

## General Terms and Conditions of Sale (GTCS)

### 1. Definitions

“Seller” - Total Aviation Ltd. A/S.

“Buyer” - The legal entity to which the seller is selling and delivering goods.

“The Products” - Products or services sold by seller.

“The order” - Any contract between Seller and Buyer for supply of products or services resulting from a purchase order placed by Buyer and accepted by Seller.

### 2. Scope

2.1 These General Terms and Conditions of Sale (GTCS) will apply to all orders placed by buyer and accepted by seller. Buyer's acceptance of Products sold by the Seller constitutes acceptance of Buyer's agreement to be subject to and bound by the terms and conditions herein.

2.2 Buyer is hereby notified in advance that the Seller objects to and rejects any different or additional terms contained in any purchase order or other ordering document unless expressly accepted in writing by Seller for the specific order.

2.3 Seller reserves the right to change these GTCS at any time without notice to Buyer. A change of GTCS will not affect the terms and conditions which were in force at the time when the Buyer placed an Order for the Products.

### 3. Quotations – Order confirmation

3.1 Unless otherwise specified, all quotations are for immediate acceptance, subject to prior sale of stock and subject to change without notice prior to acceptance unless other agreement of validity has been agreed between Seller and Buyer. All quotations are subject to terms in this GTCS.

3.2 No purchase order placed by buyer shall be deemed to be accepted by Seller until a written confirmation of such order is issued by seller. Seller may at Seller's absolute discretion and for any reason accept or reject orders without any liability whatsoever.

3.3 Seller shall not be liable for any claims, losses or damages of any nature whatsoever, including consequential losses, loss of production, loss of profits or other indirect losses which the buyer may suffer as a result of any failure, delay or partial or imperfect performance in connection with the Buyer's quotations and any other messages to Seller.

### 4. Prices

4.1 Seller reserves the right to adjust its prices commensurate with the rise and fall in Seller's purchase prices, taxes, duties, transport, wages and currency fluctuations occurring from the time of quotation until the time of delivery of the Products. Except in the case of written agreement to the contrary, prices of Seller are quoted exclusive of value Added Tax (VAT), custom duty or any other taxes or levies imposed on the Products and ex works sellers warehouse (or other notified location) with the INCO terms in force at the time of the order confirmation. Freight and insurance shall be borne by Buyer.

4.2 The goods are supplied in standard packing free of charge. Cost of special packaging required by Buyer, cost of hazardous material paperwork, hazardous material packaging is not included in any of Seller's quotations, unless expressly stated therein and will thus be charged to the buyer.

### 5. Payment

5.1 In the absence of written agreement to the contrary, the Buyer shall make payment by SWIFT wire transfer against any invoice from Seller within (30) calendar days of the date of such invoice.

5.2 If Buyer must prepay invoice, the payment must be received within (2) weeks from date of invoice otherwise Seller reserves the right to cancel the order.

5.3 Seller reserves the right to revise payment terms at any time without notice and to request guarantees, security or cash in advance for the Products and services. Seller may, at its discretion, and without giving a reason, refuse or limit deferred payment terms to any customer.

5.4 In the event that Buyer fails to effect payment within the due date for payment under Article 5.1 hereof, interest at the rate of 1.5% per month shall be charged, such interest being deemed to accrue on a day to day basis from the due date.

5.5 The buyer is not entitled to set off any claim relating to other legal matters against payment for the Products to Seller and shall have no right to retention or non-payment as a result of any delay, complaint or alleged counterclaim against Seller.

5.6 Notwithstanding risk in the goods passing in accordance with article 6.1 hereof, title in the Products shall not pass to Buyer until payment for the Products in full in addition of any interest and cost incurred in connection with the delivery has been received by Seller.

## **6. Delivery – passing of risk and Force Majeure**

6.1 Unless otherwise agreed, delivery shall be made ex works Seller's warehouse (or other notified location) as per specified delivery schedule and according to INCO terms in force at the time of order confirmation. Consequently the risk of loss passes to the Buyer upon Buyers or its freight forwarders receipt of goods.

