

## 1. APPLICATION

Whenever Iscavia Limited (the "**Company**") supplies any goods or services to any person or persons (the "**Customer**"), it does so subject to the following terms and conditions which shall be deemed to be incorporated into all contracts entered into between the Company and its Customers. If and to the extent that any term or condition shall be or become invalid or unenforceable under applicable law, the remaining terms and conditions shall continue to have full force and effect.

Where the Company enters into a series of contracts with the Customer, these terms and conditions shall continue to apply in relation to each such contract unless and until the Company notifies the Customer in writing of any changes, whereupon the amended terms and conditions shall apply to subsequent contracts entered into by the Company and the Customer.

If, at any time, any oral advice or information is given to the Customer, in response to the Customer's enquiry, any such advice or information will be given by the Company in good faith, but without any liability on the part of the Company for any inaccuracy unless (at the Customer's request) such advice or information is confirmed in writing.

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

(a) "**Company's Premises**" shall mean the Company's maintenance facility where it performs all or most of the work pursuant to the Contract.

(b) "**Contract**" shall mean each contract to be entered into by the Company and the Customer for the supply of goods and/or provision of services to the Customer.

## 2. FORMATION OF CONTRACT

No estimate or quotation given by the Company to the Customer constitutes an offer, nor will the Company be bound by any such estimate or quotation unless this is expressly stated in the Contract. A Contract will only be formed when the Company countersigns and delivers to the Customer an order, completed and signed by or on behalf of the Customer, contained in an "**Aircraft services and repairs charge note**".

In the event that the Company enters into any Contract with a person acting as agent for the Customer, such agent shall warrant that it has the authority to enter into the contract on behalf of the Customer, and shall, if the Company so requires, provide evidence satisfactory to the Company of such authority.

## 3. CONTRACT PRICE

The price specified in the Contract may be adjusted by the Company by the addition of such sums as it may reasonably calculate to be necessary to compensate itself for subsequent increases in the costs of labour or materials used by the Company.

The Customer shall be responsible for any and all value added taxes (or any similar sales or turnover taxes) or duties payable in respect of the supply of any goods and/or services pursuant to any Contract.

## 4. PAYMENT TERMS

### (a) General Terms

Unless a credit arrangement has been established between the Company and the Customer (and provided there has been no default by the Customer pursuant to any such credit arrangement), all goods supplied or services provided shall, subject to paragraph (b) below, be paid for in full prior to delivery or (as the case may be) redelivery of the goods to the Customer, or prior to redelivery of the aircraft to the Customer.

### (b) Payment on Account

The Company may, in its sole discretion, require an advance payment to be made by the Customer prior to the supply of any goods or services to be provided pursuant to any Contract.

### (c) Credit Arrangements

The Company may, in its sole discretion and at the Customer's request, establish credit arrangements with the Customer. Any such request by the Customer shall be accompanied by a satisfactory reference from the Customer's principal bank and two satisfactory business or professional references. Where such credit arrangements are established, payment for all goods or services supplied by the Company to the Customer pursuant to a Contract shall be made in full by the end of the calendar month immediately following the date of the invoice to the Customer. Such credit arrangements shall be subject to such other terms and conditions as the Company may, in its sole discretion, stipulate.

### (d) Progress payments

In the event that, at the time that the Contract is entered into, the size and/or expected duration of the Contract, and/or the need for particular components or other materials is, in the absolute discretion of the Company (acting reasonably), such as to require interim payments to be made prior to and/or during the performance of the Contract, the Company shall be entitled to receive such payments at the times, and in the amounts, specified in the Contract.

Similarly, in the event that, due to circumstances unforeseen at the time that the Contract was entered into, the size and/or expected duration of the Contract become significantly greater than originally anticipated, the Company shall be entitled to require interim payments to be made.

In either case, any such interim payments shall not, in the aggregate, exceed the actual cost of the services provided and/or goods supplied as at the date of each required interim payment. If any required interim payment is not made within 14 days after becoming due, then the Company shall be entitled to invoke its rights and remedies under Clause 10(b)(i) or (ii) below.

### (e) Payments in full

All sums due from the Customer to the Company pursuant to any Contract are payable in full. No discount is allowed unless specified in the Contract. All prices specified exclude the cost of packing (including the cost of cases, cartons and other packing materials) or the cost of despatching to, or delivery or redelivery at, any place other than the Company's Premises. All such excluded costs shall be payable by the Customer.

All payments to be made by the Customer to the Company pursuant to any Contract shall be made without any set-off or counterclaim whatsoever and free and clear of any deductions or withholdings so that the full amount of each such payment is received for value on the due date.

### (f) Interest

If the Customer shall default in payment on the due date of any sum due under any Contract, the Company shall be entitled to receive interest on the overdue amount from the due date up to and including the date of payment at the prevailing Barclays Bank PLC Base Rate plus 4% (four percent).

