

**1.0 APPLICATION**

- 1.1 These Terms and Conditions of Trading shall apply, as appropriate, to both workmanship performed on Aircraft, Aircraft Components or Parts received for maintenance (hereinafter called the „Services“) and to the sale of new, used or exchanged parts, components, Accessories (hereinafter called the „Goods“), including Goods installed during the aircraft maintenance, modification and/or repair to the exclusion of any Terms and Conditions contained in any previous communication to the customer (hereinafter called the „Customer“) and specifically agreed to in writing by PAD Aviation Technics GmbH (hereinafter called „PAD AVT“).
- 1.2 No valid agreement for the sale of Goods and/or Services will come into existence until PAD AVT has accepted the Customer's order by the issuance of the order acknowledgement and Customer has accepted these terms.

**2.0 DELIVERY**

- 2.1 Goods or Services other than Aircraft maintenance will be delivered by PAD AVT to nominated carrier/forwarder. Risk of loss or damage passes to Customer on delivery.

**3.0 EXPORT PERMITS**

- 3.1 PAD AVT 's acceptance of Customer order for performance of Services or supply of Goods could be subject to applicable export control regulations, at Customer 's request and at Customer's cost PAD AVT will apply for any necessary export permits or approvals but PAD AVT is not responsible for them issuance or renewal.

**4.0 TAXES AND DUTIES**

- 4.1 Customer is responsible for all taxes, duties and other charges arising from the sale of Goods or Services and will reimburse PAD AVT for any of such charges PAD AVT may be required to pay.

**5.0 PAYMENT**

- 5.1 Unless otherwise specified, PAD AVT will require payment in advance of delivery on the bank account shown on the invoice and shall be entitled to cancel Customer's order if such payment is not made.**
- 5.2 Unless otherwise specified, if Customer is in default of any payment obligations, PAD AVT, without prejudice to any of its other rights or remedies, reserves the right to charge interest without reminder at twelve percent (12%) per year (prorated on a month-by-month basis) from the due date of payment until payment is received and for all expenses incurred by PAD AVT in connection with the recovery of any payment due.
- 5.3 Goods delivered and/or installed by PAD AVT shall remain the property of PAD AVT until complete settlement of all claims arising out or in connection with the business relationship between PAD AVT and the Customer.
- 5.4 In the event Customer disputes invoice charges, the Customer shall pay to PAD AVT the undisputed portion of the invoice and notify PAD AVT in writing of the reasons of disputing the invoice.
- 5.5 Unless otherwise specified, disputes on invoices will only be accepted by PAD AVT if raised by the Customer to PAD AVT in writing via certified letter with receipt of delivery and within seven (7) calendars days from the invoice date.
- 5.6 Due to the demands arising from the commission, PAD AVT is entitled to a right of retention as well as the contractual lien in respect of the subject matter of the contract in possession due to the commission. In all cases PAD AVT is entitled to enforce the right of retention and contractual lien due to claims arising from maintenance services, deliveries of spare parts and any other claims arising from business relations.

5.7 Customer agrees that in addition to any right or lien to which PAD AVT may be legally entitled, PAD AVT shall also be entitled to a general lien on any of the items received from the Customer for all payments due to PAD AVT. PAD AVT shall have the right to sell or dispose of the Customers Goods as agent for at the expenses of the Customer and apply the proceeds towards payments of such sums upon giving thirty (30) calendar days' notice in writing to the Customer. Upon accounting to the Customers for any balance remaining after payment of all sums due to PAD AVT including cost of sale or disposal. PAD AVT will be discharged of all liability in respect of the Goods.

## **6.0 DELAY AND FAILURE TO PERFORM**

6.1 PAD AVT cannot be held responsible for delays of delivery or performance due to force majeure (unforeseeable events) or due to events which make completion for PAD AVT significantly more difficult or impossible (especially war or states of emergency, civil unrest, strikes, lock-outs, stipulations by the authorities, adverse weather conditions, sabotage, shortages of raw material and illnesses – all these in reference to suppliers of PAD AVT as well). Such circumstances permit PAD AVT to defer the service respectively for the period of hindrance plus an appropriate period of time, or to withdraw from the contract either completely or partially. This applies too for the cases in which the suppliers of PAD AVT can be held responsible for the delays in delivery or performance if PAD AVT has endeavoured with due diligence to achieve prompt completion and/or services.

