

**General Terms and Standard Conditions
for Aircraft Support Services**

**to be rendered by or on behalf of
FOKKER SERVICES B.V.**

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1. GENERAL TERMS

1.1 Definitions

For the purpose of these General Terms and Standard Conditions the following definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Agreement	shall mean all written agreements, Orders and Change Orders resulting from or referring to or incorporated in these General Terms and Standard Conditions;
Aircraft	shall mean any aircraft owned, used, operated or maintained (as defined hereinafter) by Buyer;
AOG	shall mean Aircraft On Ground and refers to the highest priority designation to process any requirement under this Agreement. AOG indicates that an Aircraft is unable to continue for revenue service until appropriate action is taken;
Approved by the Aviation Authority	shall mean approved directly by the Aviation Authority or indirectly pursuant to a procedure approved by the Aviation Authority;
Approved standard	shall mean a manufacturing/design/maintenance/quality standard approved by the Aviation Authority;
ATA	shall mean Air Transport Association of America;
Aviation Authority	shall mean the Civil Aviation Authorities of the Netherlands (CAA-NL), EASA for those countries in Europe which are member of the European Community and FAA for the USA.
Business Day	shall mean any day other than Saturday, Sunday or public holiday, on which international banks are open for business in Amsterdam, the Netherlands;
Buyer	shall mean the party to whom Seller provides Services;
CAA-NL	shall mean the Civil Aviation Authority Netherlands and any other Netherlands governmental authority or successor having the same jurisdiction;
Component	shall mean any self-contained part, combination of parts, sub-assemblies or units, which perform a distinctive function necessary to the operation of a system. Components have a component maintenance manual and/or bear a distinctive and unique part/serial number as specified by the OEM;
Days	shall mean Business Days;
DAP	shall mean Delivered At Place as defined in the Incoterms 2020 issued by the International Chamber of Commerce, Paris, France;

Documentation	shall mean technical data, information or parts thereof contained in documents (including Aircraft documentation), drawings, (Training) manuals, or any revision service thereto, computer programming information, software or other data relative to computer interfacing and all other forms of media storing, containing, conveying or embodying information, regardless of whether the information is in hard copy, electronic, or any other form;
EASA	shall mean the European Aviation Safety Agency;
EURIBOR interest rate	shall mean the Euro Interbank Offered Rate, being the: A) interest rate per year as published on page 01 of the Reuters Screen for Euribor; or B) interest rate per year as published on page 248 of the Telerate Screen; or C) if no interest rate as mentioned under sub clause A) or B) has been published or determined, the interest rate which is an average of the interest rates applicable during the term of this Agreement for euro deposits used by banks against other leading banks within the Dutch monetary system, to be calculated on or about 11.00 am central European time one (1) day before the first day of delay in payment in accordance with Article 1.4(D) of the General Terms.
FAA	shall mean the Federal Aviation Administration of the United States of America. This term includes the Administrator of the Federal Aviation Administration or any other governmental authority of the United States of America having the same jurisdiction;
FCA	shall mean Free Carrier as defined in the Incoterms 2020 issued by the International Chamber of Commerce, Paris, France;
Fokker Parts	shall mean any Item of which Seller owns the design responsibility;
General Terms	shall mean the terms and conditions as stipulated in Part one (1) of the GTSC;
GTSC	shall mean the General Terms and Standard Conditions for Aircraft Support Services;
Government Entity	shall mean and include: (i) any national or state government, political subdivision thereof, or local jurisdiction therein; (ii) any board, commission, department, division, organ, instrumentality, court, or agency of any thereof, however constituted; and (iii) any association, organization, or institution of which any thereof is a member or to whose jurisdiction any thereof is subjected or in whose activities any thereof is a participant;
Indemnitees	shall mean Fokker Services B.V., any of its assignees, agents, representatives, consultants, subcontractors, suppliers or any of their officers, directors and any other person or persons in their employment or having similar relationship;

Inspection (or „to inspect“)	shall mean the examination of an Aircraft or an Aircraft Component to establish conformity with an Approved standard (or shall mean with respect to the verb „to inspect“: any activity or work to perform an Inspection);
Intellectual Property permits, Rights	shall mean patent rights, design rights, copyrights, rights relating to know how, software and the use of other computer programs, grants, concessions, specifications, liens and other comparable rights;
Import VAT	shall mean VAT levied on goods which are brought into free circulation in the Netherlands;
Item	shall mean any level of hardware assembly (i.e. system, subsystem, module, accessory, Component, unit, part and suchlikes);
Law	shall mean and include: (i) any statute, decree, constitution, regulation, order or any directive of any Government Entity; (ii) any treaty, pact, compact or other agreement to which any Government Entity is a signatory or party; (iii) any judicial or administrative interpretation or application of any thereof; and (iv) any amendment or revision of any thereof;
Maintenance (or „to maintain“)	shall mean any one or combination of Inspection, Modification, Overhaul, Repair, defect rectification of an Aircraft or an Aircraft Component (or shall mean with respect to the verb „to maintain“: any activity or work to perform Maintenance);
Modification (or „to modify“)	shall mean a change or alteration on an Aircraft or (a) Component(s) on an Aircraft through rework and/or the installation or removal of (a) Component(s) on an Aircraft in conformity with an Approved standard (or shall mean with respect to the verb „to modify“: any activity or work to perform Modification);
Normal Operational Wear and Tear	A process of deterioration caused by the normal use of the part according to the manufacturer's Repair & Overhaul, operating and maintenance manuals and other related documentation;
OEM or Vendor	shall mean original equipment manufacturer or supplier;
Order	shall mean any purchase order issued by Buyer either in writing or by telex, facsimile or any data processing instrument, confirmed by a written purchase order or an approval identification code as separately agreed upon between Seller and Buyer;
Order Acknowledgement	shall mean Buyer's Order(s) accepted by Seller by way of an order acknowledgement either in writing or by telex, facsimile or any data processing instrument confirmed by a written order acknowledgement or an approval identification code as separately agreed upon between Seller and Buyer;

Overhaul or Recondition (or „to overhaul“ or „to recondition“)	shall mean the work necessary to return an Aircraft or a defective Component to the highest standard specified in the relevant manual in conformity with an Approved standard (or shall mean with respect to the verbs „to maintain“ and „to recondition“: any activity or work to perform Overhaul or Recondition);
Repair (or „to repair“)	shall mean any action to make an Aircraft and/or (a) Component(s) serviceable by replacing or processing failed or damaged parts thereof in conformity with an Approved standard (or shall mean with respect to the verb „to repair“: any activity or work to perform Repair);
Seller	shall mean Fokker Services B.V.;
Seller's Facility	shall mean such plant or facility in The Netherlands as may be designated by Seller;
Services	shall mean Aircraft support services described in Standard Conditions 2.1 through 2.8 rendered by Seller to Buyer and such other services requested by Buyer that Seller agrees to provide;
Standard Conditions	shall mean the terms and conditions as stipulated in Part two (2) of the GTSC;
Taxes	shall mean any taxes, duties, imposts, contributions, charges, withholdings and levies, of any country or jurisdiction, excluding income tax but including environmental tax, customs and other import or export duties (for the avoidance of doubt including any additional duties, countervailing duties and anti-dumping duties), excise duties, port dues, whether arising by way of a primary liability or by way of a secondary liability, and any interest, penalty, additions, costs, expenses, surcharge or fine relating thereto, excluding VAT;
Term	shall mean the period for which the Agreement shall become valid and effective, unless earlier terminated or extended as is provided for in the Agreement;
Testing (or “to test”)	shall mean an examination to determine functional capability or physical integrity of a Component with an Approved standard (or shall mean with respect to the verb „to test“: any activity or work to perform Testing);
VAT	shall mean within the European Union such taxes as may be levied in accordance with (but subject to derogations from) EU Council Directive 2006/112/EC, as well as any other sales, use or consumption taxes (including but not limited to Goods and Service Taxes, Harmonized Sales Taxes, General Consumption Taxes, etc.) levied outside the EU;
Vendor Parts	shall mean any Item that is not covered by the definition of Fokker Parts.

1.2 General

The General Terms and the Standard Conditions shall exclusively apply to and shall govern any quotation, contract negotiations and any Agreement pertaining to the rendering of Services by Seller to Buyer, including E-commerce Services via the internet, notwithstanding and irrespective of what shall be stated in or on Orders, letters, general conditions and any other documents issued by or on behalf of Buyer, unless expressly stated otherwise by Seller in any written document issued by Seller.

1.3 Quotations, Order and Order Acknowledgement

- (A) Upon Buyer's request, Seller shall make price, schedule or special program quotations which quotations shall remain valid for a period of thirty (30) calendar days after quotation issue date, unless otherwise stated in the relevant quotation. Upon Buyer's request Seller shall make customized price and delivery schedule quotations for (a) total program(s) based on the Services in this GTSC.
- (B) Orders for the rendering of Services shall be placed by Buyer in the English language and in conformance with the requirements stipulated in the Agreement.
- (C) Buyer's Order shall be accepted by Seller, if no quotation has been issued, by way of an Order Acknowledgement within fifteen (15) Days after receipt of Buyer's Order. Seller's Order Acknowledgement shall be in the English language and in conformance with the requirements stipulated in the Agreement.
- (D) Within five (5) Days after the date of Seller's Order Acknowledgement Buyer shall inform Seller in writing of any discrepancy between Seller's Order Acknowledgement and Buyer's Order, failing which such Buyer's Order shall be binding upon Seller and Buyer as from the date of Seller's Order Acknowledgement.
- (E) If Buyer requests Seller to render additional Services to Buyer and the price of such additional Services has not been specified in Seller's quotation or order acknowledgement, Seller shall invoice Buyer for the then current selling prices to such Services.
- (F) Seller shall only render services to Buyer, provided that Buyer has placed an Order and, if no quotation has been issued, Seller has acknowledged Buyer's order in accordance with this Article 1.3, unless Buyer and Seller have agreed in writing to an alternative ordering and acknowledgement procedure.
- (G) Buyer may cancel an Order, as acknowledged by Seller if no quotation has been issued, prior to the commencement of the performance of the Services and/or Item delivered. In such case Seller may recover from Buyer any actual damages arising thereof in an amount not more than the price of the Services to be performed and/or Item to be delivered covered by the cancelled Order. The cancellation charge shall be based upon the costs and expenses incurred by Seller in fulfilling the specific Order before Buyer's cancellation of the Order as well as any third party claim in connection with such cancellation. Upon Buyer's request, Seller shall substantiate such costs and expenses.

1.4 Invoices and Terms and Conditions of Payment

- (A) Seller will submit invoices to Buyer upon delivery of the Item or upon completion of Services called for by Buyer's Order. Advance payments will be credited against Seller's invoice issued against such Order.
- (B) All payments to Seller shall be made net in EUR or in the currency in which Seller has quoted the Services to the credit of Seller's account with a bank to be nominated by Seller. All bank charges and fees which arise out of or are in any way related to any payment made by Buyer under the Agreement, including but not limited on account of establishing a confirmed irrevocable letter of credit, shall be borne by Buyer.
- (C) All sums payable to Seller shall be paid in full, without notice or demand being required and without protest, defense, set off or counterclaim and free and clear of all deductions or withholdings whatsoever within the term as specified on Seller's invoice. If no term of payment is mentioned on Seller's invoice, then payment will be net thirty (30) calendar days after the date of Seller's invoice.
- (D) In case Seller does not receive any amount due in its bank account on the agreed date(s), Seller shall have the right to claim from Buyer and Buyer shall promptly pay Seller for every day of delay in payment, as a compensation for loss of interests, an amount equal to the amount so delayed in payment, compounded on a month to month basis. This percentage shall be calculated either on the basis of the London Interbank Offered Rate (LIBOR) for one (1) month United States Dollars plus six (6) per cent, to be fixed at 11.00 am on the first business day of each calendar month for any US Dollar payment or on an amount equal to the EURIBOR interest rate for any Euro payment plus six (6) per cent, to be fixed at 11.00 am on the first business day of each calendar month for any Euro payment. Claiming or refraining from such compensation from Buyer shall not prejudice any other rights of Seller under the Agreement or at law. Without prejudice to the above, Seller may in addition charge Buyer for reasonable expenses incurred in connection with the collection of invoiced amounts (including legal expenses).
- (E) All payments to be credited to Seller's account shall first be set off against costs and/or expenses, including charges and disbursements for legal services (if any), then against outstanding interest (if any) and finally against the principal claim. In the event of several outstanding debts, the payments received shall be set off against the oldest claim in the same manner.
- (F) Seller may at all times require Buyer to make (an) advance payment(s) or to provide further security for the payment of the amount to be due for any Services to be rendered by Seller to Buyer.

1.5 **Delivery**

(A) **Delivery**

All Items and/or Services shall be delivered to Buyer FCA Seller's designated facility.

(B) **Packing**

All Items to be delivered to Buyer or Seller shall be packed in suitable export packing generally in accordance with ATA Specification 300 Cat. II. If specifically requested by Buyer, ATA Specification 300 Cat. V containers or equivalents shall be used and the additional costs involved shall be for Buyer's account.

(C) **Shipment**

- (1) If Seller, upon Buyer's request, arranges transportation, all costs and expenses incurred by Seller in connection therewith shall be for Buyer's account. To the extent practicable, all transportation of Items arranged by Seller shall be by airfreight, freight charges payable at destination by Buyer.
- (2) All shipments to Buyer shall be accompanied by packing documents indicating Buyer's Order number, quantity shipped, part number, nomenclature and total value.
- (3) Upon request, Seller shall inform Buyer, as soon as practicable about shipping arrangements made.

