

Terms and Conditions of Sale and Repair

These terms and conditions apply to all Orders for the purchase and repair of Components submitted to AerFin Limited by a Customer and by signing an Order, or by taking delivery of a Component, the Customer agrees to be bound thereby.

1. Definitions

- AerFin means AerFin Limited;
- Beyond Economical Repair ("BER") means that the cost to repair a Component exceeds seventy-five percent (75%) of the Fair Market Value of that Component after repair;
- Component means any aircraft component supplied by AerFin to the Customer and any Component supplied by the Customer to AerFin on which Services are carried out, in each case pursuant to the terms hereof;
- Customer means the party submitting an Order to AerFin from time to time;
- Customer Property means all Customer property owned by the Customer in the possession of AerFin at any time (including Customer's beneficial rights in any property leased by Customer and held by AerFin);
- Delivery Date means the date on which the Components will be made available for collection by the Customer as quoted by AerFin at the time of Order placement or as otherwise agreed by the parties in writing;
- EASA means the European Aviation Safety Agency;
- FAA means the Federal Aviation Administration;
- Fair Market Value means the market value of the Component, as determined by AerFin, and, in the event of a dispute, it shall be the average of three (3) quotations received by AerFin from recognised dealers in aircraft parts based in the United Kingdom;

- MRO Provider means, in the context of any Component repair, the applicable maintenance, repair and overhaul provider.
 - Order means any purchase or repair order submitted by the Customer to AerFin for the supply of Components or Services;
 - Serviceable means a Component which meets all OEM and stated aviation authority standards for airworthiness, including in relation to its storage, and has no known defects which would render it unfit for service;
 - Services means any sale or repair management services provided by AerFin to the Customer pursuant to the terms hereof;
- USD means United States Dollars.

2. Order Process

2.1 Upon receipt of an enquiry from the Customer, AerFin may provide the Customer with a quotation which will state the Components and/or Services to be provided and the applicable charges in connection therewith.

2.2 Subject to continued availability, the charges set out in AerFin's quotation shall be valid for thirty (30) days from the date of the quotation, thereafter charges are subject to change without notice by AerFin.

2.3 All charges quoted are exclusive of VAT and shall not include transportation, insurance, taxes, import or export charges or duties, levies, imposts, penalties, interest or other similar charges, all of which shall be the responsibility of the Customer and payable to AerFin upon demand.

2.4 Should the Customer choose to accept AerFin's quotation it shall place an Order for the Components and / or Services by email (or via dedicated customer portal if applicable). AerFin will issue an Order confirmation shortly after receipt of the Customer's Order. No Order is to be deemed accepted by AerFin until AerFin issues an Order confirmation or AerFin delivers the Component to Customer (whichever is earlier).

2.5 Invoices for the supply of Components and Services shall be issued by AerFin prior to collection of the Components from AerFin's facility. All invoices will be paid in accordance with Clause 3 below.

2.6 Components specifically purchased by AerFin from a supplier to fulfil an Order, may not be returned to AerFin for credit unless specifically agreed in writing.

2.7 All Components supplied by AerFin as Serviceable shall be released and certified in accordance with applicable EASA, FAA and/or CAA regulations as applicable.

2.8 AerFin's record retention period is ten (10) years. All records associated with any Order placed pursuant to these terms and conditions will be kept for ten (10) years from the date of the Order.

2.9 AerFin shall plan and implement reasonable and proportional processes within its organisation and/or supply chain to prevent the existence of (i) counterfeit parts and/or suspected counterfeit parts; and (ii) the release of unapproved and/or suspected unapproved parts in any Order.

3. Payment

3.1 Unless agreed otherwise by AerFin in writing, all invoices will become due and payable by the Customer on receipt and in any event on or prior to the applicable Delivery Date.

3.2 All invoices will be paid in USD and in fully cleared funds to AerFin's bank account, the details of which will be specified on the invoice. All charges associated with wire transfers shall be paid by the Customer.

