.
- 14.3 Aviarena can suspend its obligations under the Contract during the period that the force majeure continues. If this period lasts longer than two (2) months, then both Parties are entitled to dissolve the Contract, without any obligation to pay damages to the other party.
- 14.4 Insofar as Aviarena has already partially fulfilled its obligations under the Contract or will be able to fulfill them at the time of the commencement of force majeure, and the part fulfilled or to be fulfilled has independent value, Aviarena is entitled that part to be invoiced separately. The Customer is obliged to pay this

invoice as if it were a separate Contract.

15. Licenses

- 15.1 The obtaining of any licence or consent for the export of the Component/Part from the Netherlands shall be the responsibility of the Customer.
- 15.2 The Customer shall be responsible for complying with any legislation or regulations governing the importation of the Component/Part into the country of destination and for the payment of any duties thereon.

16. Assignment of Contract

Aviarena may assign the Contract and the rights and obligations thereunder whether in whole or in part. The Contract is personal to the Customer, who shall not without the prior written consent of Aviarena assign, mortgage, charge or dispose of any of its rights hereunder, or sub-contract or otherwise delegate any of its obligations hereunder.

17. Confidentiality

Both the subject matter and the terms and conditions of a Contract itself shall be treated by the Customer as confidential and shall without Aviarena's prior written consent not be divulged to any other person.

18. Business ethics

Both Parties agree that all business activities will comply with the applicable laws and regulations whilst ensuring that the undertaking of these activities is without recourse to anti-competitive activity, bribery or corruption or slavery or human trafficking and ensuring compliance to the Dutch Criminal Code and Modern Slavery Act regulations.

19. Governing Law and Jurisdiction

- 19.1 The Contract and the Terms and Conditions and all non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with Dutch law. The applicability of the Vienna Sales Convention is excluded.
- 19.2 The courts of the Netherlands have exclusive jurisdiction to settle any dispute arising out of or in connection with the Contract and the Terms and Conditions (including a dispute regarding the existence, validity or termination of the Contract and the Terms and Conditions).

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- 19.3 In deviation of Clause 19.2 Parties can agree to refer a dispute to and finally resolved in accordance with the Arbitration Rules of The Hague Court of Arbitration For Aviation (Hague CAA).
- 19.4 In case of arbitration at the Hague CAA the arbitral tribunal shall consist of one arbitrator. The seat of arbitration shall be The Hague, the Netherlands and the language of the arbitration shall be English. The law applicable to the arbitration agreement shall be Dutch law. The substantive law governing the merits of the dispute shall be Dutch Law, the applicability of the Vienna Sales Convention.

20. Location and change of conditions

- 20.1 The Terms and Conditions can be downloaded from Aviarena's website (www.aviarena.com).
- 20.2 Applicable to a Contract shall be the version of the Terms of Conditions that applied at the time of the conclusion of the Contract between the Parties.
- 20.3 The English text of the Terms and Conditions is always decisive for the interpretation thereof.

II. ADDITIONAL PROVISIONS EXCHANGE

21. Definitions

The additional provisions in this paragraph II are applicable in the event Aviarena enters in to an exchange agreement with Customer.

In these special provisions with regard to an exchange agreement, unless the context requires otherwise, the following terms - when written with a capital - will have the meaning as stated below:

Exchange agreement: Flat Rate Exchange agreement or Exchange Plus Cost agreement.

Exchange Fee: the price to be paid by Customer to Aviarena in money for the Exchange Unit.

Exchange Plus Cost agreement: a Contract based on which an Exchange Unit is exchanged with a Core Unit against payment of the Exchange Fee and Costs.

Exchange Unit: a Component or Tool.

Flat Rate Exchange agreement: a Contract based on which an Exchange Unit is exchanged with a Core Unit against payment of the Exchange Fee.

Core Unit: the Component of Customer that Customer wants to exchange with Aviarena against the Exchange Unit.

Costs: all re-certification and/or overhaul costs incurred by Aviarena, including modification (Service Bulletin's and Airworthiness Directives) required to bring the Core Unit to

the same modification state as the Exchange Unit supplied by Aviarena to Customer.

22. Payment Exchange Unit

- 22.1 In deviation of what is determined in Clause 8.1, Customer shall pay the Exchange Fee - to be increased with a handling fee of 10% of the Exchange Fee - at the moment the Exchange Unit leaves the Delivery Location for shipment to Customer.
- 22.2 Regardless of whether Customer will actually use, keep or return the Exchange Unit (un)used, Customer will continue to owe Aviarena the compensation referred to in Article 22.1.

23. Return Exchange Unit

- 23.1 If Customer returns an Exchange Unit it must be returned at the Delivery Location immediately including the original documentation and written confirmation that the Exchange Unit has not been installed to any aircraft.
- 23.2 A returned Exchange Unit in all events will be sent by Aviarena to a Workshop for testing and recertification at Customer's cost. The Customer will also be charged for all shipping costs incurred by Aviarena to this respect.

24. Core Unit

- 24.1 A Core Unit must be of the same part number, dash number, and modification status as the Exchange Unit it is exchanged with, or, if agreed in writing by Aviarena, modifiable to same.
- 24.2 The date of manufacture of a Core Unit must be the same year or more recent. If the Core Unit is a life limited part and it has to have a date of manufacture older than the Exchange Unit Aviarena reserves the right to charge a fair percentage of the outright value as compensation.
- 24.3 A Core Unit that is serviceable or overhauled must be covered by a warranty period of at least 6 months from the date of delivery of the Core Unit to Aviarena.
- 24.4 If Customer wants to exchange the Exchange Unit against a Serviceable or Overhauled Core Unit, the Customer shall provide Aviarena with all release paperwork, the workshop report and which Workshop repaired/overhauled the Core Unit for approval by Aviarena. Release paperwork must be no older than that supplied with the Original Unit. The original documentation must be provided by Customer.

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25. Delivery Core Unit

- 25.1 A serviceable or overhauled Core Unit first can be send and delivered to Aviarena by the Customer after the prior written approval of Aviarena.
- 25.2 Delivery of a Core Unit by Customer to Aviarena takes place DDP at the Delivery Location. Customer shall notify Aviarena (either written or oral) when and by whom the Core Unit shall be delivered at the Delivery Location.
- 25.3 The Core Unit must be received by Aviarena within 14 days after the date of conclusion of the exchange agreement, unless Aviarena agrees in writing on a later date of delivery by Customer.
- 25.4 If the Core Unit is not received within 14 days (or agreed period if different) at the Delivery Location, late charges will automatically be invoiced to Customer at the rate of the Exchange Fee per month (or part thereof) until the Core Unit is received by Aviarena as yet.
- 25.5 If the Core Unit is not returned within 2 months (60 days) after the date of conclusion of the Exchange agreement, Aviarena is entitled to convert the Exchange agreement to an outright sale at the Outright Core Charge as stated in the Exchange agreement or in the OEM list price (whichever is applicable), in addition to the agreed Exchange Fee agreed on.
- 25.6 A Core Unit will be packed by Customer for delivery in compliance with ATA-300 specification (or any amendment thereto from time to time).
- 25.7 A Core Unit send to Aviarena by a Customer must be provided with a full airline trace, a non-incident statement and a record of hours/cycles (in the event of life limited parts). If a Core Unit is not supplied with the aforementioned trace documents, the Core Unit will be rejected by Aviarena and late charges as stipulated in Clause 25.4 may accrue until all trace documents are received by Aviarena as yet.
- 25.8 An unserviceable Core Unit send to Aviarena by a Customer must be provided with a clear written statement regarding the defect or removal reason.
- 25.9 If Parties agree that Aviarena shall arrange or undertake the insurance and (part of the) transport of the Core Unit before the point of delivery at the Delivery Location, such costs shall be for the Customer's account and shall not affect Clause 25.2 as to the passing of risk.

26. Repair Core Unit

- 26.1 In case of an Exchange Plus Cost agreement the Customer shall pay all Costs.
- 26.2 If in case of an Exchange Plus Cost agreement the Core Unit is supplied with OEM-certification, the Core Unit will

be sent to the appropriate OEM for repair/overhaul. If a Core Unit is not supplied with OEM certification Aviarena is entitled to use a Workshop of its choice.

- 26.3 In case of an Exchange Plus Cost agreement Customer's prior approval for the re-certification and/or overhaul, including modification, of the Core Unit shall only have to be obtained by Aviarena in the event the Costs exceeds 60% of the replacement costs for a new unit.
- 26.4 If the event the Core Unit by a Workshop chosen by Aviarena is deemed non-repairable or Beyond Economical Repair, the Customer shall be allowed 5 working days to supply to Aviarena a Serviceable/Overhauled Core Unit which complies with the stipulations as stated in Clauses 23 and 24. Failure to do so will result in the Exchange agreement being converted to an outright sale at the Outright Core Charge as stated in the Exchange agreement or in the OEM list price (whichever is applicable), in addition to the agreed Exchange Fee agreed on.

27. Title

- 27.1 Title to ownership of the Exchange Unit shall remain with and be vested in Aviarena until the concerning invoice(s) is/are paid by the Customer at which time title to the Exchange Unit will automatically pass from Aviarena free from all encumbrances, and vest in the Customer.
- 27.2 Customer warrants that it has good and marketable title free from all encumbrances to the Core Unit and that such title will automatically pass from the Customer and vest in Aviarena upon payment by the Customer of the concerning invoice(s) and title to the Exchange Unit passing from Aviarena to the Customer.

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III. SPECIAL PROVISIONS AGENCY

The special provisions in this paragraph III are applicable in the event Aviarena acts as an agent and mediates in the conclusion of a sale or exchange agreement regarding a Component/Tool between its principal and Customer.

28. Definitions

Unless the context requires otherwise, the following terms - when written with a capital - will have the meaning as stated below in this paragraph III:

Agreement: the written or verbal agreement regarding the sale of a Component/Tool, arising when any offer or quotation made by Aviarena on behalf of its principal is accepted by the Customer, or when the Customer's order is accepted by Aviarena on behalf of its principal.

Seller: the client of Aviarena based on an agency agreement between client and Aviarena with Aviarena acting as agent.

29. Agency agreement

- 29.1 Before entering into an Agreement with Customer Aviarena shall make known to Customer it not sells the

Components or Tools for its own account and risk to Customer but mediates on behalf of Seller in the conclusion of an agreement between Seller and Customer.

- 29.2 Aviarena will issue the invoice regarding the Agreement to Customer in its own name.
- 29.3 On the first request of Customer Aviarena shall provide the Customer with proof that its entitled to enter into the Agreement on behalf of Seller and issue the concerning invoice in its own name.

30. Terms and conditions

- 30.1 All exclusions of liability, defenses, indemnifications, conditions and rights of any nature stipulated by Aviarena for itself in the Terms and Conditions also apply to Seller with regard to an Agreement between Seller and Customer ("clause for third parties").
- 30.2 In addition to what is stipulated in Article 30.1, to this respect where "Aviarena" in the Terms and Conditions is stated, "Seller" should be read and where "Contract" is stated, "Agreement" should be read.
- 30.3 What is determined in Article 30.2 does not apply to the definition of 'Aviarena' and 'Delivery Location'.
- 30.4 What is determined in Article 30.2 does not apply for what is stated in Clause 20.1.
- 30.5 In the legal relationship between Aviarena (as agent) and Customer the Terms and Conditions apply.