6.2 Delivery schedule is approximate only and subject to delays due to causes beyond Seller's control of force majeure, including, but not limited to, wars, riot, strikes, lockouts, civil unrest, cyber-attacks, public restrictions, requisition, seizure, ban of imports or exports or other public interventions, freight embargoes, natural disasters, vandalism, theft, significantly more expensive supplies from sub-suppliers, trade disputes, insurrection and civil commotion, shortage of transport, general shortage of materials, defects or delays in deliveries by sub-suppliers and service providers or other similar extraordinary events beyond the Seller's control.

6.3 Seller shall not be liable for consequential losses, loss of production, loss of profits, or other indirect losses due to late delivery or non-delivery.

6.4 Seller shall be entitled to delay or cancel agreed deliveries in the event that the Buyer exceeds the time of payment in relation to any contract with Seller, suspends payment, goes bankrupt, enters into liquidation or, through other acts or omissions, gives justified cause for concern as to his liquidity. If Buyer has not informed Seller of any specific means of transportation, Seller may, at its sole discretion and at the expense and risk of the Buyer, choose the means of transportation.

## **7. Acceptance of goods, notice**

7.1 Upon delivery the Buyer is obliged to carry out a thorough inspection of the Product supplied. Defects or shortages, which should or could reasonably have been detected during such inspection, shall not entitle the Buyer to advance a claim against Seller.

7.2 Complaints about any noticeable lack of conformity shall be given to Seller immediately after the Buyer has discovered it and no later than two (2) weeks after delivery.

7.3 The Buyer loses the right to make any claim in respect of defects or shortages in the product supplied if the Buyer does not give written notice to seller specifying the nature of the non-conformity in question immediately after he has discovered it or should have discovered it.



**8. Return of Products & Cancellation (not covered by exchange agreement)**

8.1 Return of already delivered products shall only be made with the prior written consent of Seller. Special products, i.e. made to order parts or non-stock parts, cannot be cancelled.

8.2 In the event that, by way of exceptions, Seller accepts a cancellation or return of already supplied products, not being warranty claimed or products covered by exchange agreement, the Buyer shall indemnify Seller fully against all costs connected with the cancellation and pay a cancellation fee of 20% of the invoice price. In no event shall the cancellation fee be less than USD 500.

8.3 Any return of products shall be for the account and at the risk of the Buyer.

8.4 Products returned, not covered by exchange agreement, the originally invoiced amount will be credited with deduction of the cancellation fee and any special costs borne by Seller in relation to the returned Products.

8.5 Return of already delivered Products will only be accepted when Seller has established by inspection that product is in same condition as delivered. Original paperwork, certificate, shop report and unused statement must be received with returned Product. Otherwise Seller reserves the right to reject the Product. Furthermore Rotable part (serialized) must be in original unbroken sealing. In case sealing is broken Seller is entitled to ship part for recertification at the expense of the buyer including freight and handling.

**9. Rotable Exchange program**

9.1 Additional exchange agreement terms apply for this service and must be signed for each order.

**10. Warranty**

10.1 Coverage and warranty period

Seller hereby warrants that the products hereunder will be free of any defects in material or workmanship in accordance with the following warranty schedule based on the condition code of products stated on the invoice and that it will have good title to the products it sells to buyer hereunder at the time of delivery. In all cases warranty period starts from invoice date.

If nothing else is agreed between seller and buyer in writing, the warranty periods are as defined below:

Condition of part on invoice	Age of Airworthiness Release Certificate (ARC) at time of invoice	
	ARC age: 3 years or less	ARC age: More than 3 years
Factory New (NE)	1 year	30 days
New Surplus (NS)	6 months	30 days
Overhauled (OH)	6 months or 500 flight hours, whichever comes first <sup>1</sup>	30 days
Serviceable (SV, Inspected, Repaired)	6 months or 500 flight hours, whichever comes first <sup>1</sup>	30 days
As Removed (AR) and tools	No warranty	No warranty

<sup>1</sup> In all cases, warranty only applies to workmanship failure. There is no warranty for any spare part defects unless spare part were changed by the qualified workshop during the most recent shop visit. Warranty will only apply to repair work done during the most recent shop visit. Note that broken lamps, bulbs, tubes, flashtubes, water ingestion and foreign object damage (FOD) is **excluded** from warranty. In the event that the workshop offers more extensive warranty terms than Seller, the workshop warranty will be passed on to buyer.

