

## GENERAL PART OF THE TERMS AND CONDITIONS OF THE VNLO

Of the Association of Dutch Aviation Companies ("VNLO").

In these general terms and conditions, the following terms shall have the following meanings:

- The company or entrepreneur : the user of these general terms and conditions or entrepreneurial terms and conditions
- the client : the other party as related to the company (also if it concerns a purchase agreement)
- the agreement : the agreement between the firm and the client as it has been agreed upon and to which these general terms and conditions apply

### Article 1 - Applicability

1. These general terms and conditions apply to all offers and agreements for the supply of goods and/or services, including the performance of work, as well as to all related agreements, to the extent that the exceptions part of the terms and conditions does not dispute such applicability.
2. The applicability of the terms and conditions of the buyer is hereby expressly excluded.
3. The present general terms and conditions apply to every subsequent legal relationship between the firm and the client, once the client has agreed with the company regarding the applicability of these general terms and conditions.

### Article 2 - Offers

1. All offers made by or on behalf of the company, whether written or oral, are entirely without obligation and shall in no way be binding for the company.
2. Contracts, orders, and acceptances by the client shall be deemed to be offers to the company and shall be irrevocable. The agreement between the client and the company is established at the time of written confirmation by the company (and then only in accordance with such confirmation), or at the time that the company has begun with the implementation of the agreement.
3. The entrepreneur is entitled to change offers and orders, even after they are confirmed in writing and/or their implementation has commenced, provided that such a change is executed within a reasonable time period prior to the delivery date or the date on which the service should be carried out.
4. An estimate made by the company, either of the time needed to execute an assignment, or regarding the costs related to an assignment, is always made without any obligation. The client shall never be able to derive any enforceable rights from such an estimate.
5. The company shall not be liable for any inaccuracies in images, drawings, sketches, information regarding dimensions, weights, engine power, speed, and any further descriptions that are provided with an offering.
6. After the agreement between the client and the entrepreneur has been concluded, its contents can only be deviated from by means of a written agreement, notwithstanding the competence of the entrepreneur as mentioned in article 2.3.

### Article 3 - The supply of goods or the provision of services in parts

The company reserves the right to execute the supply of goods, including making them available, or the provision of services, in partial deliveries, unless expressly agreed otherwise. If such a delivery or such a performance of services will be deemed to have been made or executed under individual agreements, these general terms and conditions shall apply to each of those agreements.

#### Article 4 - Pricing

1. All prices quoted by the company are calculated for delivery at the factory, workshop, terrain or warehouse of the entrepreneur, and are exclusive of VAT, unless expressly agreed otherwise in writing.
2. Except in cases where a fixed price has been agreed for an assignment or a portion thereof, the entrepreneur will charge the client on the basis of the existing standard tariffs per the date of conclusion of the agreement, including overtime supplements in the event that the entrepreneur or the client deems it necessary to exceed normal working hours.
3. The standard rates do not include the cost of processed materials and auxiliary materials, travel and subsistence expenses and other costs incurred by the entrepreneur within the framework of the execution of the assignment. These will be specified and charged to the client in a separate manner.
4. In the event of an increase in costs between the time of the conclusion of the agreement and the execution thereof, the company reserves the right to increase the price or the standard rate accordingly so as to ensure that such an increase in costs is fully incorporated, regardless of the foreseeability of such an increase, unless otherwise agreed in writing. Such aforementioned cost increases include increases in costs arising from: increases or changes in wages, charges, taxes, duties, fees, freight, taxes, prices of raw materials and energy, as well as exchange rate changes, an increase in costs charged by suppliers, or changes in the law, among other things.  
If such an increase takes effect within 3 months after the conclusion of the agreement, the client shall be entitled to dissolve the agreement.

