

GENERAL CONDITIONS
OF
NAYAK AIRCRAFT SERVICE NETHERLANDS BV

CoC Amsterdam: NL 34091726

Article 1 - Offer and Agreement

- 1.1 These General Terms and Conditions of Business shall apply to all offers and Agreements under which Nayak a PART-145 approved maintenance organisation, using Authorisation Number NL.145.1306, located at Amsterdam Schiphol Airport, supplies to Customer goods and/or services of whatever nature, even if such goods or services are not (further) specified herein. No deviations from these General terms and Conditions shall be valid unless expressly agreed in writing.
- 1.2 All offers shall be without engagement unless expressly otherwise stated in writing in the offer.
- 1.3 Any applicability of any terms and conditions of purchase, or otherwise, of Customer is rejected.
- 1.4 In the event of nullity or annulment of any provision of these General Terms and Conditions of Business, the other provisions hereof shall remain in full force and effect, and Supplier and Distributor shall consult together in order to agree on new provisions to replace the provisions that are null or, as the case may be, annulled, duly observing as much as possible the object and purport of the provision that is null or annulled.

Article 2 - Orders

- 2.1 The Customer shall place all orders in writing specifying the services to be performed by Nayak. The order shall become binding upon Nayak after explicit confirmation in writing by Nayak. Such confirmed order being referred to hereinafter as a "Workorder".
- 2.2 This Workorder is compiled in order to comply with the requirements as laid down in JAR-OPS 1.895(c).
- 2.3 Nayak reserves the right to refuse any order from the Customer which Nayak determines in good faith to be detrimental to its best interests.
- 2.4 The term "Aircraft" shall mean the Aircraft as specified in the Workorder, including airframe, power plants, components, avionics and in general all parts whether affixed thereto or temporarily detached therefrom.
- 2.5 The term "services" and/or "maintenance" as used in the Agreement shall mean all the work performed by Nayak as described in the Workorder.

Article 3 - Prices

- 3.1 The price of the service shall be according to the standard prices of Nayak less any discounts agreed to in writing. Unless otherwise stated, all such prices are in accordance with Incoterms 2000 (as published by the International Chamber of Commerce), and are exclusive of Value Added Tax and any other levies imposed by the authorities.

Article 4 - Other charges

- 4.1 Costs for transportation of specialists and material upon request of Customer from Amsterdam Schiphol Airport to another destination and vice versa, and their accommodation shall be charged to Customer at the applicable rates.
- 4.2 All extra work on request of Customer shall be charged to Customer at the applicable rates.
- 4.3 Costs of materials used during maintenance will be invoiced upon use against the Nayak pricelist.

Article 5 - Payments

- 5.1 All payments due by Customer as a result of the Workorder shall be made in EURO's within 30 (thirty) days after the date of invoice into Nayak's account. Nayak may request upfront payment before the performance of the work.
- 5.2 Payment shall first be deducted from the costs and subsequently from the interest which has become due and shall thereafter be deducted from the oldest outstanding principal and the current interest.
- 5.3 In case Customer for whatever reason would not have settled any amount on its due date Nayak may charge an interest at the rate of one percent (1,5%) per month calculated on the amount due during the period of time between the due date and the date on which the overdue amount will be paid to Nayak's bank account. For this interest calculation each month will have 30 (thirty) days and each year 360 (threehundred sixty) days.
- 5.4 The Customer shall not be authorized to make any deductions from the amount of the outstanding invoices on account of any counter-claims it may allege against Nayak.

Article 6 – Civil Aviation Authority Involvement

- 6.1 For the purposes of the workorder the Dutch Civil Aviation Authority is the NAA for both the Customer and Nayak.

Article 7 - Quality Monitoring

- 7.1 Nayak will permit access by the Customer, the Aviation Authorities and EASA to its premises and personnel for the performance of any quality surveillance and audits which the Customer is required to perform for the purposes of obtaining and

sustaining JAR OPS approval, and will respond with corrective action within the agreed period to any accepted non-conformities which are revealed by such monitoring.