3.3 The Customer shall notify AerFin, within seven (7) days of the date of the invoice, if it wishes to dispute any invoice or part thereof. If no notification is received within this seven (7) day time period, invoices will be deemed accepted. Representatives of AerFin and the Customer will attempt to resolve any dispute, and should any dispute not be resolved by such representatives within thirty (30) days of the date of the Customer's dispute notification, the dispute shall be settled in accordance with Clause 11. Notwithstanding anything in this Clause 3.3, the Customer shall pay any part of an invoice which is not in dispute in accordance with this Clause 3.

3.4 Without limiting any other right or remedy available to AerFin, in the event that the Customer fails to make any payment due to AerFin pursuant to the terms and conditions stated herein, AerFin shall be entitled to charge interest on the overdue amount at the rate of 4% per annum above the then current Bank of England's base rate, accruing on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgement.

3.5 The Customer confirms that all the Components detailed on the quotation are of a kind ordinarily installed or incorporated in, and are to be installed or incorporated in, the propulsion, navigation or communications systems or the general structure of a qualifying aircraft as set out

in HMRC Notice 744C. The Customer undertakes to advise AerFin immediately should these parts be used for any other purpose and to pay AerFin the VAT and any import taxes or duties which become due as a result.

3.6 The Customer shall pay all amounts due in full without any deduction or withholding unless such deduction or withholding is required by any applicable law, in which event the Customer shall (i) ensure that the deduction or withholding does not exceed the minimum amount legally required; (ii) pay to AerFin such additional amount as shall result in the net amount received by AerFin being equal to the amount which would have been received by AerFin had no such deduction or withholding been made; and (iii) pay to the relevant governmental entity, within the period for payment permitted by any applicable law, the full amount of the deduction or withholding (including the full amount of any deduction or withholding on any additional amount paid under this clause).

3.7 The Customer shall not be entitled to assert any credit, set-off or counterclaim against AerFin in order to justify withholding payment of any such amount in whole or in part. AerFin may, without limiting its other rights or remedies, set off any amounts owing to it by the Customer against any amount payable by AerFin to the Customer.

3.8 The Customer grants to AerFin by way of security a legal repairer's lien in respect of all Customer Property, to secure all amounts owed by Customer to AerFin hereunder.

3.9 AerFin will have the legal right to assert a repairer's lien (or any other statutory or common law liens applicable in law (foreign or domestic)) against the Customer's Property in its possession, following performance of Services for which payment has not been received by AerFin. If Customer fails to tender payment owing under any agreement with AerFin, AerFin shall have the right to retain Customer's Property until such time as payment has been made. By accepting these terms, the Customer acknowledges that it has granted a power of sale to AerFin in respect of Customer's Property in AerFin's possession, which may be exercised by AerFin in the event that any amount owed to AerFin remains payable sixty (60) days after the date of the original invoice.

3.10 In addition to the fees specified in the Order, AerFin may charge the Customer all transportation charges and customs duties and taxes that arise in connection with the supply, return and repair of Components incurred by AerFin the event of any breach of these terms by the Customer.

3.11 Where the Customer sends a Component to AerFin for the supply of Services, AerFin shall be entitled to charge the Customer any repair and overhaul costs which have been charged by the

relevant MRO provider and which are in excess of those charges initially quoted by AerFin. In all such cases AerFin will notify Customer of such additional charges and shall seek the Customer's prior written approval before instructing the MRO provider to carry out the repair. In the event that the Customer's approval is not received within thirty (30) days of AerFin's notification, the Component may be returned to the Customer in an "as is" condition at the Customer's sole cost and expense and AerFin shall be entitled to recharge Customer for any cost to date charges it has incurred from the MRO Provider in addition to the handling charge referenced in Clause 3.13. AerFin shall be entitled to send the Components to any MRO provider of its choice, regardless of which MRO provider issued any previous tag.

3.12 In the event that any Component sent to AerFin for Services is found to be BER, AerFin shall notify the Customer and the Customer shall instruct AerFin as to whether the Component should be repaired, scrapped or returned in an "as is" condition. The Customer shall be liable for all repair costs, transportation charges, taxes and duties, scrapping and workshop inspection charges which have been incurred in all cases.