(D) **Certification**

An Authorized Release Certificate (EASA Form 1) shall accompany Items released by Seller to Buyer. A Certificate of Conformity (COC) shall accompany Items obtained from vendors by Seller and delivered by Seller to Buyer. A FAA 8130-3, a TCA 24-0078 or a TC Form 1 from the vendor will be included in the shipment documents by Seller to Buyer.

Seller will deliver all other Items with a COC to Buyer.

(E) **Title and Risk**

- (1) Seller will convey to Buyer good title to each Item and/or Service free and clear of all liens, claims, charges and encumbrances, except as provided for in Article 1.11 of the General Terms, upon the latter of (a) delivery of such Item and/or Service or (b) receipt of full payment for such Item and/or Service.
- (2) From the time of delivery, risk of loss of or damage to the Items and/or Services supplied by Seller to Buyer shall be for Buyer.
- (3) Due to the Dutch Civil Law, delivered and installed Items could be determined to be a dependent part of the Aircraft on which the Item has been installed, and as a consequence, the owner of the Aircraft is owner of all parts and / or equipment installed in and / or on the Aircraft, to the extent the law does not provide otherwise. If this aspect occurs Seller shall have the right in an event such as but not limited to insolvency of Buyer, when Buyer makes a general assignment for the benefit of its creditors, in case of bankruptcy of Buyer or a similar situation, to claim from Buyer an amount equal to the value of a new similar Item.

1.6 Taxes, Duties, Licenses and Special Documents

- (A) Unless otherwise stated, all references to payments or fees made in this Agreement are exclusive of any VAT and where any VAT becomes chargeable, such VAT shall be added to the amount at the rate applicable and payable in addition thereto.
- (B) In the event that Seller acts as customs declarant, Buyer declares that it will not recover Import VAT in respect of the importation of Buyer's Aircraft, Components, Documentation, Items, Services and/or related goods in the Netherlands, and Buyer authorizes Seller to recover the Import VAT instead of Buyer.
- (C) VAT and Taxes on Services (to be) performed by Seller and/or payments (to be) made by Buyer shall be for the account of Buyer. If under the provisions of any applicable law or regulation such Taxes are to be paid by Seller, Buyer shall reimburse Seller therefore. If a claim for any such Taxes is made against Seller, Seller shall, at Buyer's expense, take any action to challenge this claim.
- (D) Seller shall obtain any licenses or special documents required by The Netherlands authorities for the performance of the Services.
- (E) Buyer shall obtain and pay for any licenses or special documents not covered in Article 1.6(D) above.
- (F) Any licenses or special documents to be obtained from the country of origin in light of the Service and required in Buyer's country of statutory residence shall be arranged, if possible, by Seller. Any costs and expenses incurred by Seller in obtaining such licenses or special documents shall be borne and be payable by Buyer and Buyer shall reimburse Seller for such costs and expenses promptly upon presentation of Seller's invoice.

1.7 Excusable Delay

Seller shall not be responsible for, nor be in default for failure or delay in the performance of any of its obligations under the Agreement for the time and to the extent such failure or delay is wholly or principally due to any of the following events:

Acts of God or public enemy; civil war, warlike situations, insurrections, riots; fires; explosions; accidents; floods, inundation, earthquakes, or natural disasters; epidemics or quarantine restrictions; any governmental act, governmental priorities, governmental allocation regulation or orders affecting or prohibiting performance of Services; strikes or labor dispute causing cessation, slowdown or interruption of work; unavailability or inaccessibility of Seller's warehouse(s), maintenance or other facilities or office(s) or of supplier's services or premises; weather unfavorable for flying; inability to export to and / or import any of the Services into Buyer's country due to customs and / or governmental regulations or acts; delay in transportation; or inability for Seller after due and timely diligence to procure the relevant components, systems, materials, accessories, parts, tools or other (ground support) equipment for the Aircraft, or delay in delivery thereof to Seller; preventive measures by Seller to avoid damage to materials, facilities or Aircraft or due to any other cause to the extent that such other cause is neither within Seller's reasonable control nor is occasioned by Seller's fault or negligence.



Delays resulting from any of the foregoing causes are referred to as "Excusable Delay(s)". Promptly upon occurrence of any such cause which may result in a delay in the delivery of any Service or in the performance of any other obligation of Seller under the Agreement, Seller shall give notice of such anticipated delay to Buyer, which notice shall identify such occurrence and specify the period of delay which may be reasonably expected to result thereof.

1.8 Disclaimer and Release

THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF SELLER AND REMEDIES OF BUYER SET FORTH IN THESE GENERAL TERMS AND STANDARD CONDITIONS AND ANY AGREEMENTS, ORDERS AND CHANGE ORDERS PERTAINING THERETO, IF ANY, ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF INDEMNITEES AND RIGHTS, CLAIMS AND REMEDIES OF BUYER AGAINST INDEMNITEES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY DELAY IN DELIVERY OF SERVICES OR NONCONFORMITY OF OR DEFECT IN ANY SERVICE PERFORMED AND/OR ITEM DELIVERED, 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, (C) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT, WHETHER OR NOT ARISING FROM THE NEGLIGENCE OF INDEMNITEES, ACTUAL OR IMPUTED, AND (D) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OF OR DAMAGE TO ANY AIRCRAFT AND/OR ANY SERVICE PERFORMED AND/OR ITEM DELIVERED, FOR LOSS OF USE, REVENUE OR PROFIT WITH RESPECT TO ANY AIRCRAFT AND/OR ANY SERVICE PERFORMED AND/OR ITEM DELIVERED OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

1.9 Liability and Indemnity

- (A) Seller, its personnel, directors, shareholders, affiliates and its subcontractors shall not be liable towards Buyer for any loss or damage of whatever nature and howsoever caused unless in case of proven gross negligence or willful misconduct of Seller as a company. The above release by Buyer includes any damage or loss of property of Buyer including the Aircraft as well as mental or physical injury sustained by, or death of, Buyer's personnel, regardless whether liability of Seller may arise under contract or law during or after the performances of Seller or its subcontractors under the Agreement. Seller shall in any event never be liable for any indirect or consequential damages, including but not limited to the loss of use, revenue or profit.
- (B) Buyer shall indemnify and hold the Indemnitees harmless from and against any and all claims against, or liabilities of, Indemnitees as well as cost and expenses (including legal fees in defending such claims and liabilities) incurred by Indemnitees, in relation to any loss or damage of whatever kind and nature which may be suffered by a third party (other than Indemnitees) due to the injury to or death of persons, other than Indemnitees, and for any loss of or damage to property other than property of Indemnitees, arising directly or indirectly out of the performances under the Agreement, unless Buyer proves wilful misconduct or gross negligence of Seller as a company.

1.10 Insurance

- (A) Buyer shall maintain the following insurance: Hull and Spares All Risks, Hull and Spares War Risks and Comprehensive Aircraft Third Party Liability Insurance covering the Aircraft against loss or damage on the ground, taxiing or in flight (including Functional Check Flights) comparable to similar insurance usually taken out by companies engaged in the same or similar business as Buyer and such insurance will contain the following provisions:

In respect of Hull and Spares All Risks, Hull and Spares, War Risks Insurance:

- (1) Any Item loaned or exchanged by Seller to Buyer:
That the Items will be insured for their agreed value and to name Seller as Additional Insured for Seller's respective rights and interests and as loss payee in respect of such Items.
- (2) Any Aircraft or Item including Items not installed on the Aircraft on which Seller is to perform Maintenance:
That the insurers of Buyer will waive any rights of subrogation against Seller, its personnel and its subcontractors until risk of loss thereof or damage thereto has passed to Buyer pursuant to the relevant Order and/or statement of work.

In respect of Aircraft Third Party Liability Insurance:

That Seller, its assignees and subcontractors, and their directors, officers, employees and persons hired to perform services are named as additional insured and to include a severability of interest clause.

In respect of all Insurance:

- (A) (1) To include breach of warranty cover in favour of Seller and provide Seller with thirty (30) Days (seven (7) Days of such period as is customary in respect of War and Allied Perils) written notice of cancellation or material change in the insurance policies; and
- (2) To include that the insurance shall not be invalidated to the extent it concerns Seller, its personnel and its subcontractors by any act or omission or breach or violation of Buyer or any other party of any of its obligations contained in the insurance policies.
- (B) Buyer shall furnish duly undersigned copies of certificates of insurance evidencing the above requirements of this Article 1.10.
- (C) Seller shall maintain Hangar-keeper's Liability (including In Flight) and Products Liability Insurances covering its obligations under this Agreement comparable to similar insurance usually taken out by companies engaged in the same or similar business as Seller.

1.11 Non-Disclosure - Non-Delivery by Buyer - Intellectual Property Rights

- (A) Buyer covenants:
- (1) that Documentation which has been or shall be furnished by Seller to Buyer in connection with this Agreement shall not, in any form whatsoever, without Seller's prior written approval hereto, be disclosed to any third party nor be used by Buyer for purposes other than provided for in Article 2.4.7;
 - (2) that nothing contained in the Documentation shall be deemed to convey to Buyer Intellectual Property Rights held or controlled by Seller. Ownership in all Documentation delivered by Seller under the Agreement shall, subject to the rights of any other owner or party with any title, rest with Seller;
 - (3) that Buyer permits Seller to adopt changes originated by Buyer and incorporated by Seller in Buyer's Documentation for release to other operators' Documentation. However, if Buyer does not wish that such changes be included in other operators' Documentation, requests by Buyer for proprietary handling will be respected;
 - (4) that if any disclosure is required by law, Buyer shall use its best efforts to limit such disclosure, including a request for confidential treatment or implementing other means reasonably requested by Seller.
- (B) Buyer shall not deliver any Item or Documentation and Buyer shall issue upon Seller's request any statement or declaration that Buyer shall not deliver any Item or Documentation supplied by Seller to Buyer to any third party, which has been excluded from delivery of such Item or Documentation or to which delivery thereof has been made subject to prior written (conditional) license, authorization, permit or approval by the working or enforcement of any Law or constitution of any country having jurisdiction over the OEM, Vendor or over Seller.
- (C) All Intellectual Property Rights, if any, in relation to, such as but not limited to, Documentation, Components, Fokker Parts, Items, Modifications or Services, provided by Seller to Buyer, or produced by Seller as a part of the Services, reside with and / or accrue fully to Seller, unless otherwise agreed by Seller and Buyer in writing.

1.12 Termination

- (A) Without prejudice to the terms and conditions of the Agreement, if either party shall refuse, neglect, or fail to substantially perform, observe and keep any of the material terms or conditions contained in the Agreement to be performed, observed, and kept by such party and such refusal, neglect, or failure shall continue for a period of fifteen (15) Days after written notice thereof, such refusal, neglect, or failure shall constitute a default under the Agreement in respect of which the other party shall have the right to terminate the Agreement in whole or in part by a further written notice, effective immediately to the party in default without any court interference being necessary.
- (B) In addition to and notwithstanding the foregoing, a party shall be deemed in default hereunder and the Agreement shall terminate automatically effective immediately by written notice if the other party contemplated a decision to request for suspension of payment or bankruptcy, or is the subject of a request for suspension of payments or bankruptcy filed by a third party, or contemplated a decision for the termination and/or liquidation of (a substantial part of) its business.

- (C) All invoices and payment conditions, liabilities and Indemnities, Insurance, non-disclosures, non-deliveries, warranties, Immunity waiver, applicable law and Arbitration and assignment shall survive termination of the Agreement.
- (D) The above provisions shall survive termination of the Agreement.

1.13 Assignment

- (A) The Agreement shall inure for the benefit of and be binding upon each of the parties hereto and their respective successors and assignees. Neither the Agreement, nor any duty, right, interest therein may be delegated, assigned, or otherwise transferred in any manner by such party without the prior written consent of the other party, which consent shall not be withheld in the event of corporation amalgamation or reorganization or subsidiary restructuring of one of the party's activity provided that the assignee effectively undertakes to comply with all the terms and conditions of the Agreement as though it had been an original party hereto.
- (B) However, Seller reserves the right to make use of the services of specialized subcontractors where deemed appropriate at its own discretion. Such subcontracting shall not relieve Seller from its obligations under the terms of the Agreement.
- (C) Either party may assign claims for monies due or to become due hereunder to any bank, trust company or other financial institution, including any governmental lending agency.
- (D) The assigning party shall provide the other party with two (2) signed copies of any assignment, one of which shall be returned to the assigning party dated and signed and executed by the other party for approval and acceptance of such assignment.

1.14 Non-waiver

The failure of Seller to enforce any of its remedies or to require strict performance of any obligations of Buyer under the Agreement shall not constitute a present or future waiver by Seller of such remedy or obligation.

1.15 Miscellaneous

- (A) **Order of Precedence**
Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence:
 - The Agreement
 - Standard conditions
 - General Terms
- (B) In the Agreement, unless the context requires otherwise, words denoting the singular number shall include the plural and vice versa.

(C) Notices

All notices and requests in connection with the Agreement shall be given in writing and may be given by facsimile, cable, telex or any other customary means of communication to be followed by written notice or request to Seller's address as specified in the Agreement. The effective date of any notice or request sent in connection with the Agreement shall be the date on which the addressee receives it.

(D) English Language

- (i) The performance of Services and all communications between Seller and Buyer regarding the Agreement shall be in the English language.
- (ii) Notwithstanding any translation of the Agreement, whether or not contemporaneous with the negotiation or execution of the Agreement, the English version of the Agreement shall exclusively control all matters of interpretation.

(E) Headings

Article and paragraph headings used in the Agreement are for reference only and shall not affect the construction or the interpretation of the Agreement.

(F) Aviation Authority Requirements

It is expressly stated hereby that the mandatory requirements or other regulations issued from time to time by the Aviation Authorities, and imposed on Seller, shall be considered an integral part of the Agreement to the extent applicable to the Services, and consequently any conflicting provisions as set forth herein shall be considered null and void, unless otherwise stated.