## 5. ADDITIONAL WORK

If, after the Contract is entered into, it transpires that additional services and/or goods will be required, the Company will inform the Customer accordingly and will not carry out any such additional work and/or acquire or provide any such additional goods without the Customer's written consent. If the Customer decides not to authorise such additional work and/or the acquisition or provision of any such additional goods, and if the Company considers that the Contract cannot then be performed, it shall not be bound to do so. The Customer shall then be obliged to pay a reasonable charge to the Company for the continuing care and custody of the goods or (as the case may be) the aircraft (including hangarage or parking charges incurred or levied by the Company), until the Customer takes redelivery of them, and to pay for all services provided and goods supplied pursuant to the Contract.

## 6. FLIGHT TESTING

No Contract shall impose any obligation on the Company to perform or arrange any flight test.

If any flight test is required by applicable law during the performance of the Contract, then, unless otherwise agreed in writing by the Company and the Customer, it shall be performed at the Customer's sole cost and risk, using pilots appointed by or on behalf of the Customer, and the Customer shall be responsible for effecting appropriate third party liability insurance coverage for a combined single limit to be specified by the Company (which such limit shall be in accordance with prevailing industry practice) and with the Company named as an additional assured with breach of warranty protection. The Customer shall also procure that the hull insurers waive any subrogation rights against the Company. The Customer shall provide the Company with evidence of such insurance prior to the commencement of any such flight test.

The Customer shall indemnify and hold harmless the Company from and against all liabilities, damages, claims, actions, suits, demands, proceedings, costs and expenses suffered or incurred in respect of any loss, damage, death or injury resulting from any such flight test.

## 7. PLACE OF DELIVERY AND REDELIVERY

Delivery of the goods or (as the case may be) aircraft to the Company by the Customer and redelivery of the goods or (as the case may be) aircraft by the Company to the Customer shall, unless otherwise stipulated in the Contract, take place at the Company's Premises. If the Company is requested, and agrees, to accept delivery from the Customer, or to effect redelivery to the Customer, anywhere other than at the Company's Premises, all cost and risk associated with such delivery or redelivery (including, without limitation, all transportation costs) shall be borne by the Customer and the Company shall have no liability to the Customer in connection therewith.

## 8. TIME FOR REDELIVERY

(a) The Company will not be liable for delay in the performance of any Contract to the extent that such delay is due to acts of God; strikes or labour troubles causing cessation, slow-down or interruption of work; inability, after due and timely diligence, to procure materials or components; or any other circumstances beyond the Company's reasonable control.

(b) The Customer must accept redelivery of any goods or (as the case may be) the aircraft, within 7 days of the receipt by the Customer of a notice requesting it to do so. If the Customer then fails to accept redelivery of the goods or (as the case may be) the aircraft in accordance with the requirements of such notice, or if the Company refuses to allow the Customer to take redelivery because the Customer has defaulted in its payment obligations, the goods or (as the case may be) the aircraft shall be at the Customer's sole risk, the Customer shall indemnify the Company from and against any and all liabilities, claims, costs and expenses incurred by the Company as a consequence of such non-redelivery, and shall pay to the Company any hangarage or parking charges incurred or levied by the Company (without the Company being obliged to arrange or provide any such hangarage or parking). Nothing in this Clause shall affect the rights and remedies of the Company where such non-redelivery constitutes a repudiation of the Contract by the Customer.

## 9. SCRAPPING OF GOODS OR PARTS

If, pursuant to any Contract, the Company is required or authorised to remove any unserviceable goods (or parts thereof) which cannot be overhauled or repaired, the Company may dispose of the same within 7 days of their removal unless the Customer otherwise instructs in writing.

## 10. NON-PERFORMANCE

(a) If the Company or the Customer is for any reason unable to obtain any goods or materials originally agreed, or intended, to be used in the performance of the Contract, or if no suitable alternative goods or materials are available or if their use is not agreed by the Company and the Customer and the Company is therefore unable to perform or complete the performance of the Contract, then the Company shall be entitled to terminate the Contract. The Customer shall then be obliged to pay a reasonable charge to the Company for the continuing care and custody of the goods or (as the case may be) the aircraft (including hangarage or parking charges incurred or levied by the Company), until the Customer takes redelivery of them, and to pay for all services provided and goods supplied (or acquired by the Company) pursuant to the Contract as at the time of its termination.

(b) In the event of the Customer committing any breach of its obligations under a Contract (and any grace period specified in these terms and conditions, or otherwise permitted by the Company in its sole discretion, having expired), or in the event of the Customer committing an act of insolvency under applicable law, the Company shall be entitled, in its absolute discretion, either:

(i) to refuse to perform any of its unperformed obligations under that or any other subsisting Contract (without prejudice to the Company's right to enforce performance by the Customer of any of its obligations), unless and until the Company has received payment in full of all overdue sums (with interest thereon in accordance with Clause 4(f) above) and all sums which will become payable (or the Company's reasonable estimate of such sums) under that or any other subsisting Contract; or

(ii) to terminate the Contract and any other subsisting Contracts by notice in writing to the Customer, whereupon the Company shall be entitled to receive payment for all services provided and/or goods supplied as at the time of such termination, together with an amount equal to the Company's reasonable estimate of its loss of profit as a consequence of the termination.

## 11. RIGHTS OF RETENTION AND RECOVERY

(a) The Company shall be entitled to a contractual lien over any aircraft, engines or other goods in its own possession or in the possession of its sub-contractor (who solely for the purposes of the exercise of such right of retention, shall be deemed to be acting as agent of the Company) in order to ensure the payment to the Company of any monies due to it in respect of those aircraft, engines or other goods from the Customer or from the owner or the consignee thereof. Such lien shall arise when the aircraft, engines or other goods come into the possession of the Company or its sub-contractor.

(b) The title to, and property in, any goods supplied by the Company to the Customer pursuant to any Contract shall not pass to the Customer until payment in full has been received by the Company in respect of all goods supplied by it to the Customer.

(c) If the Customer takes delivery of any aircraft, engines or other goods supplied to it by the Company pursuant to a Contract before making payment in full of all sums due to the Company under that Contract, the Company shall be entitled to repossess the same immediately upon the Customer committing any act of insolvency under applicable law, or if any distress or execution shall be levied upon any of its assets, or if it makes or offers to make any arrangement or composition with its creditors, or if a receiver is appointed of the Customer's undertaking or assets or any part thereof. In order to exercise such right of repossession, the Company or its agents may enter any premises owned or occupied by the Customer where such aircraft, engines or other goods are located.

(d) If any sums due from the Customer to the Company are not paid within 21 days after the Company shall have notified the Customer of its intention to enforce its contractual lien conferred by sub-clause (a) above, or within 21 days after the Company shall have exercised its right of repossession pursuant to sub-clause (c) above, the aircraft, engines or other goods may be sold by the Company (and, if and to the extent that title to such aircraft, engines or other goods, prior to such sale, was vested in the Customer, the Customer hereby authorises the Company to sell the same on its behalf). The Company shall have absolute discretion in deciding the time of any such sale and whether or not to accept any particular offer. The proceeds of any sale shall be applied in or towards payment of all sums then due and owing to the Company by the Customer, the expenses of the sale, and the payment of reasonable charges for the care and custody of any such aircraft, aircraft engines or other goods for the period after the contractual lien or right of repossession were exercised. Any balance remaining shall be paid to the Customer.

(e) If any goods supplied by the Company to the Customer are incorporated into other products or assemblies belonging to the Customer before payment in full for such goods has been received by the Company, title to, and the property in, the whole of such other products or assemblies shall vest in the Company until such payment in full has been received by the Company. In the event that any of such other products or assemblies have been sold by the Customer before payment in full for such goods shall have been received by the Company, then the Company shall have a proprietary right to the proceeds of sale to the extent of the payment due to the Company.

## 12. CERTIFICATES AND LICENCES

The Company holds and shall continue to hold an EASA Part 145 Certificate (or any successor thereto) and all services to be provided in accordance with that Certificate pursuant to any Contract shall be provided or supervised by suitably qualified and licensed engineers. Subject thereto, in the event that any particular certificate, licence, validation or other authorisation is required in order to provide any particular service or services pursuant to any Contract, the Company shall use all reasonable endeavours to obtain such certificate, licence, validation or other authorisation at the Customer's cost, or shall be entitled to sub-contract such service or services. The Company shall not be liable to the Customer in the event that it is unable to obtain any such certificate, licence, validation or authorisation and is unable to sub-contract such service or services.

## 13. WARRANTIES

(a) The Company warrants that services provided by it, or by its sub-contractor, or goods manufactured and supplied by it or by its sub-contractor, pursuant to any Contract will be free from defects in workmanship for a period of three (3) months or fifty (50) flight hours or fifty (50) cycles following redelivery of the goods or (as the case may be) aircraft to the Customer, whichever occurs first.

(b) In the case of goods supplied by the Company, but not manufactured by it or by its sub-contractor, the Company shall assign to the Customer the benefit of any assignable warranty provided by the manufacturer of the goods or the persons who supplied them to the Company, and shall use its reasonable endeavours to enforce on behalf of the Customer (and at the Customer's expense) any such warranty which is not assignable.

