

AERMECCANICA - TERMS AND CONDITIONS OF SALE & REPAIR

This Agreement (Agreement) is made and entered into effective as of the date of the acceptance of the Aermecanica srl (AM) quotation, by and between Aermecanica and Buyer (Customer). During the term of this Agreement, the following terms and conditions shall apply to all orders placed by Customer for purchases from AM of any spare part or to maintenance Customer components. Such orders may be hardcopy orders transmitted by mail or may be electronically transmitted orders using the fax or other electronic means (e-mail).

For all such orders, Customer agrees to accept AM invoices for such orders and will establish such internal controls and procedures as are necessary to ensure prompt payment of said invoices in accordance with the terms of this Agreement. Customer further agrees that upon notification by AM of purchase order exceptions, which are consistent with this Agreement, Customer will acknowledge agreement with such revisions. If Customer has not rejected the purchase order exception within two (2) working days of such notification, they shall be deemed accepted by Customer.

By placing an order with AM, Customer agrees that the Terms and Conditions set forth herein shall apply to such order and that any terms and conditions on Customer's purchase order which conflict with or are different from these Terms and Conditions are void and not a part of the agreement. The terms of this Agreement shall be for a period commencing on the date of acceptance of AM quotation by Customer and continuing until payment of invoices, delivery of ordered spare parts and expiring of warranty terms, if applicable.

PRICE

Unless otherwise agreed to in writing, prices for spare parts (hereinafter referred to as Goods) ordered during the term of the Agreement and delivered to the Customer shall be as quoted by AM.

Unless otherwise agreed to in writing, prices of quoted maintenance services during the term of the Agreement and delivered to the Customer shall be as quoted by AM.

Repair offers are provided refer to receiving inspection of the components, if during maintenance activities will be discovered additional spare parts to be replaced or repaired the offer will be update accordingly.

Delivery requirements earlier than normal order lead time may be subject to expedite fees. The taxes and the bank fees are excluded in the quote of spare parts (see also TAXES paragraph).

DELIVERY

Delivery of the ordered spare parts is predicated upon the availability of stock on hand which is subject to prior sale.

Quoted lead time could be adjusted in accordance with change of delivery terms from the suppliers. As required by Airworthiness Authority requirements, AM shall enclose the FAA or EASA Certificates or Certificate of Conformity for serviceable spare parts with the delivery.

The days to perform quoted maintenance are those necessary to carry out the services activity whereas all parts are in stock. If there is an excusable delays of spare parts supply including but not limited to strike of manufacturers or shipping carrier, high lead time of spare provider, missing of spare parts during transportation the Tour Around Time will be adjusted accordingly. AM may apply expedite and AOG fees to its quoted price in the event the Customer requests delivery prior to the AM committed delivery date.

TAXES

Prices do not include sales, use, excise, value added, or any other taxes, fees, imposts, dues, and/or duties or charges levied, assessed or imposed, or the transportation costs applicable to this order. Customer shall be responsible for and pay such charges, to the extent applicable, in addition to the AM price.

PAYMENT

(a) Unless other payment terms are mutually agreed upon in writing, payment shall be in advance. AM also reserves the right to charge interest at a rate of 1.25% per month on account balances delinquent to terms.

(b) Payment shall be made by Wire-Transfer to the bank and account details provided by AM.

Customer shall indicate its company name and AM's invoice number(s) on all remittances.

DELIVERY, TITLE AND RISK OF LOSS

Prices are ICC INCOTERMS EX WORKS INCOTERMS 2010 point of shipment. Title and Risk of Loss or Damage passes to Customer upon delivery to Customer or Customer's Agent at the EX WORKS point of shipment. The method of shipment should be designated by the Customer on the order. AM reserves the right to make partial shipments against any order requirement.

EXCUSABLE DELAY

AM shall not be in default or liable for any damages resulting from delay in delivery or performance of any of its obligations hereunder due to acts of God or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, accidents or other casualties, epidemics, quarantine restrictions, strikes, labor disputes, freight embargoes, unusually severe weather, inability to obtain necessary materials, transportation utilities compliance with orders, priorities or requests of any government agency or failure of subcontracts to meet delivery schedules, or to any cause, condition or contingency beyond the reasonable control of AM like i.e. delay of delivery of parts from Suppliers or OEMs, whether similar to those enumerated or not. In the event of any such delay, the date of performance or delivery shall be extended for a period of time as may be reasonably necessary to compensate for any such delay.