Such non-conformities will initially be notified to Nayak by means of the issue of an Audit Corrective Action Report in the manner defined in Customer's Maintenance Management Exposition (and will then be followed up during periodic Quality Meetings).

- 7.2 Any tasks delegated to and performed by Nayak under this agreement, which constitute part of the JAR OPS 1.890 maintenance management responsibility of the Customer will be performed under the surveillance of Customer's quality system. In such cases Nayak's PART 145 quality system auditing program will be extended to include these tasks.

Article 8 - Airworthiness Data / Documentation

- 8.1 The Customer shall be responsible for the provisioning of the technical documentation.
- 8.2 The Aircraft Flight Log, Aircraft Maintenance Log or any document replacing or supplementing the same, as supplied by the Customer, shall be used by Nayak.
- 8.3 The Customer shall submit to Nayak in good time all necessary technical documentation as applicable to the Aircraft, power plants and rotatable components.
- 8.4 The Customer shall, if necessary, timely submit a written authorisation to the manufacturers of the Aircraft, power plants and rotatable components to provide Nayak, on Nayak's request, with documentation required to perform services as agreed by the Agreement.
- 8.5 In the event that the data necessary for the execution of the Agreement are not at Nayak's disposal, or not in time or in accordance with the arrangements, or in the event that Customer fails to fulfil his obligations in any other way, Nayak shall in any event be entitled to suspend the execution of the Agreement and to charge the expenses thereby incurred, in accordance with its customary rates.

Article 9 - Incoming Conditions

- 9.1 The Customer will present the Aircraft at Amsterdam Schiphol Airport and/or other airports, to Nayak for scheduled maintenance in a timely manner for the accomplishment of prescribed tasks, together with such necessary maintenance records and all board documents as are in the possession of the Customer.
- 9.2 The Customer will ensure that all known defects on the Aircraft are notified to Nayak.

Article 10 - Service Bulletins/Modifications

- 10.1 The Customer will ensure that any Service Information received directly from the manufacturers is transmitted promptly to Nayak, unless it is established that such information is already in the possession of Nayak.

- 10.2 Any tasks performed by Nayak under the Agreement which constitute part of the JAR OPS 1.890 maintenance management responsibility of the Customer, will be monitored under the Customer's quality system. In such cases the PART 145 quality system auditing program will also be extended by Nayak to include these tasks.
- 10.3 It is the responsibility of the Customer to provide copies of flight details from the Aircraft Technical Log within 24 hours such that Nayak can effectively plan for work to be carried out when it becomes due. If requested by the Customer, Nayak will provide a copy of the relevant technical documentation.

Article 11 - Supply of Parts, Tools & Equipment

- 11.1 It is the responsibility of Nayak to supply all parts and materials as required for the agreed maintenance of the Aircraft.
- 11.2 Purchase of spare powerplants, spare rotatable components, tools and equipment will be discussed upon need.

Article 12 - Warranty

- 12.1 Nayak warrants that the services shall be carried out with skill, care and diligence in accordance with good industry practice and that the service shall;
- be conform the specifications (if any) agreed with the Customer;
 - comply with the requirements of the Regulatory Authority;
 - be conform the manufacturer's instructions where appropriate.
- 12.2 The provisions of this article are a substitution for and exclude all other warranties, expressed or implied, arising by law or otherwise in connection with the performance of the services by Nayak.
- 12.3 Nayak carries no warranty whatsoever for any material or spare parts not manufactured by Nayak. Nayak however, shall make reasonable efforts to obtain from manufactures of such materials and spare parts reasonably adequate warranties running to the Customer.
- 12.4 Nayak shall exert its best efforts to exercise any warranty obtained from manufactures of materials or spare parts used in furnishing services under the Agreement and, if requested, the Customer will reasonably assist Nayak in such efforts.

Article 13 - Title and Risk

- 13.1 Title and risk to all spare rotatable components, spare consumables, special tools and equipment, owned or arranged by the Customer for the purpose of the Agreement shall vest in the Customer.

