



General Terms and Conditions (“GTC”) of JETALLIANCE Technical Services GmbH

A) Application / Extent of Orders

1. The following GTC shall apply to all business relationships of **JA-TEC** with a customer, specifically to Customer's orders for performance of work on aircraft (e.g. dismantling or mounting of aircraft and/or aircraft components, maintenance, inspection, overhaul, restoration incl. repair and/or exchange of aggregates as well as installation of additional parts, care and other work) or any service orders given to **JA-TEC**. If customer has not explicitly accepted the GTC in any other manner, they are deemed to be part of an order, if customer has taken advantage of the works or services performed by **JA-TEC**.
2. Differing terms of the customer are only binding for **JA-TEC** if **JA-TEC** specifically confirmed these terms in writing.
3. If a customer's order contains performance of scheduled and unscheduled maintenance and/or revision work dictated by aviation laws it also includes the removal of all defects noted by the responsible aircraft inspector and the performance of all necessary control actions. Should **JA-TEC** within the frame of the order find it necessary or efficient to perform additional work it can be performed without obtaining specific approval and charged additionally. The work order contains authorization to perform check flights, brake tests and other work necessary to check the device in question without specific approval by the customer.
4. **JA-TEC** is authorized to have a customer's order performed by another company in or outside the Republic of Austria without having to notify the customer or to obtain his approval if this becomes necessary for reasons of operation acceptance stipulated in aviation laws.

B) Preliminary Estimates

Preliminary estimates are only binding if they were made in writing and if this is specifically stated in the text.

C) Prices / Invoices

1. In case no fixed price is agreed upon in the context with a customer's order the base prices stated in the official price lists, valid at the time of the order, are charged. All base prices are understood as being net amounts in Euros, excluding any taxes, duties or charges. In addition the generally charged prices of **JA-TEC** for man hours, other services and deliveries apply to all other work (especially to all defects) as well as material and spare parts.
2. The prices can be increased in accordance with an increase of material costs or other factors relevant for the calculation of the prices (e.g., increase due to currency changes), provided that **JA-TEC** can provide evidence of such an increase.
3. If a fixed price was agreed upon when placing the order, it is sufficient to charge this price. Otherwise prices for spare parts used, material, check flights and special services as well as the prices for man hours and the applicable value added tax are stated separately. **JA-TEC** is not obligated to make further specifications other than the ones shown in the invoice and the work report.
4. Services already made and material ordered for agreed services shall be charged by **JA-TEC**, even if the work itself should be fully or partially cancelled by customer for any reason.
5. Is a part or device being exchanged, the lower price for the exchange unit only applies to the customer if the exchanged part or device is complete and does not show any irreparable damages or damages related with irrelatively high removal costs. Otherwise the customer is liable to pay the price applicable for a new unit or part.
6. **JA-TEC** is entitled at any time to demand appropriate pre-payment from the customer. Payments on cost estimates may not be refused by customer with reference to the fact that a detailed invoice is not available. Further the customer agrees that invoices may deviate from cost estimates. In addition to a cost estimate **JA-TEC** will issue a detailed invoice as soon as possible and will submit to customer a debit or credit note as appropriate. Customer will pay such debit notes, if any, within fourteen (14) days after receipt of the detailed invoice.

D) Performance

1. The signature of **JA-TEC**'s engineers in the technical log of customer's aircraft only certifies the correct performance of work as defined in the respective customer's order. **JA-TEC** shall not be held responsible or liable for the airworthiness of the customer's aircraft, except as explicitly set forth in customer's order or agreed otherwise in writing.
2. It is customer's responsibility to ensure that the latest and valid revision of technical documentation is available for **JA-TEC** to fulfill its technical services as agreed upon.
3. The adherence to binding dates of completion requires the fulfillment of all contractual obligations by the customer, especially handing over the subject order including keys, operation certificates etc. and clearing up technical questions as well as receipt of agreed pre-payments, otherwise an applicable delay applies.
4. If a binding date of completion cannot be kept due to force majeure or other unexpected obstacles such as, but not limited to, major defects on airframe, systems, engines or aircraft components, which need to be rectified, missing spare parts, customer withholding or delaying its consent, where it is required due to the customer's order, operational disturbances, strike or lock-outs, additional tasks at customer's request that were not part of the initial customer's order, it is agreed that **JA-TEC** shall not be held responsible if such time limits are not met.
5. In case of an exceptionally violation of the binding date of completion the customer has the right to set an appropriate extension for **JA-TEC** and to terminate the contract in writing after the unsuccessful expiration of the extension. The customer is only allowed to assert further claims, especially concerning compensation due to non-compliance or delay, in case of willful misconduct or gross negligent acts by **JA-TEC** or its agents.