3.13 A handling fee of ten percent (10%) shall be applied to all repair services provided pursuant to these terms.

4. Delivery and Transportation

4.1 Unless agreed otherwise in writing, all Components which are the subject of a sale order, will be collected from AerFin's facilities in the UK (or from such other location as may be agreed between the Parties in writing at the time of the order) in accordance with FCA (Incoterms 2020).

4.2 All Parts will be packed for road transportation in the UK in accordance with AerFin's standard packing procedures for such Components. AerFin shall be entitled to charge the Customer for special additional packing requirements. Packing material, containers, and module and component transportation stands are returnable at Customer's cost.

4.3 Delivery Dates quoted are approximate only and the time of delivery shall not be of the essence. In the event that AerFin is unable to meet the Delivery Date quoted, AerFin shall inform the Customer of the delay and shall advise Customer of a revised Delivery Date which shall be deemed accepted unless rejected by Customer within two (2) days of notification of the revised Delivery Date.

4.4 AerFin shall provide reasonable notice of when the Components are available for delivery. In the event that the Customer fails to collect the Components within fourteen (14) days of AerFin's notification, AerFin shall be entitled to cancel the order and return the Component to stock.

4.5 Nothing in these terms and conditions shall prevent AerFin from bringing forward the Delivery Date, or from completing performance of any Order prior to the time set forth in the quotation. Unless otherwise agreed, AerFin shall have the right to deliver the Components in partial shipments.

4.6 Where the Customer sends Components to AerFin for the performance of Services, the Customer shall be responsible for the shipment of the relevant Component to and from AerFin's facilities or the facilities of the relevant MRO Provider

4.7 Components will be deemed accepted by the Customer if no defects are notified to AerFin within ten (10) days of collection of the Component in accordance with Clause 4.1.

4.8 A restocking fee of ten per cent (10%) of the Order value or Two Hundred and Fifty Dollars (US\$250), whichever is greater, will be payable by the Customer in the event that the Customer cancels any Order. No requests for Order cancellation will be accepted by AerFin after Five (5) days of placement of such Order by Customer.

5. Warranty

5.1 Components in a Serviceable condition will be supplied to the Customer with a three (3) month warranty, Components in an overhauled condition will be supplied to the Customer with a six (6) month warranty and Components in factory new condition will be supplied to the Customer with the lesser of a twelve (12) month warranty or the remaining warranty term received with such Component by AerFin. All warranty periods shall commence on the date that the Components are made available for collection by the Customer.

5.2 The warranty given in respect of the Services shall be the warranty provided by the MRO Provider.

5.3 Prior authorisation is required before a Component can be returned due to a failure. All original paperwork must be returned with the Component (together with any supporting documentation relating to such fault reasonably required by AerFin) and the Component must be returned to AerFin in the same approved packaging that it was shipped in originally. All transportation costs incurred in returning a Component to AerFin for warranty will be for the

account of Customer. The Component must be returned to AerFin within the warranty period, Components received by AerFin outside of the warranty period will be rejected as warranty expired. AerFin will send the Component to the repair facility for evaluation. If the Component is determined faulty, AerFin will, at its sole cost and expense, either repair or replace the defective Component. If the workshop advises "no fault found" or if the warranty is denied, the Customer is liable for all freight, shop evaluation fees including a 10% handling fee.

5.4 The warranty provided shall not cover any damage to Components which has been caused by Foreign or internal object damage, accident, incident (including lightning strikes), incorrect installation, misuse, mishandling, fair wear and tear, non-compliant repair and / or modifications.

5.5 AerFin's liability pursuant to this Clause 5 shall be limited to the repair or replacement of the faulty Component. AerFin shall not, in any event, be liable for any other costs, including without limitation, any installation and removal costs.

5.6 All other warranties or conditions (whether express or implied) as to quality, condition, description, compliance with sample or fitness for purpose (whether statutory or otherwise) other than those expressly set out in these terms and conditions are excluded from these terms to the fullest extent permitted by law.