(G) Severability

If any provision of the Agreement shall be invalid or unenforceable, it shall be replaced by such valid or enforceable provision available under applicable law that most closely approaches the invalid or unenforceable provision in economic effect. Parties hereby waive and release any and all rights they may have to dissolve the Agreement or to invoke the invalidity thereof on the basis of the above.

1.16 Immunity waiver

To the extent that Seller and/or Buyer may in any jurisdiction claim for themselves or their assets (including the Aircraft) immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or from other legal process and to the extent that in any such jurisdiction there may be attributed to themselves or their assets (including the Aircraft) such immunity (whether or not claimed) Seller and Buyer hereby irrevocably agree not to claim and hereby irrevocably waive any immunity to the fullest extent permitted by the laws of such jurisdiction [with the intent, inter alia, that the foregoing waiver shall have effect for the purposes of the Foreign Sovereign Immunities Act of 1976 of the United States of America (if applicable)].

1.17 Export Control

Services as provided by Seller to Buyer under the Agreement may be subject to export controls of the European Community, United States of America and/or export controls in other countries. Buyer is responsible to ensure that usage and/or transfer of services, goods and / or information as purchased by Buyer from Seller under the Agreement complies with all relevant export control and sanctions regulations, including European re-export prohibitions which strictly prohibit re-export to certain sanctioned countries, and if applicable the United States International Traffic in Arms Regulations (ITAR), the Foreign Assets Control Regulations (FACR) and/or the Export Administration Regulations (EAR) (hereafter collectively referred to as "Export Controls").

Buyer and Seller shall provide to each other any relevant documentation required for compliance with Export Controls within two weeks of the simple request of such information. If requested by Seller, Buyer will immediately provide Seller with a so-called end-user statement in regard to the ultimate use and / or destination of Services ordered by Buyer. Furthermore Buyer shall immediately inform the Seller of any activity Buyer becomes aware of that could violate the purpose of this paragraph.

Seller reserves the right to immediately reject delivery of Services to Buyer if such delivery would be conflicting with export controls as described herein and / or Sellers (export) compliance policies.

In the event that Seller becomes aware of a breach of any applicable European re-export prohibition, Seller is legally obliged to immediately terminate the contract, and to inform the competent authority of the Netherlands of such breach (Ref. EU Directive 833/2014 article 12g).

1.18 Applicable Law and Arbitration

- (A) The Agreement shall be governed by and construed and interpreted in accordance with the law of The Netherlands.
- (B) All disputes arising in connection with the Agreement, which cannot be solved by amicable negotiations, shall be finally settled in accordance with the rules of the Netherlands Arbitration Institute ("Nederlands Arbitrage Instituut") as currently in effect. The place of arbitration shall be Amsterdam, The Netherlands. The proceeding will be held before a panel of three arbitrators where each party will choose one arbitrator and the third will be selected jointly by the two appointed arbitrators and, where such agreement cannot be reached, by appointment of the director of the Netherlands Arbitration Institute or his or her designee. The arbitrage procedure will be conducted in the English language. This provision does not enjoin a party to take precautionary measures against the other party through any court of competent jurisdiction.

2. STANDARD CONDITIONS

2.1 Standard Conditions for the supply of Spare Parts

2.1.1 Definitions

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Critical Order	shall mean imminent AOG or work stoppage situation;
Expedite Order	shall mean less than published or quoted lead-time situation;
Spare Parts	shall mean any original deliverable system, subsystem, assembly, subassembly, component or part, and any related software (if any) as well as any related tools, test and ground support equipment, which have been sold to Buyer for commercial use and shall be used as the general term for Fokker Parts and Vendor Parts;

2.1.2 Subject Matter

Seller shall sell and deliver to Buyer and Buyer shall purchase and take delivery from Seller of Spare Parts on the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Standard Conditions for the supply of Spare Parts and the General Terms set forth in part one (1) of the GTSC.

2.1.3 Procurement and Order Processing

(A) Order

Each Order shall include an order number, VAT-number, specific contract number reference and for each Spare Part, part number, nomenclature, quantity and required delivery schedule, as well as detailed forwarding instructions.

(B) Order Acknowledgement

Seller's Order Acknowledgement shall include Buyer's order number, specific contract number reference and, for each Spare Part, part number, nomenclature, quantity, applicable unit price, extended value and the scheduled delivery date(s).

(C) Order Fulfilment

In fulfilling Buyer's Order, Seller reserves the right to make any necessary corrections or changes in part number and nomenclature, or to substitute parts, provided that interchangeability is not affected. Seller shall give Buyer prompt written notice of such correction, change or substitution and any effect on price resulting thereof. Within five (5) Days after the date of Seller's notice, Buyer shall inform Seller whether such change of price is acceptable, failing with such change of price is binding upon Seller and Buyer.

(D) Urgent Demand Service

If Seller receives an urgent Order being one (1) of the three (3) categories mentioned in this Article 2.1.3 (D) from Buyer for specific Spare Parts then Seller shall confirm receipt thereof and advise Buyer about the action Seller has taken to fulfil Buyer's urgent Order in case of:

- (1) an AOG Order, within four (4) hours after receipt of such order;
- (2) a Critical Order, within twenty four (24) hours after receipt of such order; or
- (3) an Expedite Order, within seven (7) Days after receipt of such Order.

In the event of an inquiry from Buyer for delivery of Spare Parts under this Article 2.1.3 (D), Seller will respond within the same time periods stated herein.

Order and inquiries for AOG or Critical service shall state explicitly 'AOG repeat AOG' or 'Critical repeat Critical', respectively Expedite, and the serial number of the affected Aircraft if Buyer is operator of Aircraft of the type for which Seller is type certificate holder.

2.1.4 Pricing and Invoice

(A) Fokker Parts

Seller shall issue price lists for Fokker Parts and prices shall be firm for the calendar year stated in the price list. The prices charged will be those in effect on the date of receipt of Buyer's Order. Seller reserves the right to revise the prices quoted in Seller's price lists, but such price revision shall only be effective sixty (60) calendar days after notifying Buyer of such price revisions.

(B) Vendor Parts

Vendor Parts shall be priced in accordance with Seller's sales price for such Vendor Parts prevailing on the date of Seller's Acknowledgement of Buyer's Order(s), except that the price stated in any Seller quotation for such Spare Part shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.

(C) Price Revision

Notwithstanding any other provision in this Article 2.1.4, Seller is entitled to revise the prices for Spare Parts from the date of quotation, and if no quotation has been issued from the date of Seller's Acknowledgement of Buyer's Order, until the date of delivery to Buyer in the following cases:

- significant revision in the price charged to Seller by Vendors or suppliers;
- significant revision due to variation in currency exchange rates; or
- significant error in estimation or expression of any price.

For the purpose of this Article 2.1.4 (C) a significant revision or error shall mean a discrepancy with the Spare Parts sales price published or quoted by Seller of at least twenty per cent (20%) thereof or more than EUR 1000 (euro One Thousand).

Seller shall notify Buyer of any such revision or error and, upon request, submit to Buyer reasonable proof of such significant revision or error.

(D) Prices for used/second hand Spare Parts

The prices for used/second hand serviceable Spare Parts shall be as quoted upon Buyer's request by Seller to Buyer.

(E) Miscellaneous

- (1) Any services ancillary to the sale of Spare Parts that are requested by Buyer and not covered under Article 2.1.4 (A) and 2.1.4 (B) above shall be charged according to Seller's selling prices prevailing on the date of Seller's Acknowledgement of Buyer's Order thereof.
- (2) Request for urgent demand service according to Article 2.1.3 (D) may in exceptional cases result in a price increase to cover Seller's additional costs. Upon request, Seller shall substantiate such costs to Buyer.
- (3) The prices for Spare Parts shall be in EUR. Seller may at its own discretion publish or quote prices for Spare Parts in another currency or may agree with Buyer upon another currency.

2.1.5 Acceptance and (Re)-Delivery

- (A) For delivery of Spare Parts the terms and conditions as set forth in Article 1.5 of the General Terms shall apply.
- (B) Upon request of Seller and at Buyer's expense, Buyer shall cooperate in vesting a security interest or first lien valid under applicable Law, on Spare Parts supplied or to be supplied by Seller to Buyer hereunder, to secure Seller's rights with respect to Spare Parts for which Seller has not yet received full payment.
- (C) Within fifteen (15) Days after delivery by Seller of any ordered Spare Part ('inspection period'), Buyer shall notify Seller in writing of any alleged nonconformity of the Spare Part with Buyer's Order, or if no quotation has been issued Seller's Order Acknowledgement, taking into account Seller's customer order status information or other formal written information concerning such Order or, if no quotation has been issued, Order Acknowledgement. Such notice shall state the grounds for Buyer's conclusion of nonconformity.
- (D) Upon receipt of such notice, Seller shall promptly notify Buyer whether Seller agrees that such nonconformity exists and any corrective procedure, which Seller will apply.
- (E) If Seller requests Buyer to return the non-conforming Spare Part to Seller's facility, the terms and conditions as stated in Article 2.1.6.1 (F) - Returned Items - shall be applicable.
- (F) If Seller is not notified by Buyer of any nonconformity within the inspection period mentioned here above, Buyer shall be deemed to have unconditionally accepted the Spare Parts and to have waived all its claims and remedies in respect thereto, except for the applicable warranty provisions.

2.1.6 .1 Seller's Warranty for Fokker Parts

- (A) Subject to the limitations and conditions hereinafter set forth, Seller warrants that each Fokker Part supplied hereunder shall at the time of delivery by Seller be free from:
 - (1) defects in material and workmanship, and
 - (2) defects in design (including the selection of materials), in view of the state of the art at the date of such design, hereinafter collectively referred to as 'defects'.

The warranty set forth above shall apply to such factory new Fokker Parts only.

(B) Exceptions

Seller shall be relieved from its warranty obligations under this Article 2.1.6.1 with respect to the particular defect if the defect results from:

- (1) Buyer's failure to operate and maintain the Fokker Part or the Aircraft, in which the subject Fokker Part was installed, in accordance with Buyer's maintenance and operating programs approved by the Aviation Authority having jurisdiction over Buyer and over Seller's written instructions; or
- (2) the Fokker Part being used in combination with any part not specifically approved by Seller, unless Buyer furnishes reasonable evidence that use of such part was not a direct or indirect cause of the defect.

(C) Warranty and Notice Periods

The warranty periods to defects as mentioned here above are six (6) months after delivery of the Fokker Part.

Buyer's remedy and Seller's obligation and liability under this Article 2.1.6.1, with respect to each defect, are conditioned upon the defect having become apparent to Buyer within the applicable warranty period, and Seller's warranty administrator at Seller's Facility having received prompt written notice of the defect from Buyer but not later than fifteen (15) Days after the defect has become apparent to Buyer.

(D) Return and Notification

Buyer's remedy and Seller's obligation and liability under this Article 2.1.6.1, with respect to each defect, are also conditioned upon:

- (1) if requested by Seller, the prompt return by Buyer of the Fokker Part claimed to be defective to Seller's Facility, provided that such return shall not be required if Seller and Buyer agree to scrap non-repairable defective Fokker Parts at Buyer's facility in accordance with Article 2.1.6.1(G);
- (2) the submission by Buyer at Seller's Facility of a warranty claim form relating to such defect that includes at least the following information:
 - (a) identification of the Fokker Part involved, including its part number, serial number (if such part has a serial number), nomenclature, delivery date and the quantity claimed to be defective;
 - (b) identification of the Aircraft (serial number) from which each Fokker Part was removed;
 - (c) the position of the Fokker Part in the Aircraft;
 - (d) date the claimed defect became apparent to Buyer and, (if available), the total number of flight hours or cycles accumulated by the Fokker Part as per that date; and
 - (e) elaborate description of the claimed defect and applicable circumstances requiring removal.
- (3) reasonable proof that the claimed defect is subject to the warranty set forth in Article 2.1.6.1(A) and that such defect did not result from any act or omission of Buyer including those stated in Article 2.1.6.1(B) and 2.1.6.1 (H); and
- (4) investigation by Seller of each warranty claims.

Seller shall notify Buyer in writing of the disposition of each such claim, including the remedy specified in Article 2.1.6.1(E) that Seller elects to apply.

(E) Remedies

Buyer's remedy and Seller's obligation and liability under this Article 2.1.6.1, with respect to such defect, are limited to the following:

- (1) As to a defect in material or workmanship,
 - (a) to the repair of such defect in the Fokker Part in which the defect appears, or, at Seller's option, to the furnishing of a replacement Fokker Part; and
 - (b) as to any Fokker Part repaired by or on behalf of Seller or furnished as a replacement by Seller pursuant to Article 2.1.6.1(E)(1)(a), to the repair or replacement of such Fokker Part for any further defect in material or workmanship, provided:
 - (i) such further defect becomes apparent to Buyer within any unexpired remainder of the warranty period specified in Article 2.1.6.1(C); and
 - (ii) Seller's warranty administrator at Seller's Facility receives written notice of such further defect from Buyer within fifteen (15) Days after it first becomes apparent to Buyer.
- (2) As to a defect in design,
 - (a) to the correction of such defect in the Fokker Part in which the defect appears, and
 - (b) as to any Fokker Part corrected by or on behalf of Seller pursuant to Article 2.1.6.1(E)(2)(a), to the correction of any further defect in design in such Fokker Part, provided:
 - (i) such further defect becomes apparent to Buyer within any unexpired remainder of the warranty period specified in Article 2.1.6.1(C); and
 - (ii) Seller's warranty administrator at Seller's Facility receives written notice of such further defect from Buyer within fifteen (15) Days after it first becomes apparent to Buyer.

(F) Returned Items

- (1) All repairs, replacements and corrections described in Article 2.1.6.1(E) performed by or on behalf of Seller shall be at Seller's expense and at Seller's Facility or at such other place as may be mutually agreeable and with reasonable care and dispatch.
- (2) Transportation Costs
 - (a) Buyer shall pay the cost of transportation (in accordance with international airline industry practice) of any Fokker Part claimed to be defective to Seller's Facility or such other place as mutually agreed upon;
 - (b) Seller shall reimburse Buyer for all freight charges incurred by Buyer in connection with such return of any Fokker Part determined to be defective under the terms of this Article 2.1.6.1; and
 - (c) Seller will pay all freight charges (in accordance with international airline industry practice) for the return to Buyer of any Fokker Part so repaired or corrected or of any replacement Fokker Part.

(3) Title and Risk

- (a) Title to and risk of loss of or damage to any Fokker Part returned by Buyer to Seller pursuant to this Article 2.1.6.1 shall at all times remain with Buyer, except as to loss or damage chargeable to Seller according to applicable law, provided that in no event Seller shall be liable for loss of use or any other indirect or consequential damages.
- (b) If Seller furnishes a replacement Fokker Part for any defective Fokker Part returned by Buyer pursuant to this Article 2.1.6.1, title to and risk of loss of or damage to the so returned Fokker Part shall pass from Buyer to Seller concurrently with delivery of such replacement Fokker Part to Buyer, on which moment title to and risk of loss of or damage to the replacement Fokker Part shall pass from Seller to Buyer.
Such transfers of title and risk of loss or damage can only occur if Buyer has title to such defective Fokker Part, failing which the title to the replacement Fokker Part remains with Seller.
Any such replacement Fokker Part shall be delivered FCA Seller's designated Facility.
- (c) Under this Article 2.1.6.1(F), the party that has the risk of loss of or damage to any Fokker Part shall have the responsibility of providing adequate loss / damage insurance coverage for said Fokker Part according to international airline industry practice, except that Buyer (and not Seller) shall provide adequate insurance coverage for such replacement Fokker Parts (furnished by Seller) as long as not owned by Buyer.

(G) Non-repairable Fokker Part

Buyer may scrap any defective non-repairable Fokker Part at Buyer's facility, provided that Seller's authorized representative has confirmed in writing such Fokker Part is non-repairable and is not required for investigation by Seller. Non-repairable Parts or Parts, which are Beyond Economical Repair which are not returned to Seller, shall be destroyed by Buyer in accordance with the scrapping procedure documented by the Aviation Authority and/or customs.

(H) Wear and Tear

Normal Wear and Tear and the need for regular maintenance and overhaul shall not constitute a defect under this warranty. The warranty periods set forth in Article 2.1.6.1 (C) shall not apply to items such as rubber parts, filters, shelf life limited parts or similar items which Seller demonstrates are unable to meet such standards because of their ultimate design life or function (determined by the state of the art at the time of design).

(I) Seller's Non-response

If Buyer is not notified by Seller of the applicability of Buyer's warranty claim within ninety (90) Days after receipt by Seller of the claim, including all written information required by Article 2.1.6.1(D), and the return of the defective Fokker Part if so requested by Seller, the defect shall be deemed covered by Seller's warranty.

(J) Applicability of Seller's Warranty for Fokker Parts

It is Seller's intention that replacement, repair or correction of Fokker Parts claimed by Buyer to be defective be implemented with the least possible delay and to this end any action taken by Seller, prior to completion of its review of Buyer's warranty claim, shall not prejudice Seller's right thereafter to dispute the applicability of Seller's warranty to any item so replaced, repaired or corrected and to recover its reasonable costs and expenses in connection therewith in the event that Seller's warranty is determined not to apply.

2.1.6.2 Vendor Warranty

- (A) Factory-new Vendor Parts purchased by Buyer from Seller are subject to the warranty conditions of the particular Vendor of such Vendor Parts.
The warranty period on such factory-new Vendor Part could extend to a period less than six (6) months after delivery of that Vendor Part to Buyer. In that specific case Seller shall provide a warranty of six (6) months, which will come in place of the original Vendor warranty left.
- (B) In case Seller modifies, repairs or overhauls Vendor Parts and due to such modifications, repairs and overhauls the warranty conditions of the Vendor of such Vendor Parts are invalidated, such warranty conditions shall be enforceable by Buyer against Seller. In such case the provisions of Seller's warranty, as set forth in Article 2.1.6.1(E) through (J) of the GTSC shall be applicable.

2.1.6.3 Warranty used/second hand Spare Parts

In case a used/second hand Fokker and/or Vendor Part is still under a warranty from Seller or the Vendor, such Part delivered by Seller to Buyer shall be subject to that specific warranty.

In case the initial warranty-period on a used/second hand Fokker and/or Vendor Part is expired or the warranty-period left is less than three (3) months, Seller shall provide three (3) months warranty on that specific used/second hand Fokker and/or used/second hand Vendor Part.

2.1.7 Disclaimer and Release / Liability and Indemnity

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 "Disclaimer and Release" and Article 1.9 "Liability and Indemnity" of the General Terms.

2.2 Standard Conditions for Aircraft Component Maintenance

2.2.1 Definitions

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Beyond Economical Repair or BER shall mean that the cost of Maintenance of a Component will exceed sixty per cent (60%) of Seller's current selling price of an identical, new, Component;

Investigation Report shall mean such a report, which mentions the possible cause of a malfunction and observed damage of a Component and provides details for rectification of said malfunction or sampling requirements;

Shop Finding Report shall mean a report giving details regarding the possible cause of a malfunction and observed damage of a Component, inspection findings, rectification work performed and parts replaced;

2.2.2 Subject Matter

Seller shall for and on order of Buyer either carry out the Aircraft Component Maintenance in its own workshops or shall have such Aircraft Component Maintenance carried out by workshops approved by the relevant Aviation Authorities having jurisdiction on the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Standard Conditions for Aircraft Component Maintenance and the General Terms set forth in part one (1) of the GTSC.

2.2.3 Procurement and Order Processing

(A) Order

Each Order shall include an order number, VAT-number, specific contract number, and for each Component part number, quantity, nomenclature, country of origin, customs value, serial number, number of hours, number of landings or number of days whichever is applicable for the Component consumed since factory new or last Maintenance, modifications carried out on the Component, nature of complaint or reason for removal and requested treatment. Buyer shall also indicate in the Order which non mandatory modifications it wishes Seller to incorporate in the Component at the time of the Maintenance.

(B) Order Acknowledgement

Seller's Order Acknowledgement shall include Buyer's order number, specific contract number, and for each Component, part number, nomenclature, serial number and anticipated date of return to Buyer.

(C) Order Fulfilment

Seller shall not commence with the Maintenance of any Component unless Seller has received the relevant Order. In case no Order is received by Seller after receipt of the Component concerned, Seller shall notify Buyer immediately and Buyer shall provide Seller with the required Order within five (5) Days after receipt of Seller's notice. Seller is entitled to return the Component to Buyer at Buyer's expense in case Seller does not receive the required Order within the time stipulated.

(D) Modification Standard

Seller shall incorporate all mandatory modifications as indicated by the relevant Aviation Authority due at the time of the Aircraft Component Maintenance, the costs of which, shall be borne by Buyer. Seller shall inform Buyer of all such modifications incorporated during the Maintenance process.

(E) Beyond Economical Repair(BER)

- (1) If Seller estimates that the cost of Maintenance of specific Components shall be BER, Seller intends to advise Buyer promptly that such Component is BER and Buyer shall provide Seller within five (5) Days after receipt of Seller's relevant notice with one of the following instructions:
- (a) Maintenance at Buyer's expense; or
 - (b) Component to be destroyed by Seller without compensation to Buyer; or
 - (c) Component to be returned to Buyer at Buyer's cost and expense without Maintenance.

Failure by Buyer to provide the requested instructions within five (5) Days shall give Seller the right to dispose of the Component concerned without compensation to Buyer.

If Buyer requests an Investigation Report, which shall have effect on the turn-around time, mentioned in Seller's Order Acknowledgement for the specific Components, Seller shall quote a revised turn-around time upon such Buyer's request.

- (2) The absence of Seller's BER advice as mentioned in this Article 2.2.3(E) shall not constitute a guarantee, that after completion of the Maintenance of the Component, the costs shall not exceed sixty per cent (60%) of Seller's current selling price of an identical, new, Component. Buyer accepts that such BER level exceeding costs are also for Buyer's account.
- (3) In the event a Component is being determined by Seller to be BER and Buyer notifies Seller with instructions of Article 2.2.3 (E) (1) (b) or (c) above the costs of and expenses for work already performed shall be reimbursed by Buyer to Seller.

(F) Investigation Report

Seller is prepared, at Buyer's request, to issue Investigation Reports of specific Components sent to Seller for Maintenance or sampling. Seller shall charge Buyer for the cost of and expenses for making such a report taking into account the extent of investigation details required by Buyer.

(G) Order Status Report

Seller shall issue progress reports on a regular basis listing the Components sent for Maintenance including information on the Maintenance status of Components and shipping information of the Components returned to Buyer during the relevant progress report period.

2.2.4 Pricing and Invoice

Components sent to Seller for Maintenance shall be priced in accordance with Seller's sales price for such Maintenance prevailing on the date of Seller's Acknowledgement of Buyer's Order(s), except that the price stated in any Seller quotation for such Maintenance shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.

2.2.5 Acceptance and (Re)-Delivery

(A) Delivery to Seller

Components shall be delivered DAP Seller's designated Facility, with all required documentation for performing the Maintenance and shall be properly packed in accordance with Article 1.5 (B) of the General Terms.

(B) Delivery to Buyer

For delivery of the Components the terms and conditions as set forth in Article 1.5 (A), (B), (C) and (D) shall apply.

(C) Title and Risk

Title to and the risk of loss of or damage to the Component shall at all times during the Maintenance of the Component remain with Buyer.

(D) Shop finding report

After Maintenance of the relevant Components by Seller and on Buyer's request, Seller shall provide Buyer at no additional charge with a shop finding report, which shall be sent by Seller to Buyer simultaneously with the return of the Component.

(E) Acceptance

Within fifteen (15) Days after re-delivery by Seller of the Component ('inspection period'), Buyer shall notify Seller in writing of any alleged nonconformity of the Component with Buyer's Order as acknowledged by Seller, taking into account Seller's Order Status Report, Investigation Report or other formal written information concerning such Order and Order Acknowledgement. Such notice shall state the grounds for Buyer's conclusion of nonconformity.

(F) Upon receipt of such notice, Seller shall promptly notify Buyer whether Seller agrees that such nonconformity exists and any corrective procedure that Seller will apply.

(G) If Seller requests Buyer to return the non-conforming Component to Seller's facility, the terms and conditions as stated in Article 2.2.6.1 (F) - Returned Items - shall be applicable

(H) If Seller is not notified by Buyer of any nonconformity within the inspection period mentioned here above, Buyer shall be deemed to have unconditionally accepted the Component and to have waived all its claims and remedies in respect thereto, except for the applicable warranty provisions.

2.2.6 .1 Warranty for Components reconditioned and certified by Seller

(A) Subject to the limitations and conditions hereinafter set forth Seller warrants that the Components reconditioned and certified by Seller shall be free from defects in material and workmanship, herein after collectively referred to as "defects".

(B) Exceptions

Seller shall, as to each defect, be relieved of all obligations and liabilities under this Article 2.2.6.1 if:

- (i) the Component concerned is used in combination with any part not specifically approved by Seller unless Buyer furnishes reasonable evidence that use of such part was not a direct or indirect cause of the defect.
- (ii) the Component has not been used or maintained in accordance with Seller's and/ or Vendor's instructions unless Buyer furnishes reasonable evidence that such use, maintenance or repair as the case may be, was not a direct or indirect cause of the defect;
- (iii) the Aircraft in which the Component has been installed, shall have been operated under conditions not normal for the applicable type of aircraft unless Buyer furnishes reasonable evidence that such operation was not a direct or indirect cause of the defect;
- (iv) the Component or the Aircraft in which the Component has been installed shall not have been maintained in accordance with Seller and/or Vendor's instructions unless Buyer furnishes reasonable evidence that such Maintenance was not a direct or indirect cause of the defect.
- (v) the Component was not correctly and/or properly installed as documented in Seller's and/or Vendor's official data and documents, notices to the Operator and/or Service Bulletins as approved by the CAA-NL / Vendor's Aviation Authority;
- (vi) the Aircraft in which the Component has been installed, subsequent to an accident shall have been repaired without manufacturer's approval in writing, unless Buyer furnishes reasonable evidence that such repair was not a direct or indirect cause of the defect, provided, however, that this limitation, shall not be applicable to repair of damages due to minor accidents which normally occur in the operation of Aircraft if such repairs are made with suitable materials and workmanship and according to standard practice and engineering and manufacturer's damage repair instructions.
- (vii) it concerns a Component or part thereof, which has not been part of the Services as mentioned in the Order and which has not been repaired or reconditioned by Seller under that Order.

Buyer acknowledges that some of the Components warranted hereunder have a normal life expectancy that is less than the time periods specified under Article 2.2.6.1 (C) hereinafter.

(C) Warranty and Notice Periods

The warranty periods to defects as mentioned here above are twelve (12) months or one thousand (1000) flight hours or 1000 cycles, whichever expires first, after delivery of the Component by Seller to Buyer.

Buyer's remedy and Seller's obligation and liability under this Article 2.2.6.1, with respect to each defect, are conditioned upon the defect having become apparent to Buyer within the applicable Warranty period, and Seller's Warranty administrator at Seller's facility having received prompt written notice of the defect from Buyer but not later than fifteen (15) Days after the defect has become apparent to Buyer.