6.2 In cases in which PAD AVT makes use of its right of withdrawal on the abovementioned grounds, it is obligated only to repayment of any payments possibly made in advance, thereby excluding any other claims made on them.

## **7.0 PURCHASE ORDERS**

7.1 In the case that the Parties have not entered into any specific agreement defining particular terms and conditions and unless otherwise specified, these Standard Terms and Conditions of Trading and Official Price Lists are exclusive and take precedence over the terms and conditions of any other document of the Customer Concerning the Services. Standard terms used by the Customer cannot be applied and will be considered null and void.

## **8.0 SHIPMENT**

8.1 Parts provided by the Customer for the accomplishment of the Services shall be delivered to the site indicated by PAD AVT.

## **9.0 LIABILITY**

9.1 PAD AVT is not liable for damages and losses in respect of the subject matter of the contract or parts handed over to it for working on, unless the damage is caused by gross negligence or intentional misconduct of its (PAD AVT) personnel, agents and subcontractors, or if the damage stems from a culpable breach of a fundamental contractual obligation.

9.2 PAD AVT, its personnel, agents and subcontractors shall not be liable hereunder for consequential or indirect loss or damage, including loss of profit, cost of capital, loss of goodwill or any other special or incidental damages.

9.3 The Customer is obliged to remove from the aircraft, on which PAD AVT intends to work, any objects which are not necessary for the use of the aircraft. PAD AVT does not take on any liability for the loss or the damage of objects that remain in the aircraft contrary to the aforementioned obligation. This does not apply, if a contract has been signed with PAD AVT explicitly concerning the safekeeping of such objects.

9.4 If PAD AVT assigns a commission issued to it entirely or partially to another company, then in that case paragraph 9.1 applies analogously.

9.5 Except for PAD AVT's liability outlined before, the Customer shall indemnify and hold harmless PAD AVT, its personnel, agents and subcontractors from any liability claims, including third party claims, arising out, in any way, in connection with any purchase order issued by the Customer and the Services performed.

9.6 The Customer is liable to PAD AVT in respect of all damage culpably caused by it (the Customer) or its representatives.

#### **10.0 WARRANTY**

10.1 PAD AVT warrants the Services will comply with applicable aircraft manufacturer specifications and conform with the standards of good workmanship in the industry.

#### **11.0 Insurance**

11.1 In principle, the Customer is responsible for the insurance cover of the subject matter of the contract. As long as workmanship is performed on Aircraft for maintenance, PAD AVT shall maintain in full force and effect the third-party damages and liability insurance for a maximum of USD 750.000 per single event. In any case the Customer shall maintain in full force and effect the hull insurance for the Aircraft.

11.2 In any case PAD AVT only has liability for intentional or gross negligence.

#### **12.0 TERMINATION OF PURCHASE ORDER**

12.1 On termination PAD AVT will have no further obligation to the Customer under the order and the Customer will reimburse PAD AVT's termination costs including a reasonable allowance for profit.

#### **13.0 MODIFICATION AND ASSIGNMENT**

13.1 No modification of a Customer's purchase order shall be binding unless agreed to in writing and signed by both parties. The Customer may not assign the order without the written consent of PAD AVT.

#### **14.0 OTHER CONDITIONS**

14.1 Agreements and terms that diverge from all conditions stipulated above or which complement them are only valid when agreed on in writing and signed by both parties.

14.2 If any of the conditions stipulated above are or become inapplicable for legal reasons or because they are excluded contractually, the applicability of all other conditions is not affected.

#### **15.0 USE OF PERSONAL DATA**

15.1 PAD AVT informs the Customer that the personal data provided will be handled exclusively in connection of the performance of the Services or the supply of Goods and are used in respect of the current privacy law.

#### **16.0 CONSENT TO USE PERSONAL DATA**

16.1 The Customer acknowledges the content of Article 15 and authorize PAD AVT to use its personal data only for the performance of the Services and the supply of Goods.

#### **17.0 LANGUAGE AND GOVERNING LAW**

17.1 Unless otherwise specified, in case of conflict between the General / Standard Terms and Conditions of Trade and the local law or the European law, the law of Germany will prevail.

17.2 Both parties agree that the law of Germany shall apply and the contract language shall be English. The United Nations Convention on Contracts for the international sale of goods shall not apply.