CANCELLATION

Orders terminated or cancelled are subject to payment by Customer to AM of a sum to be set by AM which fairly compensates for materials, labor, and expenses incurred plus a profit for work performed. Upon return agreement, a minimum restocking fee of \$500 or 10% of retail value (whichever is greater) will be applied prior to return of parts through the AM facility and issued return authorization number.

INSPECTION

Claims for shortages or incorrect or discrepant goods shipped against any order must be presented to AM in writing within five (5) calendar days after receipt of the shipment in question. Except as specifically provided herein, AM will not be responsible for any such claim not reported in writing within that period.

REPAIR SERVICE

AM may support customers with repair services to other Authorized Maintenance Organizations (AMO), the component subjected to repair service shall be supplied by AM with AMO's Certificate of Airworthiness and is not subject to any specific guarantee for quality if the component is provided without any such guarantee to AM by the AMO. If a specific guarantee for quality has been given to AM, AM shall transfer such specific guarantee for quality to customer if possible.

RETURN OF CORE UNIT AFTER EXCHANGE

The core unit subject to an exchange shall be received within 15 calendar days at AM facility in DDP status after release of serviceable unit from AM. The core unit must be repairable guarantee otherwise AM is entitled to invoice the value of core unit to customer.

EXPORT/IMPORT LICENSES

Unless otherwise agreed to in writing, Customer is responsible for obtaining, in a timely manner, all licenses and other governmental authorization required for the export of goods from the Italy and the import of such goods into the country of destination. AM shall not be liable if any authorization of any government is delayed, denied, revoked, restricted or not renewed, and Customer shall not be relieved thereby of its obligation to pay AM for its goods or any other charges which are the obligation of Customer under this order.

GOVERNING LAW

This Agreement and each order placed hereunder shall be governed and construed in accordance with the laws of Italy.

LIMITATION OF LIABILITY

Except as otherwise specifically set forth in this Agreement, AM's liability for any loss or damage of any nature whatsoever arising out of or in connection with its performance under this Agreement, any order placed hereunder, or the goods or services furnished under this Agreement or such orders, shall not exceed \$1,000.00 usd or the price allocable to the goods furnished on orders placed under this Agreement which give rise to the claim, whichever is greater. This limitation applies regardless of the cause of the loss or damage be it negligence on the part of AM and/or any one or more of its employees, failure of a limited remedy of its essential purpose, or otherwise. In no event shall AM be liable for any obligation or liability for special, consequential, or incidental losses or damages.

Material supplied under this Agreement shall be supplied on an "as-is-basis" and is not subject to any specific guarantee for quality if the Material is provided without any such guarantee to AM by the Supplier. If a specific guarantee for quality has been given to AM, AM shall transfer such specific guarantee for quality to Customer if possible.

WARRANTY

The AM Warranty Policy shall be applied. For more information refer to AM website: www.aermeccanica.it

THE WARRANTY PROVIDED IN THIS CLAUSE AND THE OBLIGATIONS AND LIABILITIES OF AM HEREUNDER AND THE RIGHTS AND REMEDIES OF CUSTOMER HEREUNDER ARE EXCLUSIVE AND IN LIEU OF AND CUSTOMER HEREBY WAIVES ALL OTHER WARRANTIES, GUARANTEES AND OBLIGATIONS OF AM AND ALL OTHER LIABILITIES, RIGHTS AND

REMEDIES OF CUSTOMER, EXPRESS OR IMPLIED ARISING BY LAW, OR OTHERWISE INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED OR OTHER WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY OBLIGATION OR LIABILITY OF AM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE GOODS AND SERVICES FURNISHED HEREUNDER, WHETHER BASED ON CONTRACT, TORT OR OTHERWISE. AM MAKES NO OTHER WARRANTY BEYOND THAT CONTAINED IN THIS WRITING. THIS PROVISION SHALL NOT BE EXTENDED, ALTERED OR VARIED, EXCEPT BY WRITTEN INSTRUMENT SIGNED BY AM. IN NO EVENT SHALL AM BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING UNDER OR RELATED TO THIS AGREEMENT OR BY REASON OF THE USE OR LOSS OF USE OF THE GOODS OR SERVICES FURNISHED HEREUNDER.