6. Title and Risk of Loss

6.1 Title to Components sold to the Customer pursuant to these terms shall transfer to the Customer on receipt of full payment for the Components from the Customer.

6.2 Subject to clauses 3.7 and 3.8, title to any Components sent to AerFin for the performance of Services shall remain vested in the Customer at all times.

6.3 AerFin warrants that it has full legal and beneficial title in and to the Components sold pursuant to these terms and will pass such title, with full title guarantee to the Customer in accordance with this Clause 6.

6.4 Risk of loss for each Component shall pass in accordance with the Incoterms for delivery set out in Clause 4 above. If Customer loses or damages a Component whilst in its care, custody or control, it shall be responsible for either the cost of the repair (if the Component is not beyond economical repair) or the replacement value of the Component (as reasonably determined by AerFin) if the Component has to be replaced.

7. Liability and Indemnity

7.1 The Customer hereby indemnifies AerFin and its affiliates and subsidiaries, (including their respective agents, directors, employees, officers, shareholders, subcontractors, successors and assigns) against all liabilities, claims, losses and damages of any nature, including, but not limited to, all expenses (including legal fees), costs, and judgements for property damage or injury to or death of any person and any other direct, indirect, incidental, consequential, economic or statutory civil damages, any of which arise out of or are in any way related to the provision of the Components or other Services provided pursuant to these terms and conditions.

7.2 Notwithstanding the generality of Clause 7.1, the indemnity set out in that Clause shall specifically include (but not be limited by) the use, operation, repair, maintenance or disposition of Components provided pursuant to these terms, whether or not arising from breach of contract, strict liability or tort (including negligence), provided that nothing in this Clause 7 shall require the Customer to indemnify AerFin for claims or liabilities arising from the wilful misconduct of AerFin.

7.3 Nothing in these terms shall limit or exclude AerFin's or the Customer's liability for death, personal injury caused by its negligence, the negligence of its employees and agents or for fraud or fraudulent misrepresentation.

7.4 Under no circumstances shall AerFin be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with these terms.

7.5 AerFin's total liability to the Customer in respect of all losses arising under or in connection with these terms, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed one hundred percent (100%) of the Order value.

8. Insurance

8.1 The Customer shall carry and maintain such insurance in full force and effect and in types and amounts as would be carried by prudent companies engaged in the Customer's industry. Such policies of insurance shall be primary with respect to the indemnities of Customer set forth in these terms and shall contain waivers of subrogation of the insurers in favour of AerFin. The Customer will provide AerFin with certificates of insurance as may be requested by AerFin from time to time.

9. Force Majeure

9.1 AerFin will not be liable in any way in respect of late delivery, howsoever caused or for any delay in performance due to causes beyond AerFin's reasonable control including, without limitation, embargoes, blockages, seizures or freeze of assets, delays or refusals to grant export or import licenses or the suspension or revocation thereof, or any other acts or omissions of government, fires, floods, severe weather, or any other acts of God, quarantines, labour strikes or lockouts, riots, insurrection, civil disobedience or acts of criminals or terrorists, war, material shortages or delays in delivery by third parties and, in the event of such delay the date of delivery shall be extended for a period of time as may be reasonable necessary to compensate for any such delay. The Customer shall be bound to accept the Components when available.

10. Import and Export Regulations and Compliance

10.1 The Customer shall ensure that any Components purchased from AerFin will not at any time:

(a) be registered, stationed, based in, operated, leased or sub-leased by any Relevant Person in any manner whatsoever in, or to any person or entity incorporated or habitually based in, any country, region or jurisdiction (including, as at the date of these terms, the Crimea, Russian Federation, Myanmar, Iran, Cuba, Syria, Sudan, and North Korea), which is subject to any sanctions, resolutions, directives or embargoes of the United States of America, United Nations, European Union, United Kingdom, France, Germany, Canada or Japan (or any constituent member thereof); or

(b) be sold or exported to any jurisdiction which is subject to any embargo by the United States of America, United Nations, European Union, United Kingdom, France, Germany, Canada or Japan or otherwise dealt with by any Relevant Person in any manner which is in contravention of any sanctions.