(D) Return and Notification

Buyer's remedy and Seller's obligation and liability under this Article 2.2.6.1, with respect to each defect, are also conditioned upon:

- (1) the prompt return by Buyer if requested by Seller of the Component claimed to be defective to Seller's Facility.
- (2) the submission by Buyer at Seller's Facility of a warranty claim form relating to such defect that includes at least the following information:
 - (a) identification of the Component involved, including its part number, serial number (if such part has a serial number), nomenclature, delivery date and the quantity claimed to be defective;
 - (b) identification of the Aircraft (serial number) from which the Component was removed;
 - (c) the position of the Component in the Aircraft;
 - (d) date the claimed defect became apparent to Buyer and, (if available), the total number of flight hours or cycles accumulated by the Component as per that date; and
 - (e) elaborate description of the claimed defect and applicable circumstances requiring removal.
- (3) reasonable proof that the claimed defect is subject to the warranty set forth in Article 2.2.6.1 (A), and that such defect did not result from any act or omission of Buyer including those stated in Article 2.2.6.1 (B) and 2.2.6.1 (H); and
- (4) investigation by Seller of each warranty claims.

Seller shall notify Buyer in writing of the disposition of each such claim, including the remedy specified in Article 2.2.6.1 (E) that Seller elects to apply.

(E) Remedies

Buyer's remedy and Seller's obligation and liability under this Article 2.2.6.1, with respect to a defect in material and workmanship, are limited to the following:

(1) Repair by Seller

- (a) of such defect in the Component in which the defect appears, and
- (b) as to any Component repaired by or on behalf of Seller pursuant to Article 2.2.6.1 (E)(1)(a), to the repair of such Component, provided:
 - (i) such further defect becomes apparent to Buyer within any unexpired remainder of the warranty period as specified in Article 2.2.6.1 (C), and
 - (ii) Seller's warranty administrator at Seller's facility receives written notice of such further defect from Buyer within fifteen (15) Days after it first becomes apparent to Buyer.

(2) Repair by Buyer

- (a) of such defect in the Component in which the defect appears, in which case Seller shall without charge promptly cause appropriate kits or repair parts and such instruction and data as may be required in connection therewith, to be delivered DAP Buyer's designated facility, unless otherwise agreed between Buyer and Seller, and Buyer shall repair such Component in accordance with Seller's instructions and to the extent specified by Seller under Seller's direction, and
- (b) Upon receipt of Buyer's claim for reimbursement with respect to any repair, within the scope of this Article 2.2.6.1 (E)(2)(a) Seller shall reimburse Buyer as follows:
 - (i) Direct Labor
At the labor hourly rate specified in Article 2.2.6.1 (E)(2)(b) (iii) below for all direct labor hours reasonably expended by Buyer's direct labor employees such as labor hours in performing repair, modification, correction, disassembly, re-assembly and bench Testing of the Components.
 - (ii) Direct Materials
At the invoice cost thereof to Buyer, excluding any allowances for handling, overhead or the like, for all direct materials incorporated in the repair, modification or correction, excluding any materials used for overhaul, and also excluding such modification kits, parts and materials as may be furnished by Seller at no charge.
 - (iii) Labor Hourly Rate
For the purposes of this Article 2.2.6.1 (E)(2)(a), the labor hourly rate shall be agreed upon between Seller and Buyer and shall be equal to one hundred fifty percent (150%) of Buyer's current average direct labor hourly rate. For this purpose, "average direct labor hourly rate" means the average hourly rate (excluding all fringe benefits, premium time allowances, social charges, business taxes and the like) paid to Buyer's employees whose jobs are directly related to the performance of the repair, modification or correction.

Prior to the first claim for reimbursement Buyer shall notify Seller of Buyer's average direct labour hourly rate.

(F) Returned Items

- (1) All repairs described in Article 2.2.6.1 (E) performed by or on behalf of Seller shall be at Seller's expense and at Seller's Facility or at such other place as may be mutually agreeable and with reasonable care and dispatch.
- (2) Transportation Costs
 - (a) Buyer shall pay the cost of transportation (in accordance with international airline industry practice) of any Component claimed to be defective to Seller's Facility or such other place as may be mutually agreeable;
 - (b) Seller shall reimburse Buyer for all freight charges incurred by Buyer in connection with such return of any Component determined to be defective under the terms of this Article 2.2.6.1;
 - (c) Seller will pay all freight charges (in accordance with international airline industry practice) for the return to Buyer of any Component so repaired.

(3) Title and Risk

- (a) Title to and risk of loss of or damage to any Component returned by Buyer to Seller pursuant to this Article 2.2.6 shall at all times remain with Buyer, except as to loss or damage chargeable to Seller according to applicable law, provided that in no event Seller shall be liable for loss of use or any other indirect or consequential damages.
- (b) Under this Article 2.2.6.1(F), the party that has the risk of loss of or damage to any Component shall have the responsibility of providing adequate loss / damage insurance coverage for said Component according to international airline industry practice.

(G) Seller's non-response

If Buyer is not notified by Seller of the applicability of its warranty claim within ninety (90) Days after confirmed receipt of the notification from Buyer required under Article 2.2.6.1(D) above, the Defect shall be deemed to be covered by Seller's warranty.

(H) Wear and Tear

Normal Wear and Tear and the need for regular Maintenance shall not constitute a defect under this warranty.

(I) Applicability of Seller's Warranty for Components

It is Seller's intention that repair or correction of Components claimed by Buyer to be defective be implemented with the least possible delay and to this end any action taken by Seller, even if taken prior to completion of the review mentioned in Article 2.2.6.1(D), shall in no case prejudice Seller's rights thereafter to dispute the applicability of Seller's warranty to any Component so repaired or corrected and to recover, if applicable, its costs and expenses in connection therewith in the event that Seller's warranty is determined not to apply.

2.2.6.2 OEM, Vendor or third party repair station Warranty

Components reconditioned and/or certified by a particular OEM, Vendor or a third-party repair station are subject to the warranty provisions of the concerned OEM, Vendor or third-party repair station.

2.2.7 Disclaimer and Release / Liability and Indemnity

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 "Disclaimer and Release" and Article 1.9 "Liability and Indemnity" of the General Terms.

2.3 Conditions for non-recurring Aircraft Maintenance

2.3.1 Definitions

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Additional Services	shall mean the performance of work and the supply of Items which are not scheduled in the Scope of Work and result from the inspection performed as part of the Services;
BFE (Buyer Furnished Equipment)	shall mean Items, tooling or other equipment made available to Seller by Buyer and to be used or applied in performing the (Aircraft Maintenance) Services;
Change Order	shall mean a written amendment to (a part of) the Agreement which is dated and signed by both Seller and Buyer and is attached to the Agreement, e.g. Additional Repair Agreement (ARA) or work request;
CRS (Certificate of Release to Service)	shall mean the document released by Seller which certifies that the Aircraft Maintenance Services and, as the case may be, Aircraft Maintenance Additional Services under the Agreement have been performed by Seller in accordance with the procedures of its MOE and that the Aircraft, to the extent it concerns such (Additional) Services, is ready for release to service;
COC (Certificate of Conformity)	shall mean the document released by Seller which certifies that the Aircraft Maintenance Services and, as the case may be, Aircraft Maintenance Additional Services under the Agreement have been performed by Seller, however not on the basis of any relevant aviation authority approval or, as the case may be, not in accordance with approved airworthiness data;
Functional Check Flight	means a flight with the Aircraft that is considered to be airworthy (after CRS is signed) and with the objective to check the functionality of the systems of the Aircraft;
Off-aircraft Maintenance	means the costs relating to the labor and material expended on the Maintenance of Components;

On-aircraft Maintenance	means the costs relating to the Maintenance on all expendable materials and all repairable without a component maintenance manual, except the maintenance on removable structural parts of which removal and installation procedures are described in Buyer's applicable maintenance manual;
MOE (Maintenance Organisation Exposition)	shall mean the current maintenance organization manual of Seller as approved under Joint Aviation Regulation (JAR) 145;
Services	shall mean the performance of work and the supply of Items as scheduled in the Scope of Work attached to the Agreement, as it may be amended in accordance with the Agreement;
Test flight	means a flight with the Aircraft that is considered to be not-airworthy and with the objective to support the certification of the newly installed modification in the Aircraft.

2.3.2 Subject Matter

- (A) Seller shall for and on order of Buyer perform Maintenance services at Seller's Facility for the Aircraft subject to the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Conditions for Aircraft Maintenance Services and the General Terms set forth in part one (1) of the GTC.
- (B) Commencement of the performance of the Services is subject to (i) timely delivery of the Aircraft and, as the case may be, any BFE and/or accessory documentation and (ii) Buyer's fulfilment of its obligations as set forth in (if applicable) Articles 1.10, 2.3.2 (D), 2.3.6 (D), 2.3.7 (A) and 2.3.12 (A) and will be on a date to be mutually agreed upon. If any of the above conditions precedent has not been complied with on the agreed date, then the commencement of the performance of the Services shall be deferred until a later date to be mutually agreed upon.
- (C) In the event of delivery of the Aircraft and/or BFE and/or accessory documentation after the date as mutually agreed upon, Buyer shall make a late delivery payment to Seller of EUR 2,500 (two thousand five hundred Euro) per day subject to a cap of 5% (five percent) of the contract price for the Services as compensation to Seller for the general administrative, overhead and other similar losses, costs and expenses suffered by Seller arising out of or related to such delayed delivery of the Aircraft and/or BFE and/or accessory documentation.

- (D) Any BFE supplied by Buyer shall be specified separately in the Scope of Work or Change Order. If applicable, Seller shall ascertain that, at the time of delivery to Seller, the BFE meets the approved airworthiness data or other relevant standards to ensure that the BFE is in a satisfactory condition for installation in the Aircraft.
The BFE and the accessory documentation, being EASA Form One or a certificate approved by the local airworthiness authorities shall be delivered at Seller's Facility at Buyer's risk and expense on a date and hour to be mutually agreed upon. If Buyer fails to timely supply the agreed BFE and/or accessory documentation and such could result in a delay in the performance of the Services, then Seller may apply similar Items from its own stock against the then current selling prices.
- (E) If the Aircraft type subject to this Agreement is a Fokker aircraft, Buyer shall be responsible to inform Seller prior to arrival of the Aircraft at Seller's Facility, whether Strontium Chromate (in tablet form) is used in the Aircraft. In the event this will be the case Seller will need to follow specific safety precautions.
- (F) The period of performance per Aircraft shall be specified in the Agreement. Ultimately on the final day of the period of performance, the Services will have been completed and the Aircraft shall be made available to Buyer in accordance with Article 2.3.7 (B), provided that the date on which the Services or the Additional Services (if any) have to be completed has not been deferred to a later date pursuant to the Agreement.

2.3.3 Services

- (A) Included in the Services are:
- (1) All scheduled tasks stipulated in the Maintenance Program of Buyer mentioned in the Scope of Work, including On-aircraft Maintenance as a result of such scheduled tasks up to the ARA limit;
 - (2) The installation in the Aircraft of any BFE mentioned in the Scope of Work;
 - (3) All Services otherwise agreed upon as specified in the Scope of Work.

All the aforementioned Services shall be performed by Seller and charged to Buyer in accordance with the provisions related thereto as specified in part 1 of the Scope of Work attached to the Agreement;

- (B) The Services shall be performed in accordance with the procedures of the MOE of Seller. In the event that the national airworthiness authority having competence over the Aircraft is not part of the Joint Aviation Authorities (JAA) or has not (fully) implemented the relevant Joint Aviation Regulation(s), then it is Buyer's responsibility to ensure, at its own expense, that adequate arrangements (if required) shall be in place between such national airworthiness authority and the CAA-NL prior to the commencement of the performance of the Services.

2.3.4 Change Order

- (A) Any changes to the Agreement, including but not limited to any changes to the Scope of Work, shall be laid down in a Change Order, which shall only be binding when signed by the duly authorized representatives of both Seller and Buyer.
Change Orders shall specify in detail the consequences thereof to the contract price and method of payment, the re-delivery date of the relevant Aircraft, the effect on the warranty and the time the change becomes effective. Change Orders shall be numbered subsequently and shall be attached to the Agreement.
- (B) The estimated prices applicable for changes to the Scope of Work and/or Additional Services are without engagement and shall be specified in the Change Order.

2.3.5 Additional Services

- (A) Not included in the Services are:
- (1) On-aircraft Maintenance as a result of scheduled tasks exceeding the ARA limit as specified in part 1 of the Scope of Work;
 - (2) All On-aircraft Maintenance as a result of non-scheduled tasks;
 - (3) All off-aircraft rectifications, unless otherwise specified in the Scope of Work;
 - (4) The installation in the Aircraft of any BFE not specified in the Scope of Work;
 - (5) Short term and flyaway storage of the Aircraft at Seller's Facility;
 - (6) All additional work otherwise agreed upon in writing with Buyer.

All the aforementioned Services shall be considered by Seller as Additional Services and such Additional Services shall be performed by Seller in accordance with Article 2.3.5 (B) and charged to Buyer in accordance with the provisions related thereto as specified in part 2 of the Scope of Work attached to the Agreement;

- (B) The performance of Additional Services shall be conditional upon a duly executed Change Order.

2.3.6 Pricing and Specific Invoicing terms

- (A) The contract price for the Services to be performed under this Chapter 2.3 shall be specified in the pro forma invoice that shall be prepared on the basis of the initial Scope of Work. The final contract price shall be adjusted in accordance with the Additional Services performed by Seller under the Agreement, as well as other actual cost, expenses or charges due by Buyer to Seller pursuant to the relevant provisions of the Agreement.
- (B) Prior to commencement of the performance of the Services, Buyer shall pay to Seller fifty (50) per cent of the contract price as specified in the pro forma invoice. Alternatively, Buyer may open a confirmed irrevocable letter of credit which letter of credit must be payable and confirmed by a leading bank within the Dutch monetary system for the entire contract price. All bank charges and fees which arise out of or are in any way related to any payment made by Buyer under this Agreement, including but not limited on account of establishing a confirmed irrevocable letter of credit, shall be borne by Buyer.

- (C) In the event Buyer shall not opt for the above letter of credit, the remaining fifty (50) per cent of the contract price shall be paid before re-delivery of the Aircraft in accordance with Article 2.3.7.
- (D) In the event that the total contract price under this Agreement turns out to be higher than the contract price mentioned in the pro forma invoice, by reason of Additional Services performed by Seller in accordance with this Agreement and / or other actual cost, expenses or charges, these Additional Services and / or other actual cost, expenses or charges shall be specified in a separate Seller pro-forma invoice to be issued before redelivery of the Aircraft.
- (E) Before re-delivery of the Aircraft, Seller shall send to Buyer a separate pro-forma invoice reflecting the remaining 50% of the contract price as specified in Article 2.3.6 (D) and the amount for Additional Services and / or other actual cost, expenses or charges.
- (F) Buyer shall pay to Seller the amount as specified on this separate pro-forma invoice in full ultimately the day before re-delivery of the Aircraft. Simultaneously Buyer shall provide proof of payment thereof to Seller.
- (G) After re-delivery of the Aircraft, Seller shall send a final invoice to Buyer. The total amount on this final invoice includes the Contract Price and all amounts for Additional Services, costs, expenses and / or charges and will reflect the part that has already been paid by Buyer. Buyer shall arrange for the total amount to be paid within thirty (30) calendar days upon the date of said invoice. In case of a credit invoice, all payments to be credited to Buyer's account will be first set off against undisputed overdue invoices.
- (H) In the event that the costs of the Services performed under the Agreement are to be compensated under Buyer's insurance policy, then Buyer shall instruct its insurers/reinsurers to make all payments with respect to and in compliance with Article 2.3.6 of these Conditions and Article 1.4 of the General Terms directly to Seller. Buyer hereby assigns and transfers to Seller any claim it may have on its insurers in this respect. The above shall not release Buyer in any way of its principal obligation to meet the conditions stipulated in Article 2.3.6 of these Conditions and Article 1.4 of the General Terms.

Acceptance; Re-Delivery

- (I) Unless specifically agreed otherwise, Buyer shall have its own representative at Seller's facilities during Seller's performance under the Agreement. Buyer shall provide Seller at least twenty-four (24) hours prior to the commencement of the performance of the Services the name and function of its representative. Seller shall make office space and the necessary communication facilities available. Costs related to travelling, board and lodging, and local transportation of such representation are for the account of Buyer. Buyer's representative shall be entitled to inspect the performance of the (Additional) Services, provided that such inspection shall not interfere with the scheduled progress of Seller's activities.

Buyer's representative shall furthermore be regarded as duly authorized for both technical and financial amendments to the Agreement in accordance with Article 2.3.4 (A). Buyer's

authorized representative shall within twelve (12) hours after receipt of any Change Order give notice of his refusal or acceptance of the performance by Seller of the proposed Additional Services. In the event that Buyer's authorised representative fails to give notice to Seller of his refusal or acceptance within the aforesaid term, the performance of Additional Services mentioned in the Change Order are deemed accepted by Buyer.

- (J) Upon completion of the Services and Additional Services (if any), Seller shall prepare a CRS or, as the case may be, a COC. Seller will notify Buyer through its authorized representative that the (Additional) Services have been completed. The authorized representative of Buyer may hold a final inspection of the (Additional) Services and may carry out, if applicable, Functional Check Flights. Such final inspection and, if applicable, Functional Check Flights must be performed within twenty four (24) hours after the receipt of the above notification, whereupon the representative shall sign a Certificate of Acceptance to reflect that Buyer accepts that the (Additional) Services have been completed in accordance with the Agreement.
- (K) In the event that during the final inspection the Aircraft or any part thereof, on which Services or Additional Services have been performed by Seller, will fail to function properly, Seller shall correct such failure promptly, whereupon Buyer's representative shall sign the Certificate of Acceptance.
- (L) The Aircraft shall be deemed to have been re-delivered by Seller to Buyer upon execution by Buyer of the Certificate of Acceptance. In the event that Buyer fails to execute the Certificate of Acceptance within the above mentioned period of twenty four (24) hours without any valid reasons, the Aircraft shall be deemed to have been re-delivered by Seller to Buyer upon expiration of that period. Upon re-delivery of the Aircraft, Seller shall make available to Buyer the CRS or, as the case may be, COC. As of re-delivery of the aircraft hereunder, any and all risk of loss of or damage to the Aircraft shall be the sole responsibility of Buyer unless caused by gross negligence or willful misconduct by Seller.

2.3.7 Warranty

- (A) For any Fokker Part supplied by Seller and installed in or on the Aircraft when performing the Services or, as the case may be, Additional Services, Seller hereby warrants that such parts are free from defects in material and workmanship. In case of any such defects being discovered within six (6) months following installation in or on the Aircraft and the defect being satisfactorily proven by Buyer to be exclusively and directly due to any of the above specified defects, Seller shall, subject to the limitations and conditions hereinafter specified, repair the defective Fokker Part or, at its option, supply a new Fokker Part, in either case free of charge.
- (B) Seller gives no warranty with regard to any Vendor Parts. Seller shall make every reasonable effort to obtain for Buyer warranties from the manufacturers or suppliers of such Vendor Parts or, if possible, assign the warranty for the relevant part obtained by Seller from the relevant Vendor to Buyer. Seller does not give any warranty with regard to any BFE supplied by or on behalf of Buyer and Seller shall not be liable for any defect therein or the consequences thereof.

- (C) In case of any defect in the work that has to be performed on the Aircraft under the Agreement being discovered within six (6) months after re-delivery of the relevant Aircraft and such defect being satisfactorily proven by Buyer to be exclusively and directly due to defective material used or supplied by Seller (not being a Fokker Part, Vendor Part or BFE) or to bad workmanship on the part of Seller in performing such work, Seller shall, subject to the limitations and conditions hereinafter specified, repair the defective work free of charge.
- (D) Buyer's exclusive remedy and Seller's sole obligation and liability under this Article 2.3.8, with respect to any defect, are conditioned upon (i) the defect having become apparent to Buyer within the applicable warranty period, and (ii) Seller having received written notice of the defect from Buyer promptly but not later than fourteen (14) calendar days after the defect becomes apparent to Buyer. The written notice shall contain detailed particulars about the nature and ground of the claim.
If so required by Seller, Buyer shall forthwith submit to Seller the Items alleged to be defective. All costs involved in submitting Items to Seller and back to Buyer shall be borne either by Seller if Seller is liable in terms of this Article 2.3.8 or by Buyer if the contrary applies.
- (E) If any Item has been replaced by Seller pursuant to Article 2.3.8 (A), the original shall become the property of Seller unless Seller declares in writing to decline such title. If Buyer is not the original owner of the replaced Item, then Buyer shall procure that Seller acquires title thereto from the original owner.
- (F) This warranty shall not cover any defects in Items which are due to Normal Wear and Tear, improper use, faulty maintenance (other than hereunder), or due to failure to comply with Seller's or manufacturer's written instructions, or due to any use or operation in deviation or contravention of the normal and/or intended use thereof or in deviation or contravention of licenses or regulations in force in the country in which the Aircraft or the relevant Items are being operated or used. This warranty shall furthermore not extend to Items delivered by Seller and afterwards modified or involved in modification for which no previous written consent has been obtained from Seller.

2.3.10 Functional Check Flights

- (A) If so specified in Buyer's operating manuals procedure and/or the Scope of Work, Seller may be requested to carry out Functional Check Flights with the Aircraft in accordance with the relevant procedures as described in such manual prior to re-delivery of the Aircraft to Buyer.
- (B) If the performance of Functional Check Flights has not been specified in Buyer's operating manuals procedure, Seller may suggest Buyer to carry out Functional Check Flights in the event such is recommended by Seller on the basis of sound aircraft maintenance practices.

- (C) In the event Functional Check Flights are carried out from a base within The Netherlands, Seller shall arrange the flight crew and apply for the relevant permits or exemptions with the Netherlands authorities. Seller shall also be responsible for obtaining take-off and landing slots, arranging airspace area and submission of flight-plans. Buyer shall demonstrate adequate insurance coverage complying with the requirements of Article 1.10 of the General Terms in respect to such Functional Check Flights with Seller as additional insured. Buyer shall be responsible for obtaining the required validations (by the authorities of country of registration of the Aircraft) of aircrew licenses. Functional Check Flights shall be performed by appropriate qualified pilots contracted by Seller. Any and all costs and expenses regarding the Functional Check Flight shall be for the account of Buyer.
- (D) Without prejudice to the above, if Buyer wants to have the Functional Check Flight performed from a base within The Netherlands by its own qualified personnel, then Buyer shall be responsible for obtaining the required validations of air crew licenses, take-off and landing slots, over-flight permits and insurance. Any and all liabilities, costs and expenses in respect of such Functional Check Flight shall be for the account of Buyer. Prior to the Functional Check Flight being performed, Buyer shall demonstrate adequate insurance coverage complying with the requirements of Article 1.10 of the General Terms in respect of such Functional Check Flight with Seller as an additional insured party. Seller's engineers may, to the extent required, participate in the Functional Check Flight to verify system operation and installation.

In the event Functional Check Flights are carried out by Seller from its facilities within The Netherlands, Seller shall be responsible for obtaining the required take-off and landing slots and over-flight permits. In such case, Buyer shall be responsible for obtaining the required validations of aircrew licenses, if required by the authorities of country of registration of the Aircraft.

- (E) In the event that Functional Check Flights are carried out from a base outside The Netherlands, Buyer shall be responsible for the performance of such flight as well as for the availability of all permits and licenses required from the competent local authorities and adequate insurance coverage as defined in Article 1.10 of the General Terms. Any and all costs and expenses regarding the Functional Check Flight shall be for Buyer's account. Seller's engineers may, to the extent required, participate in the Functional Check Flight to verify system operation and installation.
- (F) Rectification of snags detected during the performance of the Functional Check Flight that are not related to the performance of the Services, and extra Functional Check Flights as a result of these snags, will be considered as Additional Services.
- (F) In the event that Functional Check Flights are carried out by Buyer from Seller's facility, Flight Operations of Seller shall be solely authorized to schedule the flight plan, the arrival and departure of the Aircraft.
- (G) In the event that the Aircraft has been modified in addition to the Services performed, a Test Flight may be necessary. The conditions of such Test Flight will be as specified in the Scope of Work.

2.3.11 Damages for Delay

- (A) In the event Seller fails to perform the Services or, as the case may be, Additional Services by the date specified in the Agreement due to circumstances provided under Article 1.7, then the performance of the Services or, as the case may be, Additional Services shall be suspended until such circumstances have been removed, whereas the period of performance agreed upon pursuant to Article 2.3.2 (F) hereof shall be extended for a corresponding period. If, however, these circumstances persist for a period exceeding thirty (30) Days, parties shall consult on the appropriate steps with respect to the further execution of the Agreement.
- (B) In the event Seller fails to perform the Services or, as the case may be, Additional Services by the date specified in the Agreement other than in circumstances provided under Article 1.7 and other than through a delay caused by circumstances on the side of Buyer, Buyer shall have the right to require Seller to deduct from the contract Price an amount of EUR 2.500,- (two thousand and five hundred Euro) per day subject to a cap of five percent (5%) of the contract price, as compensation to Buyer for the general administrative, overhead and other similar losses, costs and expenses suffered by Buyer arising out of or related to such delayed re-delivery of the Aircraft and/or BFE and/or accessory documentation
This remedy shall be the exclusive remedy available to Buyer hereunder, be it that this provision does not affect Buyer's right to terminate this Agreement in the event of unacceptable delay.

2.3.12 Documents

- (A) Buyer shall provide Seller at least four (4) weeks prior to the agreed commencement of the performance of the Service the required or desirable airworthiness data such as but not limited to the documentation referred to in Article 2.3.12(A)(i) through Article 2.3.12(A)(vi) and on the date of arrival of the Aircraft the required or desirable airworthiness data such as but not limited to the documentation referred to in Article 2.3.12(A)(vii) through 2.3.12(A)(xii):
- i the approved Aircraft Maintenance Program under which the Services have to be performed;
 - ii Airworthiness Directives (AD);
 - iii Major repairs/modification data;
 - iv Aircraft Maintenance manual;
 - v Illustrated Parts Catalogue;
 - vi Wiring Diagram Manual;
 - vii Log Books of engines and airframe;
 - viii Log Books of propellers and APU (if applicable);
 - ix Trouble shooting manual;
 - x Minimum Equipment List;
 - xi Operations Manual; and
 - xii Flight Manual.

Buyer warrants that the above documents (if applicable) reflect the current configuration and condition of the Aircraft. In any event, Buyer shall specify to FS, in writing, the revision status of the documentation to be used in carrying out the Services. In the event that on-line versions of some documentation are to be used (e.g. the AMM, IPC and WDM via Gateway), then Buyer shall explicitly state this in the abovementioned statement. This statement shall accompany the documentation specified above.

- (B) Exchange of configuration information
Seller and Buyer will agree upon an Interface Procedures Manual ("IPM") before the start of the Services by Seller. This IPM will detail the exchange of configuration information between Seller and Buyer.
- (C) Upon re-delivery of the Aircraft to Buyer, Seller shall provide to Buyer the following documentation:
- i a CRS or, as the case may be, a COC;
 - ii Flight test report (if flight tests have been performed by Seller under the Agreement);
 - iii List of performed modifications (if applicable);
 - iv List of repairs (if applicable);
 - v List of incorporated AD (if applicable);
 - and vi Maintenance visit report (if applicable).

2.4 Standard Conditions for Technical Support Services

2.4.1 Definitions

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Technical Support Services shall mean Seller's maintenance, engineering and operational advice and assistance, including, but not limited to, distribution of service bulletins (in case Buyer does not have a Continued Airworthiness Service Agreement "CASA"), damage assessment, repair scheme, designs and authorizations.

2.4.2 Subject Matter

Seller shall sell and deliver to Buyer and Buyer shall purchase and accept delivery of Technical Support Services (hereinafter referred to as the "Services") on the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Standard Conditions for the supply of Technical Support Services and the General Terms set forth in part one (1) of the GTSC.

2.4.3 Procurement and Order Processing

(A) Order

Each Order shall include a detailed specification of the required Services, the applicable performance schedule, co-ordination, VAT-number, place of performance and/or delivery, the applicable quality-standards, an order number and, if applicable, the required

qualifications and/or required licenses in respect of Seller's representatives.

(B) Order Acknowledgement

Seller's Order Acknowledgement shall include Buyer's order number, specific contract number, and description of the Services ordered (as quoted by Seller) and of the scheduled performance and/or delivery date(s).

2.4.4 Pricing and Invoice

(A) The Services shall be priced in accordance with Seller's sales price for such Services prevailing on the date of Seller's Acknowledgement of Buyer's Order(s), except that the price stated in any Seller quotation for such Services shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.

(B) If the Services or part thereof are to be performed at a facility designated by Buyer, Buyer shall provide to Seller, free of charge, all necessary assistance required by Seller, such as but not limited to the provision of:

1. an adequate hangar facility, work platforms, shelter, jacks, tools and equipment;
2. (daily) transportation of Seller's personnel and/or material to the facility where the Services are to be performed;
3. office space, international telephone and telex/fax/e-mail communications;
4. clearance from customs for required material within a period of three (3) Days following arrival at the location where the Services are to be performed;
5. adequate storage for tooling, equipment, materials and components; and
6. the exportation of Seller's tooling and equipment from the country of performance of the Services back to Seller's designated facility in The Netherlands.

Buyer shall further obtain for Seller, or assist Seller in, obtaining licenses, visas, work permits and entry permits to areas where the Services are to be performed and Buyer shall pay all costs in connection therewith.

(C) Buyer shall compensate Seller for any costs and expenses resulting from:

1. customs clearance exceeding three (3) Days as stipulated in Article 2.4.3 sub(B);
2. air transportation and hotel accommodation, in accordance with Seller's company regulations for staff travels;
3. non-accessibility of the working area; or
4. any interference in or obstruction of the performance of the Services caused by non-compliance with Article 2.4.3 sub (B)

regardless whether such arises out of events beyond Buyer's control as mentioned in Article 1.7 of the General Terms. The period of performance as stipulated in the Agreement shall be extended by the period of delay caused by or resulting from the above events, unless such delay is unacceptable to Seller in which case the commencement of the performance of the Services shall be deferred to a later date to be mutually agreed upon.

- (D) Buyer agrees that in case Seller's (or its subcontractors) personnel is at Buyer's facility to perform certain services, Seller's (or its subcontractors) personnel shall not be obliged under the Agreement to work in excess of five (5) calendar days per calendar week or in excess of eight (8) hours in any 24-hoursperiod.

Seller shall charge work performed by any member of the personnel of Seller (or its subcontractor's) as overtime when such work either exceeds the eight (8) hours per man / calendar day or such work will be performed on Saturdays, Sundays or public holidays in Buyer's country, or when such work will be performed during night-shifts (work performed between 10 PM on the one day and 6 AM on the following day), unless Seller and Buyer ave agreed otherwise inwriting.

2.4.5 Acceptance; (Re)-Delivery

- (A) Seller shall complete the performance of the Services as well as the delivery of the results in conformity with the performance schedule as set forth in Seller's quotation or, if no quotation has been issued, Seller's Order Acknowledgement.

- (B) If the Services or part thereof have to be performed at a facility designated by Buyer Seller shall sign the Certificate of Compliance under the condition that Buyer fully complies with the following:

- Buyer shall make available a sufficient amount of skilled manpower, adequately trained and certified to work on the Aircraft for the full duration of the Services, fully in accordance with international standards as set forth by Aviation Authority;
- Buyer shall assure under all circumstances that Seller's supervisors and specialists do have access to the Services under performance and that they are allowed to conduct their task without any obstruction;
- Buyer shall ascertain sufficient knowledge of the English language within their workforce dedicated to perform the Services as mentioned under the Agreement.

At all times, Seller reserves the right to:

- I/ request for immediate replacement of any member of Buyer's workforce performing Services under the Agreement, in a situation of non-compliance with the above;
- II/ refuse to sign for any work not performed by or under the supervision of Seller.

2.4.6 Warranty

Seller represents and warrants that the employees used in the performance of the Services shall have the qualifications, skills and experience necessary to perform the Services taking into account the required qualifications, skills and experience by Buyer set forth in the Order as acknowledged by Seller. The services to be performed by Seller, however, shall at no time be construed to provide any warranty or guarantee as to the results of the Technical Support Services.

2.4.7 Disclaimer and Release / Indemnity

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 "Disclaimer and Release" and in Article 1.9 "Liability and Indemnity" of the General Terms.

2.4.8 Miscellaneous

Seller shall charge Buyer and Buyer shall pay to Seller a fee for AOG call-out. „AOG“ in this case refers to a situation where a result is required within 4 hours. Reference is made to Service Letter(s): F27 – 440, F28 - NTO 263, F50 -194, F100-260, and / or any revision thereof.

The AOG call-out fee will be charged as follows:

- For CASA members: AOG fee + CASA/CSP hour(s);
- For non-CASA members: AOG-plus fee + non-CASA hour(s) (with a minimum of 2 hours).

This AOG call-out fee is only applicable to the Services as mentioned in this Chapter 2.3 and not applicable to AOG spare parts orders, as part of Chapter 2.1 of this Agreement.

2.5 Standard Conditions for Documentation

2.5.1 Subject Matter

- (A) Seller shall sell and deliver to Buyer and Buyer shall purchase and accept delivery from Seller of Documentation on the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Standard Conditions for Documentation and the General Terms set forth in part one (1) of the GTSC.
- (B) Documentation furnished to Buyer is solely for the purpose of operation, maintenance, repair, modification and overhaul of the Aircraft or Item, including applicable (special) tools and ground support equipment, and reflects, where it concerns the Propjet and Jetline Aircraft manufactured by Fokker, the Aircraft specification as laid down in Seller's database(s).

2.5.2 Procurement and Order Processing

(A) Order

Each Order shall include an order number, specific contract number, Aircraft type, serial and registration number, VAT-number, the Documentation and quantities ordered, Seller's quotation number and the requested media and delivery date as well as detailed forwarding instructions.

(B) Order Acknowledgement

Seller's Order Acknowledgement shall include Buyer's order number, specific contract number reference, Documentation and quantity ordered, applicable price, and the scheduled delivery date(s).

2.5.3 Pricing and Invoice

Documentation shall be priced in accordance with Seller's sales price for such Documentation prevailing on the date of Seller's Acknowledgement of Buyer's Order, except that the price stated in any Seller quotation for such Documentation shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.

2.5.4 Acceptance and Delivery

- (A) Documentation shall be delivered in accordance with Article 1.5 of the General Terms.
- (B) Within thirty (30) Days after delivery by Seller of any ordered Documentation ('inspection period'), Buyer shall notify Seller in writing of any alleged nonconformity of the Documentation with Buyer's Order, or if no quotation has been issued Seller's Order Acknowledgement, taking into account all formal written information concerning such Order or, if no quotation has been issued, Order Acknowledgement. Such notice shall state the grounds for Buyer's conclusion of nonconformity.
- (C) Upon receipt of such notice, Seller shall promptly notify Buyer whether Seller agrees that such nonconformity exists. If Seller agrees that such nonconformity exists, Buyer's remedy and Seller's obligation shall be limited to the rectification of such nonconformity in the Documentation.
- (D) If Seller requests Buyer to return the non-conforming Documentation to Seller's facility, the terms and conditions as stated in Article 2.1.6.1 (F) - Returned Items - shall be applicable.
- (E) If Seller is not notified by Buyer of any nonconformity within the inspection period mentioned here above, Buyer shall be deemed to have unconditionally accepted the Documentation and to have waived all its claims and remedies in respect thereto.

2.5.5 Warranty

The Documentation to be provided by Seller to Buyer shall at no time be construed to provide any warranty with respect to the accuracy or completeness of the Documentation, the use thereof and the interpretation or translation of the Documentation, unless agreed upon otherwise by Seller and Buyer in writing.

2.5.6 Disclaimer and Release / Indemnity

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 "Disclaimer and Release" and in Article 1.9 "Indemnity" of the General Terms.

2.5.7 Disclosure

- (A) Buyer shall have the right to furnish or disclose to any person or company with which Buyer conducts an equipment interchange operation involving the Aircraft, or to any person or company engaged in the Maintenance, Overhaul, servicing, conversion, Modification, Testing, Repair or operation of the Aircraft or any part thereof, any Documentation purchased from Seller to the extent that the same is required for use in connection with, and solely for use in performing any Maintenance, Overhaul, servicing, conversion, Modification, Testing, Repair or operation of the Aircraft or any part thereof, provided that such person or company enters into a written agreement with Buyer conferring on such person or company the following nondisclosure provision: " Documentation or any other information pertaining to the Aircraft are confidential and shall not be disclosed to any other party, except as required by mandatory rules or law".

- (B) Buyer understands and agrees that it is not allowed to provide any person or company with which Buyer conducts an equipment interchange operation its access code and related information to “myfokkerfleet.com”. In case Buyer feels that this is necessary it shall discuss with Seller if Seller is willing to approve access by a third party, and if so, under which condition(s).
- (C) Upon resale or lease of any Aircraft by Buyer, the purchaser or lessee of such Aircraft may receive from Buyer and may use any Documentation, subject to the limitations as mentioned in the Agreement and to a nondisclosure agreement between Buyer and purchaser or lessee of such Aircraft, including the exception thereto of Article 2.5.7 (A) and (B) and provided that Seller shall have given its express consent to such disclosure in writing.
- (D) Buyer does not have the right to copy, reproduce or duplicate Documentation or have it copied, reproduced or duplicated unless for Buyer’s own use or unless specifically authorized by Seller in writing.

2.6 Standard conditions for Training

2.6.1 Definitions

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Training shall mean the training services to be provided by Seller to Buyer;

2.6.2 Subject Matter

Seller shall sell and deliver to Buyer and Buyer shall purchase and accept delivery from Seller of training pertaining to the Aircraft for Buyer’s maintenance personnel on the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Standard Conditions for Training and the General Terms set forth in part one (1) of the GTSC.

2.6.3 Procurement and Order Processing

(A) Order

Each Order shall include an order number, VAT-number, specific contract number, Seller’s quotation number, a detailed specification of the requested Training, the applicable performance schedule, co-ordination and place of performance.

(B) Order Acknowledgement

Seller’s Order Acknowledgement shall include Buyer’s order number, Seller’s quotation number, specific contract number, the Training ordered (as quoted by Seller) and an estimation of the scheduled performance date.

2.6.4 Pricing and Invoice

- (A) Training shall be priced in accordance with Seller's sales price for such Training prevailing on the date of Seller's Acknowledgement of Buyer's Order(s), except that the price stated in any Seller quotation for such Training shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.
- (B) All costs and expenses incurred by Buyer's personnel receiving Training, such as trainee's personal liabilities, board and lodging, transportation and daily subsistence shall be borne by Buyer.
- (C) If Buyer has agreed on and made reservations for Training which is not or not fully attended by Buyer's personnel, Seller shall be entitled to charge Buyer for the full amount applicable as if the Training had been fully attended by Buyer, unless Buyer and Seller have otherwise agreed upon inwriting.
- (D) If the Training or part thereof is to be performed at a facility designated by Buyer, Buyer shall provide to Seller, free of charge, all necessary assistance required by Seller, such as but not limited to the provision of:
 - (1) suitable Training facilities and Training aids as indicated by Seller;
 - (2) (daily) transportation of Seller's instructors and/or Training manuals and/or materials to and from the facility where the Training is to be performed;
 - (3) clearance from customs for required Training manuals and/or materials within a period of three (3) Days;
 - (4) adequate storage for Training manuals and/or materials.

Buyer shall further obtain for Seller, or assist Seller in, obtaining licenses, visas, work permits and entry permits to areas where the Training is to be performed and Buyer shall pay all costs in connection therewith.

- (E) Buyer shall compensate Seller for any costs and expenses resulting from:
 - 1. customs clearance exceeding three (3) Days as stipulated in Article 2.6.4 (D);
 - 2. air transportation and hotel accommodation, in accordance with Seller's company regulations for staff travels;
 - 3. any interference in or obstruction of the performance of the Services caused by non-compliance with Article 2.6.4 (D),regardless whether the foregoing arises out of events beyond Buyer's control as mentioned in Article 1.7 of the General Terms. The period of performance as stipulated in the Agreement shall be extended by the period of delay caused by or resulting from the above events, unless such delay is unacceptable to Seller in which case the commencement of the performance of the Services shall be deferred to a later date to be mutually agreed upon.
- (D) All costs and expenses connected with the use of Buyer's Aircraft for Training purposes shall be borne and paid by Buyer.

2.6.5 Delivery

If the Training or part thereof is to be performed at a facility designated by Buyer the costs and expenses of (air) transportation for required Training manuals and/or materials shall be borne by Buyer.