#### Article 5 - Delivery time and delivery

1. Delivery times and lead times for services to be executed as stated by the company are only deemed to be approximate. Delivery times will be extended by the period during which the implementation of the agreement is being delayed or complicated. The obligation to supply may be suspended as long as the client has any obligation vis-à-vis the company that is due to be fulfilled.
2. Delay in the delivery or in the provision of services, shall not give the client any right to damages, rescission of the agreement or to any non-fulfillment by him of any of his obligations resulting from the agreement.
3. After the expiry of the time limit specified, the client shall be entitled to prescribe a new reasonable period of time in writing to the company. The client is entitled to dissolve the agreement, if the entrepreneur has not delivered the goods or services to be provided, within the reasonable period prescribed by the client as described above, without prejudice to the obligation of the client to pay for all that has already been delivered.
4. The company will never be in default for any non-delivery or late delivery, if the client is in default on his own part regarding to one or more of his obligations.
5. Delivery times and time periods for delivery of services will first commence, and with the execution of an order is first started after all legal and other regulatory requirements and all requirements on the basis of Article 7 of these general terms and conditions regarding payment demanded by the company are met and the client has made the data, documents, materials and raw material that are required for the provision of services, available to the company.
6. The client will ensure that an object to be adapted shall be at the disposal of the company at the agreed time and place. In the case of a failure by the client to do so, the company has the right to charge the resulting costs to the account of the client, regardless of the reason of the delay.
7. After the execution of a job, the company will send out a message of completion to the client. The client is obliged to take delivery of the edited object within 48 hours after the message of completion. In the case of a failure by the client to do so, the company has the right to charge the resulting costs (including any storage fees) to the account of the client.
8. Delivery shall be made ex works, workshop, warehouse or terrain belonging to the company, unless explicitly agreed otherwise in writing.

9. The services to be performed by the company regarding an object, shall be deemed as performed and completed from the first moment that the edited object has been made available to the client, or to any third parties designated by the client, or from the first moment it was delivered to him or to the designated third parties.
10. Other services to be performed by the company shall be deemed to have been carried out and completed at the time that the company has send out a message of completion.

#### Article 6 - The execution of work

1. Maintenance, inspection, repair and/or other work to be carried out by or on behalf of the entrepreneur shall be executed in accordance with requirements of good craftsmanship.
2. If and to the extent that maintenance, inspection, repair and/or other work is to be carried out on or in connection with goods which do not originate from the entrepreneur himself, the entrepreneur has the right to consult an expert or to engage third parties, at any time during the execution of the agreement and to charge the costs of such consultation or engagement to the client.

#### Article 7 - Payment

1. In so far as no other terms of payment have been agreed in writing, payment must be made within 30 days from the date of invoice without deduction of any discount, settlement or set-off, at the office of the company or by transfer or deposit on a bank or giro account to be designated by the company, or in any other manner designated by the company. Payment is considered to have taken place on the value date of the bank or financial institution appointed by the company.
2. If delivery takes place in parts, or the provision of services takes place in parts, these payment terms are valid for each part of the delivery and for each part of the services to be provided separately.
3. If any payment has not been made within the agreed period, the client shall be deemed to be in default by operation of law without any further notice of default being required. The client shall owe a default interest at a rate of 1.5% of the amount due per month or part of a month in which the default continues, which takes effect from the first day on which the client is in default, without prejudice to the company's further rights, including the right to claim the statutory interest.
4. The client will also owe any extrajudicial expenses that are related to the collection of any claim by the client. The extrajudicial costs are deemed to be at least 10% of the amount to be collected with a minimum of f 500,-----.
5. This obligation also extends to interest on all interest that has been owed for more than one year.
6. No payment may be suspended. This provision includes any case in which the client is of the opinion that he has a right to claim recovery.
7. Regardless of how the terms of payment read, the company shall at all times have the right to demand advance payment or security in the form as desired by the company.
8. If the client fails to pay in advance or to provide security and the company has reasonable doubts as to the solvency of the client, the company has the option to either suspend (further) performance of the agreement, or to dissolve the agreement by means of a written statement and to claim its right to replacement compensation and additional compensation.

#### Article 8 - Retention of title, right of retention

1. The goods sold and delivered by the company remain its property until the moment of payment in full to the company of all amounts payable relating this agreement or any other similar agreement with the client for the delivery of goods and/or the provision of the services, including damages, costs and interest. The client shall not be entitled to resell the goods which are subject to retention of title nor to encumber the same with a limited right in favor of a third party, other than in the normal course of his business.
2. The client is obliged to keep and/or make the goods which are subject to retention of title in favor of the company identifiable and to separate them from each other and from the other goods present at the client.
3. If the client has not complied with any obligation vis-à-vis the company, the company shall at all times have the right to repossess all goods sold and delivered which are subject to a retention of title, without any notice of default or judicial intervention being required and to enter all areas where such goods are or may be located in order to do so. The company has the right to charge the costs associated with such a repossessing of goods to the clients account.
4. The company is entitled to retain goods which are the property of the client, as long as the client does not or not properly fulfill the obligations imposed on him by the relevant agreement.

#### Article 9 - Risk

1. Unless expressly agreed otherwise in writing, the risk with regard to the delivered goods shall be for the account of the client from the moment that the goods are delivered to the client or to third parties designated by the client.
2. Objects that are, for whatever reason, under the supervision of the company or its subcontractors or others that perform services and/or activities for the benefit of the company, remain entirely at the risk of the client at all times.
3. Unless expressly agreed otherwise in writing, test flights shall be for the account and risk of the client.

#### Article 10 - Warranty

1. With regard to goods and services delivered, the company provides no further guarantees other than that:
  - (a) the delivered goods are in accordance with the relevant description published by the company at the time of delivery and with any possible additions thereto, as signed by the client and the company, and further meet reasonable requirements of usability and reliability; and
  - (b) the services to be performed by the company will be carried out as well as possible.

Any other warranty concerning the specifications and characteristics of delivered goods is expressly excluded.

2. The warranty period extends for three months after delivery of the goods or completion of the services, unless otherwise agreed in writing. Any right or possibility for the client to have recourse to such guarantees becomes void after the expiration of that period.
3. The guarantees referred to in this article shall include no more than the liability of the company for damage which consists of defects or shortcomings in the delivered goods or services in respect of which the client has presented a timely claim to the company within the warranty period, as provided for in paragraph 1 of this Article, notwithstanding the provisions of Article 15 of these general terms and conditions. In particular, the warranties with respect to goods referred to in this article shall never extend beyond the warranty that the manufacturer of the goods provides for those goods and the warranties with respect to the services provided never extends beyond the warranties provided by the suppliers of the parts and materials used in the provision of such services in which one or more of those components and materials are used.

4. If, for any reason, the company is liable with regard to any matter, it will at its discretion proceed with either the payment of damages or with the repair or redelivery of the delivered goods, or proceed to perform the relevant service again free of charge, or to credit the client in whole or in part for the invoice value of the respective service in all reasonableness and fairness.
5. In the case of a combined assignment, in which no specification of the remuneration to be paid to the company has taken place, the calculation of the company shall be determining for the purpose of applying the provisions of paragraph 4 of this Article.
6. All guarantees given by the company shall be deemed as void immediately as soon as the client or a third party:
  - (a) makes changes to the goods delivered;
  - (b) makes repairs to the goods delivered;
  - (c) uses the goods delivered for a purpose other than those for which they are intended;
  - (d) performs defective maintenance on the goods delivered;
  - (e) uses the goods delivered in an incompetent manner;
  - (f) is otherwise to blame for the defect.

All guarantees given by the company also lapse in the event that the client does not fulfill, does not properly fulfill or does not fulfill in a timely manner any obligation vis-à-vis the company in any capacity whatsoever, or if any other provision in these general terms and conditions or the agreement with the client prevents such claims against the company, in as far as is reasonable.
7. If the company performs repairs or redelivers any goods or services carried out in connection with the warranties under these general terms and conditions or under any other guarantees granted by the company, at the request of the client, the company has the right to charge the client at the usual rates, if it appears that the company, as a result of such guarantees was not obliged to execute this performance without cost to the client.
8. The warranties referred to in this article do not cover the cost of assembly and dismantling or transportation of the object to be modified.

#### Article 11 - Liability

1. Subject to the warranty obligations under Article 10 of these general terms and conditions, any other or further liability is expressly excluded by the company.
2. The company shall not be liable for damage suffered by the client or third parties by or in connection with the goods and services provided by the company, unless the company has demonstrated malicious intent or gross negligence or (one of) its employees has demonstrated malicious intent. The company is not liable for any damage caused by its employees, subcontractors and/or other persons, who are engaged by the company in the implementation of the agreement. Liability for business losses or consequential damages, including loss of profits, loss of income or indirect damage is excluded in any and all cases.
3. All materials, raw materials, etc. provided by the client shall comply with the standards and requirements laid down by the government. The entrepreneur shall assume no liability in such matter.

#### Article 12 - Liability for auxiliary persons

All defenses which the company can derive from the agreement concluded with the client to rebut its liability, can also be derived by the company's subcontractors and/or other persons acting on behalf of the company in order to carry out activities or services vis-à-vis the client, as if these subcontractors and/or auxiliary persons themselves were party to the Agreement.

#### Article 13 - Indemnification

The client shall indemnify the company, sub-contractors and/or other persons who are engaged by the company in the execution of the agreement, for all third-party claims related to damage, occurred by or in connection with the implementation of the agreement by the company, sub-contractors and/or other persons, to the extent that such claims extend further or are different than those accruing to the client vis-à-vis the company.

#### Article 14 - Force Majeure

1. Force majeure exists if the execution of the agreement in whole or in part, temporarily or otherwise, is prevented by circumstances beyond the control of parties and/or on the side of the company such as strikes, personnel problems, transport problems, weather conditions, the impossibility to obtain import or export licenses, faults in the supply or provision of raw and auxiliary materials, energy or business amenities including a breach of contract by suppliers from whom the entrepreneur sources items.
2. In the event of force majeure, the obligations of the parties shall be suspended. If the force majeure situation lasts for longer than three months, each of the parties to the agreement shall be entitled to terminate the agreement for the non-executed part of the agreement, by means of a written statement to the other party, without being obliged to pay any compensation to the other party.

#### Article 15 - Recovery claims

1. Claims regarding visible defects must be made at the time of receipt of the goods by means of a written memorandum in the consignment note or receipt letter. Claims regarding visible defects must also be submitted in writing to the company within 10 days after delivery. Claims regarding defects in a service provided by the company must be submitted to the company in writing, within 10 days after the provision of the particular service. In the case of other defects, claims in respect of such defects shall be submitted in writing to the company within ten days after such defects are, or may reasonably be found, and in any case within six months after the delivery.
2. Non-compliance with the provision of the previous paragraph leads to nullification of every right to claim with regard to the company in respect of the defects.
3. Goods for which a just claim has been made in the opinion of the company, must be returned to it upon the first request of the company.

#### Article 16 - Failure, termination and suspension

1. Without prejudice to what is specified in the other articles of these general terms and conditions, the client shall legally be deemed to be in default, if:
  - (a) the client does not, not timely or not properly comply with any obligation the client may have, deriving from this or any other agreement concluded with the company, or
  - (b) a bankruptcy of the client has been declared, suspension of payments has been requested by the client, or the company of the client is shut down or liquidated, or
  - (c) an attachment order has been made regarding goods, of which the property has not or not or not yet transferred onto the client,

and the company shall, at its own discretion, have the right to suspend the execution of the agreement or to partially or entirely terminate the agreement, without notice, by means of a written statement, without the company being obliged to pay any damages or provide any warranty, and without prejudice to any further rights the company has.

2. Each claim which the company may have regarding the client, shall immediately and instantly be due and payable in the cases referred to in the previous paragraph under (a), (b) and (c).

In the event the company has reasonable doubts as to the solvency of the client, the company has the right to:

- (a) suspend the further implementation of the agreement until such doubt has been sufficiently removed, in the reasonable opinion of the company, and/or
- (b) demand and receive advance payment or adequate security from the client, before proceeding with the implementation of the agreement.

3. If, in the reasonable opinion of the company, it is to be feared or anticipated that an attachment order regarding the client, on the basis of Article 16 Recovery Act, will be placed on goods delivered by the company and of which goods the property has not or has not yet transferred onto the client, the company has the right to take back such goods or to place such goods outside the control of the client, at the expense of the client and without being liable to pay any compensation, the company has the right to enter all premises that are available to the client in order to do so and the company further has the right to place such goods in storage, at the expense of the client, until, in the reasonable opinion of the company, such fear or anticipation has been removed.
4. If an attachment order regarding the client or regarding third parties is placed on goods for which the property has not or has not yet transferred onto the client, the client is obliged to announce the fact that the ownership of such goods does not lay with the client, at the time of the placement of the attachment order, and the client is obliged to immediately inform the company of the attachment order or orders and to provide access to all related warrants, summonses, and the like to the company.

#### Article 17 - Severability

If one or more of the provisions of these general terms and conditions or of the agreement concluded with the client is denied legal force, such lack of legal force shall have no effect with regard to the legal force of the other provisions of these general terms and conditions or of the agreement concluded with the client and the binding force of such other provisions will continue to fully be in place without any reduction to them.

#### Article 18 - Notifications

All notifications, notices of default and such to which these general terms and conditions or the agreement refer to, shall be made in writing and shall be sent by letter, telex, telegram or fax to the address of the relevant party to the agreement.

If the communication is sent by post, it shall be deemed to have been received by the addressee on the second business day after the date thereof. Where a communication is sent by telex, telegram or fax it is deemed to have been received on the same day if it has been sent during normal office hours (9 am to 5 pm on working days).

#### Article 19 - Disputes and applicable right

1. Any dispute arising out of the agreement concluded between the client or buyer and the company or any further agreement, including the collection of claims, shall exclusively be settled by the competent court of the area in which the company is established, unless the company prefers another competent court.
2. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.
3. Agreements with the company are exclusively governed by Dutch law.

These terms and conditions have been filed at the office of the clerk of the District Court in Amsterdam on the 21<sup>st</sup> of May 1993.