(c) In the event of any breach of the warranty set out in sub-clause (a) above, the Customer shall send written notice of the defect to the Company within thirty (30) days of discovering it and the Company's sole liability shall be to correct the defect by, at its option, either repairing or replacing the defective goods, or paying to the Customer an amount equal to the Company's reasonable estimate of the cost of repairing or replacing the same. The Customer shall send any such defective goods to the Company's Premises at its cost and risk, but the Company shall reimburse such cost to the Customer in the event that the Customer determines that the defect is covered by this warranty.

(d) This warranty will be applicable only if, following redelivery to the Customer, the defective goods shall have been transported, stored, installed, operated, maintained and repaired in accordance with all applicable manuals, airworthiness directives and service bulletins or other recommendations of the manufacturer, and shall not have been altered or modified or subjected to any accident, misuse or neglect.

(e) The Customer's rights, and the Company's obligations, under this warranty are conditional upon the payment in full of all sums which shall have become due and payable by the Customer under any Contract.

(f) This warranty is exclusive and is given in lieu of all other warranties, terms or conditions, whether written or oral, express or implied, statutory or otherwise (including, without limitation, any condition or warranty of merchantability or fitness for a particular purpose, or any term regarding the carrying out of services with reasonable care and skill and/or within a reasonable time).

(g) Under no circumstances shall the Company be liable under any Contract for any consequential, incidental, resultant or indirect losses (including, without limitation, loss of use, loss of revenue, loss of profit or loss of goodwill).

## 14. INDEMNITY

The Customer shall indemnify and hold harmless the Company from and against all liabilities, damages, claims, actions, suits, demands, proceedings, costs and expenses suffered or incurred in respect of, or as a consequence of, services provided in accordance with the Customer's specification which infringe any copyright, patent or registered design.

## 15. SUB-CONTRACTING

The Company shall be entitled to sub-contract the provision of any services to be provided to the Customer pursuant to any Contract. The Company shall be entitled to select any sub-contractor for that purpose provided such sub-contractor holds an EASA Part 145 Certificate and/or any other certificate, licence or authorisation required for the provision of the particular services.

## 16. INSURANCE

The Customer agrees and undertakes that, for the period of [two] years following redelivery by the Company to the Customer of any goods or (as the case may be) aircraft pursuant to any Contract, the insurance policies effected by the Customer and each of its successors and assigns in respect of such aircraft (or, as the case may be, the aircraft on which the goods are installed) shall, at the Customer's cost and expense:

(a) include the Company and its directors, employees and sub-contractors as additional assureds on the aircraft third party, passenger, baggage, cargo, mail and third party legal liability policy, which shall have a combined single limit of liability of not less than US\$10 m and which shall also include a suitable severability of interest clause and breach of warranty protection in favour of the Company and its directors, employees and sub-contractors; and

(b) provide that the hull insurers waive any rights of subrogation against the Company and its directors, employees and sub-contractors.

The Company shall be entitled, from time to time, to require the Customer to provide a broker's certificate evidencing compliance with this Clause 16.

## 17. NOTICES

All notices, requests or demands to be given by either party to the other pursuant to any Contract shall be in writing and shall be deemed to be received:

(a) if sent by telefax or email to the telefax / email number address shown on the "**Aircraft services and repairs charge note**", at the time of receipt by the sender of a transmission report/ receipt indicating that all pages of the telefax/ message were properly transmitted (unless the recipient promptly notifies the sender that the transmission was incomplete and/or illegible, in which case the telefax/ email shall be deemed to have been received at the time of receipt by the sender of a further clear transmission report receipt on retransmitting the telefax/ email, provided the telefax is also then immediately sent by recorded delivery or registered post or delivered by courier or personally to the recipient); or

(b) if sent by courier, or by recorded delivery or registered post, or if delivered personally, to the address shown on the "**Aircraft services and repairs charge note**", upon delivery.

## 18. THIRD PARTY RIGHTS

No person who is not a party to a Contract shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of these terms and conditions or any other term or condition of any Contract.

## 19. LAW AND JURISDICTION

(a) Each Contract shall be governed by and construed in accordance with English law.

(b) The Customer agrees that the English courts shall have exclusive jurisdiction in relation to any legal action, suit or proceeding (collectively, "**Proceedings**") brought by it against the Company arising out of or in connection with the Contract, and submits to the jurisdiction of the English courts in relation to any Proceedings brought against it by the Company arising out of or in connection with the Contract. Such submission shall not limit the right of the Company to bring Proceedings against the Customer in any other court of competent jurisdiction.

(c) If the Customer is not domiciled in England and Wales, then the Customer agrees that service of process in respect of any such Proceedings by the Company pursuant to any Contract may be validly effected if served on the agent appointed by the Customer for that purpose as specified in the "**Aircraft services and repairs charge note**". In the absence of any such appointment and/or specification, the Customer agrees that service of process in respect of any such Proceedings may be validly effected by serving the same, addressed to the Customer, at any consulate within England and Wales of the Customer's country of domicile, nationality or residence.