2.6.6 Warranty

Seller represents and warrants that the employees used in the performance of the Training shall have the qualifications, skills and experience necessary to perform the Training taking into account the required qualifications, skills and experience by Buyer set forth in the Order as acknowledged by Seller. The Services to be performed by Seller, however, shall at no time be construed to provide any warranty or guarantee as to the results of the Training.

2.6.7 Disclaimer and Release; Indemnity and Non-Disclosure

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 "Disclaimer and Release"; Article 1.9 "Liability and Indemnity" and in Article 1.11 "Non-Disclosure" of the General Terms.

2.6.8 Miscellaneous

- (A) Training and Training manuals and/or materials are subject to Seller's Intellectual Property Rights and shall be prepared and presented in the English language.
- (B) If translation of Training manuals and/or materials is required for any of Buyer's personnel, Buyer shall be responsible for providing at its own expense the necessary interpreters, as well as for the correct translation. Financial consequences of any extension of the duration of the Training or any rescheduling of the Training dates due to translation or the use of an interpreter shall be for Buyer's account.
- (C) Training shall be conducted during Seller's normal working hours and days.
- (D) Seller shall provide Training manuals and/or materials to Buyer's personnel attending Training. Revision service is not furnished for Training manuals and/or materials and Buyer explicitly acknowledges that these Training manuals and/or materials shall not be used for Aircraft Maintenance or operation.
- (E) Buyer's personnel scheduled to receive type conversion Maintenance training shall have had previous maintenance experience on multi-engine jet or turboprop transport aircraft, whichever type is applicable, and shall have the knowledge and experience level according to Approved standards.

2.7 Item Loan Services**2.7.1 Definitions**

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Loan Item shall mean a serviceable Part that is to be sent by Seller to Buyer on a loan basis.

2.7.2 Subject Matter

- (A) Seller shall make available for use to Buyer Loan Items on the terms and conditions set forth in the Agreement, taking into account the additional provisions related thereto in these Standard Conditions for Item Loan Services and the General Terms set forth in part one (1) of the GTSC.
- (B) The Items shall be available on a non-exclusive basis and shall be in a new or in a used-serviceable condition.

2.7.3 Procurement and Order Processing

(A) Order

Each Order shall include a VAT-number, an order number, or specific contract number, and for each Item part number, nomenclature, quantity, the requested loan period and delivery instructions.

(B) Order Acknowledgement

Seller's Order Acknowledgement shall, if no quotation by Seller has been issued, include Buyer's order number, specific contract number, and for each Item, part number, nomenclature, serial number, quantity, applicable loan fee and period and, if applicable, the scheduled availability date.

2.7.4 Loan Fee and Invoice

- (A) The loan fee for the agreed upon loan period shall be the loan fee prevailing on the date of Seller's Acknowledgement of Buyer's Order, except that the loan as stated in any Seller quotation for such Items shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.
- (B) The loan period shall commence at the date upon which the Item has been delivered to Buyer and shall terminate on the date upon which the Item has been redelivered by Buyer to Seller, unless otherwise agreed between Buyer and Seller, DAP Seller's Facility.
- (C) Any additional costs incurred by Seller as a result of the loan of the Item to Buyer are for Buyer's account, such as: costs resulting from inspection and/or Testing upon the redelivery of the Item; Maintenance resulting from inspection or Testing upon the redelivery of the Item; any Taxes, (other than taxes upon income of Seller), VAT, duties, liens, or charges imposed upon Seller or its property as a result of the loan of such Item. Such additional costs incurred by Seller shall be invoiced immediately by Seller to Buyer and shall become due ten (10) Days after Seller's invoice date.
- (D) If the Item returned to Seller is Beyond Economical Repair in accordance with Article 2.2.3 (E), Seller shall charge Buyer either one hundred percent (100%) of Seller's current list price for such Item if the Item delivered by Seller to Buyer was a new Item or eighty percent (80%) of Seller's current list price for such Item if the Item delivered by Seller to Buyer was in a used-serviceable condition.

2.7.5 Delivery; Acceptance and Redelivery

(A) Delivery to Buyer

For delivery of Items by Seller to Buyer the terms and conditions as set forth in Article 1.5 (A) through (D) of the General Terms shall apply.

(B) Redelivery to Seller

Upon expiration / termination of the Loan period the Item shall, unless otherwise agreed between Buyer and Seller, to be redelivered by Buyer to Seller DAP Seller's Facility free and clear of all liens and encumbrances, other than any lien, mortgage, charge or other security interest created by Seller and in the same or better standard with respect to part number and modification standard as when delivered by Seller to Buyer except for reasonable wear and tear as a result of proper use.

All flight hours or cycles accumulated (if any) by Buyer on the Item during the Loan period shall be properly recorded by Buyer. The records, including those required to fulfil CAA- NL,

FAA and Buyer's competent Aviation Authority record-keeping compliance, shall be redelivered by Buyer to Seller upon return of such Item to Seller. In addition, all documentation received from Seller concerning the Item shall be kept up to date and delivered to Seller upon redelivery of the Item to Seller at expiration / termination of the Loan period. Such documentation shall include (if applicable), but is not limited to, evidence of incidents such as hard landings, abnormalities of operation and corrective action taken by Buyer as a result of such incidents.

During the Loan period Buyer shall -for its own account- use, operate, maintain and keep the Item in good order in accordance with OEM's written instructions or Buyer's maintenance and operating programs approved by the aviation authority having jurisdiction over Buyer (if applicable) and maintain the certificate of airworthiness for the relevant Item.

(C) Limited Right to Use

Buyer shall not:

- (i) acquire any title or other interest in the Item or any other right except the limited and conditional right to use as expressly set forth herein;
- (ii) permit any lien, encumbrance or security interest to attach to the Item;
- (iii) permit the Item to be subjected to any interchange or pooling arrangement, or;
- (iv) permit the Item to be operated by or to be in the possession of any person other than Buyer.

(D) Risk

Throughout the Loan period and until re-delivery of the Item to Seller in accordance with the provisions of the Agreement, the Item shall be in every respect at the sole risk of Buyer, who shall bear all risk of the Item becoming worn-out, and of loss, theft, seizure, confiscation, damage, destruction or un-serviceability of or to the Item from any cause whatsoever.

(E) Acceptance

Within ten (10) calendar days after delivery by Seller of the Item („Inspection Period“) Buyer shall notify Seller in writing of any alleged nonconformity of the Item with Buyer's order as acknowledged by Seller, taking into account all formal written information concerning such Order and Order Acknowledgement. Such notice shall state the grounds on for Buyer's conclusion of nonconformity.

(F) Upon receipt of such notice, Seller shall promptly notify Buyer whether Seller agrees that such nonconformity exists and any corrective procedure that Seller will apply.

(G) If Seller requests Buyer to return the non-conforming Item to Seller's facility, the terms and conditions as stated in Article 2.1.6.1 (F) - Returned Items - shall be applicable.

(H) If Seller is not notified by Buyer of any nonconformity within the inspection period as mentioned here above, Buyer shall be deemed to have unconditionally accepted the Item and to have waived all its claims and remedies in respect thereto, except for the applicable warranty provisions.

2.7.6 Warranty

For the Warranty of Loan Items the terms and conditions set forth in Article 2.1.6.1 (Seller's warranty for the supply of Spare Parts), and Article 2.1.6.2 (Vendor Warranty) shall apply.

2.7.7 Disclaimer and release/Liability and indemnity

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 “Disclaimer and Release” and Article 1.9 “Liability and Indemnity” of the General Terms.

2.7.8 Miscellaneous

- (A) During the loan period, Buyer will execute and deliver to Seller such documents and take such further actions as Seller may reasonably request to protect Seller's title to and rights in the Item.
- (B) Buyer shall not have the right to alter, modify, or make additions or improvements to the Item without the prior written permission of Seller.
- (C) Buyer agrees to affix and maintain on the Item in a conspicuous manner, a marking bearing the inscription "Fokker Services B.V. ("Owner").

2.8 Exchange Parts Services

2.8.1 Definitions

For the purpose of these Standard Conditions the following additional definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms defined):

Exchange Parts shall mean serviceable parts that are to be sent by Seller to Buyer in exchange for a Replaced Part;

Replaced Parts shall mean an unserviceable part, which will be removed from the Aircraft, then becoming an Replaced Part which will be replaced by Seller's Exchange Part. The Replaced Part will be sent to Seller for Maintenance after which it will become a part of Seller's stock.

2.8.2 Subject Matter

- (A) Seller shall send to Buyer Exchange Parts for Replaced Parts returned by Buyer to Seller on the terms and conditions set forth in the Agreement taking into account the additional provisions related thereto in these Standard Conditions for Exchange Parts Services and the General Terms set forth in part one (1) of the GTSC.
- (B) The Exchange Parts shall be available on a non-exclusive basis and shall be in a new or in a used-serviceable condition.

2.8.3 Order and Order Acknowledgement

(A) Order

Each Order shall include a VAT-number, an order number, or specific contract number, and for each Exchange Part, the part number, nomenclature, serial number, quantity and delivery instructions.

(B) Order Acknowledgement

Seller's Order Acknowledgement shall, if no quotation by Seller has been issued, include Buyer's order number, specific contract number, and for each Exchange Part, part number, nomenclature, serial number, quantity, applicable Exchange Fee and the scheduled availability date.

2.8.4 Pricing and Invoice

- (A) Seller shall charge Buyer and Buyer shall pay Seller for the availability to Buyer of the Exchange Parts an Exchange Fee. The Exchange Fee charged by Seller to Buyer will be such as prevailing on the date of Seller's Acknowledgement of Buyer's Order(s), except that the Exchange Fee stated in any Seller quotation for such Exchange Parts shall be applicable if Buyer places its Order within the quoted validity period and otherwise complies with any other conditions of said quotation.
- (B) Seller shall charge Buyer and Buyer shall pay Seller for the Maintenance and re- certification of the Replaced Part to the same standard with respect to part number and modification standard as the Exchange Part.
- (C) If the Replaced Part returned to Seller is Beyond Economical Repair in accordance with Article 2.2.3 (E), Seller shall charge Buyer either one hundred percent (100%) of Seller's current list price for such Replaced Part if the Exchange Part delivered by Seller to Buyer was a new Exchange Part or eighty percent (80%) of Seller's current list price for such Replaced Part if the Exchange Part delivered by Seller to Buyer was in a used- serviceable condition.

2.8.5 Acceptance and Delivery

- (A) **Delivery to Buyer**
Delivery of the Exchange Parts by Seller to Buyer shall be made in accordance with Article 1.5 (A) through (D) of the General Terms.
- (B) **Delivery to Seller**
Buyer shall deliver the Replaced Part, unless otherwise agreed between Buyer and Seller, DAP Seller's Facility within two (2) calendar weeks after the date of delivery of the Exchange Part by Seller to Buyer.
- (C) **Title**
Seller shall deliver Exchange Parts to Buyer free and clear of any liens or encumbrances. As of installation in the Aircraft, Exchange Parts shall cease to be Exchange Parts. Thereafter full and legal title to such part shall become vested in the owner of the relevant Aircraft PROVIDED THAT full and legal title to the Replaced Part -free of all liens or encumbrances- shall after its removal from the aircraft become legally and lawfully vested into Seller. Buyer shall to the extent possible co-operate with Seller in order to ensure that:
 - (i) full legal and beneficial title to the Replaced Part shall vest in Seller hereunder at the time of removal of such Replaced Part from the Aircraft and
 - (ii) the Replaced Part shall be free of all liens or encumbrances.
- (D) **Risk**
From the time of delivery, risk of loss of or damage to the Exchange Parts shall be for Buyer; From the time of receipt thereof, risk of loss of or damage to the Replaced Parts shall be for Seller.
- (E) **Delay**
Except in case of Force Majeure as specified in Article 1.7 of the General Terms, if Buyer fails to deliver the Replaced Part and/or Maintenance order and/or accessory documentation within two (2) calendar weeks after the time limit mentioned in article 2.7.5 (B) Buyer shall make a late delivery payment of five percent (5%) of Seller's current list price for such new or used-serviceable Replaced Part for each calendar week the delay continues up to a maximum of 100%, as compensation to Seller for the general administrative, overhead and other similar losses, costs and expenses suffered by Seller arising out of or related to such delayed delivery of the Replaced Part and/or Maintenance order and/or accessory documentation, without further action or default notice being required. This provision shall not affect any rights of Seller hereunder or under applicable Law.

(F) Acceptance

Within ten (10) calendar days after delivery by Seller to Buyer of an Exchange Part ("Inspection Period"), Buyer shall notify Seller in writing of any alleged nonconformity of the Exchange Part with Buyer's exchange request taking into account Seller's customer status information or other formal written information concerning such Order and Order acknowledgement. Such notice shall state the grounds for Buyer's conclusion of nonconformity.

(G) Upon receipt of such notice, Seller shall promptly notify Buyer whether Seller agrees that such nonconformity exists and any corrective procedure that Seller will apply.

(H) If Seller requests Buyer to return the non-conforming Exchange Parts to Seller's Facility, the terms and conditions as stated in Article 2.1.6.1 (F) - Returned Items - shall be applicable.

(I) If Seller is not notified by Buyer of any nonconformity within the inspection period as mentioned here above, Buyer shall be deemed to have unconditionally accepted the Exchange Parts and to have waived all its claims and remedies in respect thereto, except for the applicable warranty provisions.

2.8.6 Warranty

For the Warranty of Exchange Parts the terms and conditions set forth in Article 2.1.6.1 (Seller's warranty for the supply of Spare Parts) and Article 2.1.6.2 (Vendor Warranty) shall apply.

2.8.7 Disclaimer and release/Liability and indemnity

Seller and Buyer hereby explicitly acknowledge, accept and repeat their rights and obligations stated in Article 1.8 "Disclaimer and Release" and Article 1.9 "Liability and Indemnity" of the General Terms.