Relevant Person means:

- (a) The Customer;
- (b) Any affiliate of the Customer; and
- (c) Any person from time to time granted possession or control of any of the Components by Customer or any affiliate of the Customer (whether under a lease, sale or otherwise).

10.2 The Party who is the importer or exporter of record of the Component will be responsible for obtaining any licence, exchange permit or other required governmental authorisation relating to the shipment of the Component and shall be responsible for complying with all UK and foreign government licensing and reporting requirements in connection with these terms.

10.3 The parties agree that any export of Components pursuant to these terms may be subject to U.S. Export Regulations. In respect of any Component supplied under these terms, the party receiving the Component (as applicable) agrees not to:

10.3.1 Dispose of any U.S. origin items classified by the U.S. Department of Commerce's Bureau of Industry and Security as "dual use" items other than in the country of destination, as identified in any government licence or authorisation; and

10.3.2 Lease, Exchange or dispose of any U.S. origin item to any country, company or individual that is either (i) required by US Export Regulations to hold a licence to receive the goods (and does not hold the required licence); or (ii) is prohibited from receiving U.S. exports by U.S. Export Regulations.

10.4 AerFin may require the Customer to provide a blanket End User Statement prior to commencement of supply of Components or Services, to cover any request of Customer for Components classified as "Dual Use". This Statement will confirm that the Component will not be used for any military purpose.

10.5 Customer acknowledges and agrees that it is contributing to product and service conformity and product safety. The Customer is aware of the importance of ethical behaviour and as such hereby agrees to comply with AerFin's code of conduct (a copy of which can be provided upon request).

11. Governing Law and Jurisdiction

11.1 These terms, each contract and any disputes or claims arising therefrom (each a "Dispute") shall be governed by and construed in accordance with English law.

11.2 Any Dispute, including any question regarding existence, validity or termination of a contract, shall be referred to and finally resolved by arbitration under the LCIA rules, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, England. The language to be used in the arbitral proceedings shall be English.

11.3 Either party may institute arbitration proceedings by giving written notice to that effect to the other party.

11.4 Nothing in this Clause 11.2 shall prevent or prejudice either party seeking interim relief from any court of competent jurisdiction.

12. Miscellaneous

12.1 A person who is not party to a contract to which these terms apply shall have no rights under such contract whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

12.2 Where the Customer delivers any other standard terms and conditions to AerFin in respect of an Order, these terms and conditions shall prevail.

12.3 If any provision of these terms is found by any court or other authority of competent jurisdiction to be invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed not to form part of these terms, and the validity and enforceability of the other provisions of these terms shall not be affected.

12.4 Any amendment, variation, modification of these terms shall be ineffective unless made in writing and signed by an authorised representative of each party.

12.5 These terms contain the entire agreement between the parties with respect to its subject matter. Each party acknowledges that, in entering into these terms it has not relied on and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or innocently) other than as expressly set out in these terms. Nothing in this clause shall limit or exclude any liability for fraud.

12.6 The parties declare that they each have the right, power and authority, and have taken all action necessary, to execute and deliver and to exercise their rights and perform their obligations under these terms.

12.7 Customer shall not be entitled to withhold payment of any sums after they become due by reason of any right of set off or counterclaim for any reason whatsoever.

12.8 AerFin reserves the right to sub-contract its obligations under the applicable contract or any part thereof.

12.9 In the event of any conflict between the terms of any Order and these terms, these terms shall prevail. Such terms shall constitute the entire agreement between the parties in relation to an Order and supersede all previous proposals, representations, agreements and other written and oral communications in relation thereto.

12.10 The Customer shall not be permitted to assign or transfer all or any of its rights and/or obligations under this Agreement without the prior written consent of AerFin.

12.11 If any part of a contract to which these terms apply becomes invalid, illegal or unenforceable under any applicable law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected.