

AELS General Terms & Conditions of Sale for Components

1. General

These conditions of sale shall apply to any agreement of Aircraft End-of-Life Solutions (AELS) BV (hereinafter called "AELS"), with their customers (hereinafter called "Customer"). Customer's conditions of purchase, its purchase order terms, nor any of Customer's other terms or conditions at variance with those set forth herein shall not apply unless agreed to by AELS in writing. The terms herein, including but not limited to arbitration, shall in all events supersede and control the sale of goods by AELS.

2. Deliveries

2.1 Unless otherwise agreed, the delivery terms are Ex Works AELS's facility in accordance with INCO terms 2010. Unless otherwise agreed, prices include the cost of standard packaging. Customer agrees it shall pay any and all shipping charges, taxes, duties, impost or other charges that might be applicable to this sale.

2.2 AELS shall perform its reasonable efforts to deliver the products within the agreed delivery terms agreed at time of sale, after AELS having confirmed the order in writing, and according to the delivery schedule specified in the agreement.

2.3 AELS shall not be liable for delays in delivery or performance due to causes beyond its reasonable control, including but not limited to acts of God, acts of the Customer, acts of civil or military authority, governmental priorities, fires, strikes, floods, epidemics, war riot, delays in transportation or shortages, inability due to causes beyond reasonable control to obtain labor, materials, utilities, components or manufacturing facilities. In the event of any such delay, the date of performance/delivery shall be extended for a period of time as may be reasonably necessary to compensate for any such delay, with a minimum of 30 (thirty) days.

3. Retention of Title and Risk

3.1 AELS will retain ownership of goods sold until AELS has received payment in full from Customer.

3.2 Risk of loss or damage to the goods shall pass from AELS to Customer at delivery of the goods to the transport company in accordance with article 2. Customer assumes full responsibility for selection of the goods, their application and use and results thereof.

4. Payment

The Purchase Price shall be paid in U.S. Dollars (US\$) unless otherwise agreed. Customer shall pay the Purchase Price in free available funds at the bank account designated by AELS ultimately within 30 (thirty) calendar days after invoice unless otherwise agreed. The payment term is fatal: if payment is not fully received within this term then Customer shall be automatically in default. If Customer does not timely and correctly pay the Purchase Price, then interest at the rate of 2% shall be charged monthly on any amounts overdue. The interest period shall run from the due date for payment until receipt by AELS of the full amount and without prejudice to any other right or remedy of AELS. In case Customer does not perform its payment obligations hereunder, Customer shall be liable to pay all out-of-court fees (with a minimum of 15% of the Purchase Price) and all applicable costs for legal assistance.

5. Cancellation or Return of product

- 5.1 Products may not be returned to AELS without AELS's prior authorization.
- 5.2 In the case that products are returned, if not under valid warranty claim, Customer shall incur a restocking charge to the amount of 25% of the product's invoice value.

6. Acceptance

Complaints, claims and losses regarding the Components or short-shipments are to be made within 10 days after receipt of the goods by the transport company. After this period goods are considered accepted. Replacement, repair or reimbursement can only take place after written consent by AELS.

7. Warranty for aircraft components

7.1 If the supplied products are aircraft components these can be supplied in the following conditions and the following warranties shall apply:

7.1.1 As-is (AI): Component is supplied in as-is condition. No claims on its condition can be made after delivery.

7.1.2 As-removed (AR): Component is supplied in as-removed condition with full trace but without any statement on its airworthiness. If the component is sent to a (certified under FAA or EASA Part 145) Repair Station and it is agreed by both AELS and Customer that the recertification cost will deem the unit Beyond Economic Repair (BER) a settlement will be suggested. Settlements can encompass a (partial) refund of the Purchase Price. Cost for shipping, inspection or scrap fees or any other induced cost will not be reimbursed. Settlements will only be suggested if AELS is notified within 3 (three) months after date of delivery. AELS at its sole discretion has the right to refuse any refund if damage inflicted after delivery is suspected.

7.1.3 Serviceable (SV): Component is supplied in Serviceable condition (that includes Tested, Inspected, Repaired, Modified) with full trace and duly certified. For any component which is classified as Serviceable, AELS will provide a warranty of 6 (six) months from the date of delivery.

7.1.4 Overhauled (OH): Component is supplied in Overhauled condition with full trace and duly certified. For any component which has been overhauled, AELS will provide a warranty of 12 (twelve) months from the date of delivery;

7.2 The responsibility of AELS hereunder and the sole and exclusive remedy of Customer, its successors, assigns or customers for a breach of any warranty hereunder, is limited to correction or replacement by AELS at its facility in The Netherlands, without charge of any article or component which has been returned to AELS and which is not in accordance with this warranty; provided however: (1) AELS must be notified in writing of the defect or nonconformity within the warranty period and the affected article or component is returned to AELS within 10 (ten) days after discovery of such defect or non-conformity (2) if AELS is unable to repair or replace a defective or non-conforming article or component within a reasonable time after receipt thereof, Customer shall be credited for its value at the original purchase price; and (3) AELS shall not be responsible for any cost or expense related to the removal, reinstallation or transportation of such component or article.

7.3 AELS shall have the sole right to determine whether returned articles or components shall be repaired or replaced.

7.4 AELS responsibility under these warranties shall expire 6 (six) months after the date of sale of the article or component in serviceable or better condition. Any deviation from this

policy must have prior written approval from AELS. The warranty mentioned in 7.1.2 and 7.1.3 is subject to the following conditions:

(i) that the Components have been stored, maintained, installed, operated and used in accordance with the with AELS' or the manufacturer's instructions. and not subject to willful damage; and

(ii) that the Component, or the aircraft it was fitted to, has not been subject to any misuse nor have they been involved in any Incident or Accident.

It is expressly acknowledged and agreed by Customer that all other warranties, whether express, implied or statutory, are hereby excluded and disclaimed, and AELS hereby disclaims and Customer hereby waives, releases and renounces, any and all obligations and liabilities of AELS and rights, claims and remedies of Customer against AELS, express or implied, arising by law or otherwise, with respect of any fault or defect in components delivered under this agreement, including, but not limited to (a) any implied warranty of merchantability or fitness, (b) any implied warranty arising from course of performance, course of dealing or usage of trade, and (c) any obligation, liability, right, claim or remedy in tort whether or not arising from AELS' negligence, actual or implied.

7.5 Under no circumstances shall AELS be liable to Customer for indirect, incidental, consequential, special or exemplary damages, whether in contract or tort (including strict liability and negligence), such as, but not limited to, loss of revenue or anticipated profits.

8. Liability

In no event shall either party be liable for, nor shall either party recover for any incidental or consequential losses, expenses or damages, except that Customer shall indemnify and hold AELS harmless for all losses, expenses and damages claimed or incurred by third parties, which may occur in connection with the goods sold or use of the goods. Customer shall look solely to the manufacturer as to any alleged patent, copyright or trademark infringement claims. AELS sole and exclusive maximum liability, whether based in contract, tort, or otherwise, shall not in any event exceed the purchase price actually paid by Customer for the Components.

9. Compliance

9.1 Customer commits to adhering to all applicable export compliance legislation.

9.2 Customer agrees that it will provide all reasonable assistance to AELS in meeting governmental requirements relating to payment and reimbursement of tax and duties or similar.

10. Governing Law and Jurisdiction

Any dispute or claim that arises out of or in connection with this agreement, tort or otherwise will be exclusively settled under Dutch law by the competent court of The Hague (The Netherlands)