E) Delivery

1. By delivering the subject order to the customer or its agent, acceptance of performance is considered. Delivery will be performed at the maintenance facility of **JA-TEC**. There is no obligation to check the collector's flight license.
2. Should the customer choose delivery of the subject order at another place it will be affected on his account and risk.
3. The customer is in delay of acceptance if he does not take delivery of the subject order against payment of the invoice within 3 days after he was notified of completion and it was pointed out that he will be charged for this delay after expiration of the 3-day time frame. If delivery of the subject order is not taken within the time frame **JA-TEC** will charge hangar or parking space to the customer at usual rates.
If the customer is in delay for acceptance **JA-TEC** is only liable for destruction or damages caused by willful misconduct or gross negligent acts by **JA-TEC** or its agents and may hangar or park the order subject elsewhere at its discretion in accordance with applicable law.

F) Warranty

1. The warranty includes the correctness of installed spare parts, additional and exchange parts in accordance with the applicable state of engineering as well as the correct performance of maintenance, repair and exchange work. However, material provided by customer must at all times have been stored, handled and operated in accordance with manufacturer's recommendations.
2. In case of obvious defects the customer is entitled to warranty claims only if he reserves this right in writing when taking redelivery of the aircraft or if in other cases he gives notice of those in writing to **JA-TEC** within one week after having taken redelivery. Timely mailing is sufficient for reporting. If the customer is a businessman for whom the order is part of operation of his business, he has to inspect the subject order immediately after having taken delivery and report any defects in writing within one week. Otherwise the customer is not entitled to any rights against **JA-TEC**. A warranty claim raised by the customer shall state in detail the defect, and **JA-TEC** must be provided with the defective part for inspection and repair within additional thirty (30) days after the warranty claim has been raised.
3. The cause of the defect must be related to services rendered by **JA-TEC**. **JA-TEC** does not warrant supplier material or services. For such material or services any assignable rights to warranty granted to **JA-TEC** by its suppliers will be assigned to customer by express demand. **JA-TEC** will support customer in pursuing such warranty claim.
4. A defect will only be regarded as subject to warranty if it arises within nine (9) months or within one thousand (1.000) flight hours after redelivery, whichever may occur first.
5. If the customer is entitled to warranty claims because of defects at the time of delivery **JA-TEC** has the free choice to either remedy the defect, deliver an exchange part or to lower the invoiced amount by the man hours and spare parts in question. If the **JA-TEC** is not successful with its first remedying the defect it is entitled to another try. If the customer does not grant necessary time and opportunity to perform this remedying **JA-TEC** is released from all liabilities. In case **JA-TEC** is unable to remedying the defect the customer is entitled to the legal warranty rights of reduction or cancellation of contract.
6. The customer is obligated to report all shown damages, within the warranty period, in writing and immediately. If warranty adjustment is effected by remedying the defect or exchange delivery, **JA-TEC** has to cover necessary transportation and delivery charges only up to an extend which is in an adequate proportion to the amount of the warranty claimed, in no case however higher than the total amount of the order. Businessmen, for whom the order is part of the operation of their business, have to submit the subject order to **JA-TEC** free of charge.
7. Warranty entitlements expire in case the customer himself and/ or a third party performs work to remedy the defect without obtaining prior approval by **JA-TEC**, except those measures are necessary in case of emergency or for the transfer of the aircraft.
8. All warranty entitlements are excluded if the defect was caused due to negligence or violation of operation instructions, maintenance instructions or other service instructions.
9. Warranty entitlements for used parts as well as for improvised repair, which were installed or performed on the customer's request, are excluded in all cases.

G) Liability and Compensation

1. Unless otherwise stipulated in this Agreement, **JA-TEC** will not be liable for any damages, which occur or will be caused by any circumstances beyond **JA-TEC's** control. The liability of **JA-TEC** or its agents is limited to intentional or gross negligent damages and up to the total value of the respective customer's order (i.e. agreed service fee of the respective months wherein the damage occurred or purchase price of the damaged parts on the day the damage was caused). These **GTC** apply equivalently in case of destruction, damage or loss of subject order or parts, specifically concerning the customer's aircraft, engines or other components hereof.
2. The customer covers the risk during check flights unless **JA-TEC's** pilot acts intentionally or with gross negligence. The same **GTC** apply for ferry flights which are performed on the customer's request.
3. **JA-TEC** will not be liable for any damages with regard to or in the context with customer's aircraft, if it is locked and parked on the ramp. **JA-TEC** is only responsible for any additional equipment or objects in the aircraft if those were specifically handed over.
4. Under no circumstances **JA-TEC** will be liable for any indirect, incidental or consequential damages such as but not limited to loss of profit or loss of revenue, except for the extent of willful misconduct.

H) Insurance

JA-TEC is not obligated to insure or keep insured the subject order, specifically the customer's aircraft, engines or other components hereof. The customer is responsible for an appropriate insurance coverage of the subject order also for and during the time services are and will be rendered by **JA-TEC** in accordance with customer's orders.

I) Payment

1. Except as otherwise agreed payment for man hours, material and spare parts used for the customer's order need to be paid when taking delivery of the subject order and receiving the invoice. Payment always has to be made in cash without any reductions.
2. Checks, letters of credit and money orders will only be accepted as cash substitute by **JA-TEC**. In these cases payment is not affected until **JA-TEC** is definitely credited with the amount of the payment. All charges in connection with non-cash payments have to be borne by the customer, specifically any fees charged by a bank in connection with the transfer of funds from customer to **JA-TEC**.
3. A charge with counterclaim from the customer is excluded, unless this counterclaim is undisputed or legally binding. The customer has a Right of Retention only if it is based upon the same order. He is not entitled to withhold payments for whatever reason (e.g. lack of performance, warranties).
4. Any dispute of customer with regard to a payment obligation will not affect customer's obligation to pay the invoice in full. **JA-TEC** and customer shall then negotiate in good faith to resolve the dispute within thirty (30) days.
5. Any dispute to **JA-TEC's** invoices must be made within three (3) months from the issuance date of the invoice. Claims received thereafter shall not be taken into consideration by **JA-TEC**.
6. If customer fails to pay in full on the due date any amount which is payable to **JA-TEC** pursuant to a customer's order then the amount outstanding shall bear interest, both before and after judgment, at a rate of 1% per month from the due date until payment is made in full.



K) Right of Retention and Lien

1. In case of customer's default in payment, **JA-TEC** has the right of retention on all objects delivered to it by customer, whether the customer owned the object or not. This Right of Retention is also applicable to claims of previous maintenance services performed, spare part deliveries, or other claims originating out of this business connection.
2. **JA-TEC** has a lien over customer's aircraft, engines, components (including but not limited to, auxiliary power units, landing gears, any aircraft documentation) in its custody as well as the right to repossess any property of **JA-TEC** in customer's possession. These rights as well as a set-off right may also be claimed for services rendered or materials supplied previously. Furthermore, **JA-TEC** has the right to immediately stop current services until payments due have been remitted.
3. If **JA-TEC** executes its right of distress sale it is entitled to sell the device which came in their possession in accordance with clause K paragraph 1 above one week after threatening with the sale at each suitable location at once or successive to their satisfaction without requiring any judicial title of enforcement or having to respect the valid regulations of court enforcement and/or distress sales.

L) Reservation of Title and Exchanged Parts

1. **JA-TEC** keeps title to all material supplied to customer until payment of all amounts due originating from the business connection with customer are paid in full. If the property of **JA-TEC** disappears due to connection or mixing or processing it becomes co-proprietor of the part with which the part delivered by **JA-TEC** was connected, mixed or processed in proportion to its value.
2. If nothing else was demanded by the customer in writing when placing the order, exchanged parts become the property of **JA-TEC** without owing a substitute.

M) Further Stipulations

1. Place of performance for all claims originating from customer's order as well as further claims in connection with this business relation is Vienna.
2. In relation to authorities and other government agencies **JA-TEC** is rendering its services for and on behalf of customer and customer will remain legally responsible towards such government agencies and the authority of the country of aircraft registry, except as otherwise agreed upon in writing.
3. For customers who are businessmen the only place of jurisdiction is Vienna, Inner district. Furthermore Vienna is place of jurisdiction if
 - a) the customer does not have a place of general jurisdiction within the country or
 - b) the customer after conclusion of an agreement with **JA-TEC** moves his seat or regular place of residence outside of the Austrian area of jurisdiction and his whereabouts or regular place of residence are unknown at the institution of proceedings.**JA-TEC** has the choice to take the customer to court at his court of general jurisdiction.
3. These stipulations are also valid for all further business relations with the customer and form an integral part of any agreement with **JA-TEC** even if they are not specifically agreed upon a second time. Only Austrian law is applicable to all relations of the Parties, however without its rules on the conflict of laws ("Internationales Privatrecht") and without application of the Convention on the International Sales of Goods ("UN-Kaufrecht-Übereinkommen").
4. Customer's claims concerning the order in question or in this connection are non-transferable.
5. Should for any reason one or more stipulations be or become invalid, this does not effect the validity of the remaining stipulations. Both Parties need to exchange the invalid provision by another legal provision, which is closest to the economical purpose of the invalid provision.
6. The headings simply serve for convenience and do not have any material meaning.