

**General Terms and Conditions – Maintenance and Supply,
Date: December 09 2022**

FAI Technik GmbH, Flughafenstrasse 124
90411 Nuernberg, Germany

1. Scope and Contents

1.1. The following General Conditions of Maintenance and Supply shall be subject to all supply and maintenance agreements agreed between FAI Technik GmbH ("FAT") and the Customer ("Agreements"). All Agreements shall exclusively be made on the basis of these General Conditions of Maintenance and Supply ("GTC"). The Customer's purchasing conditions are hereby rejected. Even if not expressly and specifically contradicted once more after their receipt by FAT, the Customer's purchasing conditions shall not be deemed as having been acknowledged by FAT. It is and will be at the latest as per and with the receipt of the object subject to work or repair by the Customer that these present GTC shall be deemed as having been accepted by the Customer.

1.2. Any and all modifications or amendments to any Agreement between Customer and FAT must be made in writing; commitments made by any representatives shall be subject to the written confirmation of FAT.

1.3. The Customer's rights arising from the Agreement shall not be transferable.

2. Offer

2.1. Offers shall not be binding, unless and until they will have been submitted in writing and their wording expressly refers to such offers as binding. The documents enclosed with the offers shall only serve as information for the Customer and shall be returned by request of FAT. Specifically, a surcharge for costs, insurance and freight (CIF) for the procurement of parts by FAT is recognized in the offer.

2.2. If and when FAT were to determine in the process of working on and implementing the order that additional work is required, such additional work may also be done without the Customer's consent insofar as such work consists of measures which are to ensure the maintenance and/or restoration of the operating safety or airworthiness of the object subject to work or repair, or as long as the total sum of the binding offer will not be exceeded by more than 10 %.

3. Prices

3.1. If no fixed price has been agreed upon, the General Hourly Rates published by FAT shall apply for labour. For the acquisition of material and/or spare parts the ordinary FAT prices shall apply. These prices shall be applicable ex works or facilities of FAT. Where legally prescribed, the current statutory amount of VAT shall be added to the prices. FAT shall be entitled to charge the Customer for overhead for special packaging.

3.2. Unless otherwise agreed, invoices shall be payable due net immediately. Interest due on arrears

shall be at 8 % above the respectively valid basic interest rate as defined in Section 247 of the German Civil Code (BGB). Any and all setoffs against any potential counter-claims by the Customer shall be excluded, unless such counter-claim is legally established, uncontested or recognized by FAT. The same shall also apply for any and all potential rights of retention to which the Customer may be entitled.

3.3. Cheques, money orders or similar means of payment shall be accepted by FAT on account of payment only. In such instances, the payment shall be deemed to have been made only upon presentation of discretionary credit entry. All charges and fees thereby incurred shall be borne by the Customer.

3.4. Agreed currency conversions shall be made on the basis of the previous month's exchange rate for supply/performance published by the German Ministry of Finance.

3.5. FAT shall be entitled to demand a reasonable advance payment.

4. Scope of Order

Each work order shall be deemed to contain an authorization of FAT, without any specific approval by Customer, to carry out or cause to be carried out all work necessary for testing the object to which the work order refers, with the exception of test flights. It is understood that any work order including execution of scheduled or unscheduled maintenance, testing and/or modification work, implies performance by FAT of all necessary tasks that will be deemed necessary by the responsible certifying staff. Any change to the work order required by Customer shall be subject to a change order including related impact (not limited to financial and deadline) provided the volume of the change order will exceed 5 man hours.

5. Order Cancellation

Where a Customer cancels the maintenance order FAT is entitled to charge a cancellation fee in the amount of 10 % of the order volume as set out in the Offer. Where unavoidable expenses (parts already ordered and work performed) exceed this amount at the time when the order is cancelled, FAT is entitled to also demand payment of the excess amount from Customer.

6. Exchange Parts

6.1. Should a relevant removed aircraft spare part be beyond economic repair, FAT shall be entitled to provide or install exchange parts if available. The Customer shall be notified thereof.

6.2. Should a reduced exchange price be invoiced, this shall take place expressly under reserve.

6.3. The resulting price advantage shall require the timely return of an identically constructed core unit with an identical part number and fully completed documentation.

6.4. The removed core unit shall become the property of FAT.

6.5. If the repair of the core unit is no longer economically profitable, the repair costs exceed the standard estimate by the manufacturer or the used part is returned after the deadline set by FAT, the Customer shall undertake to reimburse the costs to the full extent.

6.6. Loaned parts shall be returned serviceable in any event by Customer. Otherwise, repair costs or costs related to the loaned part's replacement shall be borne by Customer.

6.7. Customer parts shall only be accepted by FAT if Customer provides full documentation establishing parts conformity (e.g. EASA Form 1, Certificate of Conformance etc.). Customer shall be responsible for all cost related to parts provision. Only parts bearing a part reference shall be accepted by FAT. FAT shall not check Customer parts. FAT will not provide warranty on parts provided by Customer. FAT hereby excludes all liability if Customer parts are defective or cause damage during or after installation, incorporation or use.

6.8. The import of Customer provided parts must be registered with the customs authority using the Customer's EORI number in order to be able to benefit from the customs exemption. Where the Customer fails to properly register the import with the customs authority or to provide the EORI number and where a claim for the import VAT is brought against FAT as the recipient of the used parts the customer shall indemnify FAT.

7. Maintenance Data

Upon acceptance of the offer Customer assures to provide FAT with all required maintenance data including but not limited to aftermarket programs for the contracted performance of work, actual times, landings and logbooks upon arrival at FAT. The Customer further guarantees that all Customer controlled and all provided maintenance data are up to date when delivered to FAT. In the event of a revision of maintenance data during the performance of work by FAT, Customer shall immediately submit all such current revisions. For exchange parts, TSN/CSN, TSO/CSO and Time/Cycles since installation must be provided by Operator/CAMO within 3 days after offer acceptance. Omission, delayed or incomplete information may result in refusal of returned material, denial of warranty consideration and/or additional billing by FAT and/or the supplier.

8. Aircraft Defueling

8.1. Fuel storage capacities are limited and cannot be guaranteed. In case defueling is necessary and fuel storage can be provided, this will be charged with an amount of 1.500 EUR for the defueling procedure and 250 EUR each week per 1000 litres for storage.

8.2. Procedure to store fuel will include a contamination test to ensure fuel is not affected by microbiological growth. Contaminated fuel cannot be stored and must be discarded – costs for proper handling and disposal of contaminated fuel must be covered by Customer. In case there is no fuel storage capacity available, fuel might be transferred to other tanks. Costs for such tasks and fuel lost during such handling will be

borne by Customer.

9. Acceptance

9.1. Acceptance of the work shall take place either in the premises of FAT or at a location which will have been determined for such acceptance by mutual consent. There shall be no obligation for FAT to verify the authorization of the person who comes to collect the ordered item and such person's license to fly the aircraft. Moreover, it shall be deemed that acceptance has been granted if the Customer delays taking delivery of and accepting the ordered item by more than 2 weeks.

9.2. If the partial deliveries are to undergo tests under any specific special conditions, then their acceptance shall take place in the facilities of FAT. Costs for the implementation of such acceptance as such shall be borne by FAT. All other costs, more particularly travelling and other expenses which may be incurred for any one official whose attendance and collaboration might be required for the implementation of the acceptance procedure shall be borne by the Customer. If the Customer waives acceptance in the facilities of FAT, it shall be deemed that the goods have been accepted at the moment where they will leave these facilities.

10. Delay in taking delivery and acceptance

The Customer shall be deemed to be late in taking delivery, if the Customer fails, within a period of 3 days following the Customer's being notified of the completion of the work to collect the ordered item. If the ordered item is not collected after the expiration of these time periods, FAT shall be entitled to charge the ordinary storage and parking charges. FAT may, in its free discretion, properly and at the usual conditions park or place the object subject to work or repair under shelter at another location. If the object subject to work or repair is an aircraft, ordinary regular hangar space or parking charges will be charged and invoiced as from that date and time on where the work has been completed, insofar as the Customer does not take delivery and collect such aircraft within a term of 3 days following the receipt of the notification of completion of the work. FAT is not obliged to provide any covers (e.g. engine covers) for the aircraft. Any storage maintenance of the aircraft has to be assigned by the Customer. If such maintenance is not assigned by the Customer FAT is not liable for any damages of the aircraft caused by such deferred maintenance.

11. Transfer of risks

11.1. All risks shall pass to the Customer as per and with the acceptance of the work, at the latest, however, at the time where the object subject to work or repair is delivered in the premises of FAT (Inco terms EXW – ex Works) or when it leaves such premises upon the Customer's instructions or in accordance with contractual arrangements and agreements, or if the Customer is late in taking delivery and acceptance. Risks shall equally pass to the Customer if and when the transport of the object subject to work or repair is taken care of by FAT.

11.2. If the Customer wishes the object subject to work or repair to be delivered, this delivery will be made for the account and at the risk of the Customer.

12. Warranty and liability

12.1. The warranty granted shall include and cover freedom from defects of incorporated or installed spare parts, accessory components and replacements in line with the current state of the art, as well as the proper workmanship of the maintenance, repair and replacement work done.

12.2. In case of a defect, FAT shall be entitled to, at its option, remedy such defect up to two times or produce a new work or supply and deliver an object which is free from defects. The Customer shall not be entitled to reduce the price or to rescind the Agreement, unless and until either rework or replacement by defect-free material to remedy such defects will have finally failed.

12.3. Notifications of complaints concerning recognizable defects shall be submitted in writing within a period of two weeks after acceptance of the object of the order. If no complaint is submitted within said period of time, any such claim will become null and void. As far as other defects are concerned, this period of time shall begin at that moment where such defects are recognizable.

12.4. The warranty period shall be 1 year or 300 Flight-Hours (whichever occurs first) for all deliveries made and service work rendered regardless of the operating hours of the aircraft. This period of time shall commence as per and with the date of acceptance of the object subject to work or repair.

12.5. There shall be no warranty for used exchange components and parts. As far as legally possible, warranty claims against upstream suppliers in this respect shall be assigned to the Customer.

12.6. No warranty can be claimed for defects or deficiencies which were caused by or are due to the fact that the Customer itself has worked on, altered or modified the object subject to work or repair or had such work, alterations or modifications done by any third party or parties.

12.7. If it is agreed with the Customer that FAT agrees to settle the Customer's warranty claims with the suppliers, then the Customer shall pay for the costs resulting from this.

12.8. FAT shall be liable for damages which were caused by neglect of duty on the part of either FAT or its legal representatives or vicarious agents only insofar as such damage is due to wilful action or to gross negligence – even by a legal representative or vicarious agent/assistant. In the event of breach of material contractual obligation by FAT and/or its vicarious agents or assistants, the liability for property damage whose amount shall be limited to foreseeable damage which is of a type which is typical for the subject of the Agreement. This shall not apply in case of injury to the life, the limb, the body or the health of any person as well as violation of a material contractual obligation. There shall be no liability for lost

profit, expenses saved and other consequential damages.

12.9. FAT is not liable for any damages or other direct or indirect economic loss resulting from the provision of services or goods proving to be or become impossible through infringement of relevant economic, trade or financial sanctions or embargoes imposed by the European Union or the Federal Republic of Germany against other countries or on account of other relevant international rules of foreign trade legislation. This applies equally to economic, trade or financial sanctions or embargoes imposed by the United States of America, as far as these do not run contrary to European or German legislation. In all such cases, FAT is released from any obligation to provide the agreed performance.

12.10. FAT recommends to Customer to remove all valuable goods from the aircraft, as they will remain the full responsibility of Customer during the working party in FAT facilities.

12.11. If the aircraft or parts thereof get destroyed or damaged by accident prior to completion or delivery, Customer is nevertheless obliged to pay FAT for the works performed until the date of the accident and to hold FAT harmless from the costs occurred until such date.

13. Retention of title

13.1. FAT shall retain title and property of all accessories and spare parts as well as of replacement units or components until all claims ensuing from the business relationship have been fully paid. Should the property of FAT be absorbed as a result of any combination, merging or processing thereof, then FAT shall, at the ratio of the values which were supplied by FAT, become co-owner of the item concerned with which the items supplied and delivered by FAT were so combined, merged or into which they were processed.

13.2. The Customer shall be allowed to sell the goods which are subject to such retention of title as part and in the due course of its business only. The Customer shall in advance transfer, cede and assign to FAT all of the claims that the Customer will be entitled to on the grounds of their sale or resale or any other legal grounds, in order to provide security for FAT. The Customer shall be entitled to collect the so assigned claims. If and when the claims of FAT are due for payment the Customer shall keep collected amounts separately and shall immediately transfer the same to FAT. The Customer shall immediately notify FAT of any third-party seizures of any of said goods which are subject to such retention of title or of any of the claims which have so been assigned. The Customer shall pay for any and all costs which might arise from interventions which may be required.

14. Right of retention and lien

FAT shall have a right of retention as well as a contractual lien over and in respect of the objects which come into the possession of FAT as a result of the order, to cover all of the claims resulting from such order. The right of retention and the contractual lien may also be claimed

and enforced on the grounds of claims which are due as a result of maintenance services rendered, deliveries of spare parts and other services which were provided at earlier dates, insofar as they are in any way connected with the object subject to work or repair. As far as any other claims arising out of the business relationship are concerned, the contractual lien shall apply insofar only as such claims are either uncontested or based on a legally valid title and the object transferred is the property of the Customer.

15. Insurance

The Customer shall ensure that the object subject to work or repair has been adequately insured.

16. Intellectual Property

16.1. Title to and all intellectual property rights (including copyrights, trademarks, patents, registered design rights or design rights) in all documents or data (including plans, drawings, patterns or designs) supplied by Customer to FAT for or under the Agreement, shall remain with Customer or any third party which is entitled to such intellectual property right. Customer shall indemnify the indemnities against any losses suffered by the indemnities arising from any infringement of any such intellectual property rights caused by the performance of any services provided or work done under the Agreement.

16.2. Title to and all intellectual property rights (including copyrights, trademarks, patents, registered design rights or design rights) in all documents or data (including plans, drawings, patterns or designs) supplied by FAT to Customer for or under the Agreement, shall remain with FAT or any third party which is entitled to such intellectual property right. FAT shall indemnify Customer against any losses suffered by Customer arising from any infringement of any such intellectual property rights caused by the performance of any services provided or work done under the Agreement.

17. Data Protection

FAT collects, processes and uses data within the work scope solely on behalf of the Customer and for the intent of the Agreement. FAT commits to adhere to orderly practice of IT, to monitor compliance and to ensure essential data storage within the common rules of conduct of the work scope, to provide security and thus to take organizational and technical measures to prevent unintentional alteration, damage or disclosure of data.

18. Force Majeure

Force majeure, labour disputes, unrest, governmental measures and other unforeseeable, unavoidable and grave events release the Parties from their obligations of performance and excuse a delay in performance, for the duration of the disruption, including a reasonable start-up period, and to the extent of such events' effect. However, the Parties undertake to: (i) provide proof of the relevant hindrance and any other reasonably required information without undue delay ('unverzüglich') and, (ii)

acting in good faith, revise their obligations in light of the changed circumstances.

19. Assignment

Neither Customer nor FAT may assign any rights, duties or obligations of the Agreement, in whole or in part, without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, either party may assign the Agreement to a wholly owned affiliate or successor company without the prior consent of the other party. However, FAT is entitled to subcontract all or parts of the maintenance services to third parties without prior consent of Customer and without being obliged to notify Customer.

20. Miscellaneous

20.1. The Customer must comply with all applicable domestic and foreign export compliance requirements, including the applicable US export law and regulations (e.g. ITAR, EAR and OFAC sanctions regulations). At FAT's request, the Customer must present the authorizations that are required in accordance with the applicable export laws and regulations without undue delay.

20.2. Where the required export and shipment authorizations are not granted at all or in time or where the order or delivery conflicts with customs law, foreign trade law or embargo regulations FAT is entitled to rescind the Agreement without being liable to any damages.

20.3. The Customer is obliged to notify FAT about the beneficial owner and operator of the Aircraft when submitting the offer and immediately notify FAT of any changes to these persons/entities.

20.4. The place of performance for all of the liabilities ensuing from the Agreement(s) shall be the principal place of business of FAT (Nuremberg).

20.5. The place of jurisdiction and venue for any and all disputes which may be arising out of this contractual relationship shall be Nuremberg.

20.6. German law shall apply under the exclusion of the Hague Convention of 01.07.1964 relating to Uniform Laws on the International Sale of Goods and the United Nations Convention of 11.04.1980 relating to Contracts for the International Sale of Goods.

20.7. In the event that any provision of the GTC or Agreement should be or become invalid, the validity of all other provisions of these GTC or Agreement shall not be affected.