10.2 Notice – Sellers obligation and liability with respect to each defect are conditioned upon the defect having become apparent to Buyer within the applicable warranty period. Seller must receive written notification of such defect promptly but not later than fifteen (15) calendar days after the defect becomes apparent to buyer. Shipping of the defect part to Seller is to be borne by Buyer. The part should be shipped at Buyer's earliest convenience, but should the part arrive at Seller more than 10 calendar days after the warranty period ends, warranty will not be considered and the part will be returned to Buyer at Buyer's expense.

10.3 Determination of coverage – The warranty product will be returned to same workshop having performed test/repair/modification/overhaul of the product supplied to buyer. Inspection by workshop will determine if warranty claim is accepted or rejected. Both parties will respect the decision made by the workshop.

a. Warranty accepted: Seller will accept to pay expenses of such repair (and any charges related to this repair) or supply replacement unit to Buyer within a reasonable leadtime. Shipping cost back to Buyer will be borne by Seller.

b. Warranty rejected: Seller will return part to Buyer (at Buyers expense) unless otherwise agreed. Seller will invoice Buyer USD 695 for handling of rejected warranty unit. Should Buyer want Seller to manage the repair of the unit, separate fees will apply.

10.4 Conditions – Seller warranty obligations described herein are subject to the following conditions:

1. The warranted product has been used under normal operating conditions as established by the OEM and has not been subject to misuse, mishandling, negligence, accident, or ingestion of foreign material.
2. The warranted product has not been altered or repaired or serviced since supplied by Seller.
3. The warranted product has been maintained in accordance with EASA, FAA or OEM Maintenance Program and Maintenance Manual (or equivalent government approved documentation for those Buyers operating under foreign registry).
4. The warranted product must be accompanied of detailed explanation of "reason for removal".

10.5 Disclaimer – The warranties set forth in this limited warranty provisions and the obligations and liabilities of Seller thereunder, are expressly in lieu of, and Buyer hereby waives and releases Seller from, any and all other warranties, agreements, guarantees, conditions, duties, obligations, remedies or liabilities, express or implied, arising by law or otherwise, including without limitation any warranty of merchantability or fitness for intended use, with respect to Seller's performance hereunder and Buyer agrees that Seller will not be liable for any damage or loss (including, but not limited to consequential damages) suffered by Buyer, directly or indirectly, whether in tort or contract, because of any defect in material or workmanship warranted hereunder. No agreement or understanding varying, altering or extending Seller's liability hereunder will be binding on Seller unless in writing signed by a duly authorized officer or representative of Seller.

10.6 Limitation of liability – In no event will Seller's liability under this warranty exceed the purchase price actually paid for the part.

**11. Indemnification** – Buyer hereby releases and agrees to defend, indemnify and hold Seller; its Directors, officers, employees and agents harmless and against any and all liabilities, claims, demands, suits, damages and losses (including, without limitation all attorney's fees costs and expenses in connection therewith or incident thereto) for deaths of or injuries to any persons whomsoever (including, without limitation Buyer's employees) and for loss of, damage to destruction of, or delay in the delivery of any property whatsoever (including, without limitation, aircraft of Buyer) in any manner arising out of or in connection with the Products subsequent to their delivery by Seller hereunder regardless of the negligence, active or passive, of Seller its Directors, officers, employees or agents. Buyer will, at the request of Seller negotiate any claim or defend any action or suit brought against Seller or in which Seller is joined as a party defendant based upon any matters for which Buyer has released and indemnify Seller hereunder.

**12. Consequential damages** – In no event will Seller be liable for any special, incidental or consequential damages including but not limited to lost revenues, lost profit, or loss of prospective economic advantage, resulting directly or indirectly from this transaction or the use of the Products or any inability to use such either separately or in conjunction with other parts or equipment.

**13. Confidential information**

Except in any proceeding to enforce the provisions of the contract or as required by law, neither party will disclose to any third party the financial terms of the contract/order, the terms contained in any attachment or endorsement hereto, or any other confidential information of the other party, including orders, forecasts, financial or any data processing programs, procedures or passwords/ identifications.

**14. Choice of law and venue**

Any dispute controversy, disagreement or claim arising out of or under the contract or the termination, breach or invalidity thereof shall be settled according to Danish law before the Maritime & Commercial court of Copenhagen.

Seller shall be entitled to pursue any claim in connection herewith against the Buyer at any competent court of law in Denmark.