Article 14 - Ferry / Test Flight

- 14.1 The Customer shall perform any ferry flight required at its own risk and expense, and at the proper time.

14.2 If a testflight is required according to the applicable Maintenance Organisation's (and/or other) regulations or if the Customer requests the performance of a testflight to demonstrate the proper and effective working of the Aircraft, such testflight need to be carried out with the attendance of an employee of Nayak and one or more employees of

the Customer if so requested by the Customer, it being understood that :

- a. such testflight shall be carried out by and at the risk and expense of the Customer;
- b. the duration of any testflight shall be as long as required to certify the Aircraft for (commercial) use, and as often as the Customer or Nayak wishes;
- c. The Customer is held responsible for all Authority approvals.

Article 15 - Release to Service Documentation

15.1 Nayak will issue a Certificate of Release to Service following a hangar maintenance inspection and provide the Customer with a copy. Nayak places the original one in the Aircraft Technical Log, in accordance with the JAR 145 Nayak Exposition procedures. This certificate, made by Nayak, is to inform the Customer that the maintenance has been completed.

15.2 Apart from those items which are included in the Aircraft's log books (aircraft and engine), or by completion of the Aircraft Technical Log for the previous flight, or by the provision of the Certificate Release to Service, Nayak will present a report which will contain the following data and records :

- General accomplishment data : date, total flight hours/cycles
- A copy of the Certificate of Release to Service
- Overview of scheduled maintenance performed
- Overview of modifications performed (incl. AD's)
- Overview of One Time Inspections performed (incl. AD's)
- Overview of repairs performed
- Overview of planned rotatable changes
- Overview of relevant defects.

15.3 Nayak will ensure that all defects reported by the Flight Crew are rectified and certified in the Aircraft Technical Log, or are deferred in accordance with the provisions of the Customer's MEL for the subject Aircraft and the Customer's JAR OPS approved method of use of the Aircraft Technical Log.

15.4 Nayak issues a Maintenance Statement containing due-information regarding the next scheduled maintenance.

Article 16 - Customer's Acceptance

16.1 Release to Service of the Aircraft after incomplete maintenance by Nayak is only permitted by written consent of the Customer.

16.2 The Customer requires an aircraft acceptance following hangar maintenance checks. A report print of the work carried out during the hangar visit will be presented to the

Customer. In this report all relevant information of the status of the Aircraft will be available and acceptance by Customer can take place.

Article 17 - Liability Indemnity and Risk

- 17.1 Nayak will use its best efforts to perform the services within the agreed period of time, with skill, care and diligence in accordance with good industry practice.
- 17.2 The Customer shall bear risk of loss of or damage howsoever caused to the Aircraft, spare power plants, spare rotatable components, spare (special) consumables, special tools and equipment stored or to be serviced by Nayak under the Agreement and for all goods procured by Nayak in accordance with article 14 hereof, whether or not occurring whilst in the custody of Nayak or during ferry or test flights, unless caused by negligence on the part of Nayak.
- 17.3 The Customer shall assume all liability for claims of whatever nature (including but not limited to claims for death, injury, damage, loss or delay and including all related costs) resulting from or connected with the performance or non-performance of whatever services under the Agreement, including but not limited to test and ferry flights unless caused by gross negligence or willful misconduct of Nayak. It is being understood however, that Nayak will bear the risk of death of or injury to its own employees while they are performing services under the Agreement and of loss of or damage to their properties (unless these employees are traveling as passengers, in which case the normal carriers liability will apply) and of loss, damage, injury, death to third parties arising out of the performance of Nayak of the service hereunder on its premises.
- 17.4 Nayak's liability, including but not limited to Customer's claims of contributions and indemnification related to third party claims arising out of service under the Agreement, and for any losses, injury or damages to persons or properties or work performed arising out of or in connection with the Agreement and for any other claim, shall be limited to the payment received by Nayak from the Customer for the particular service provided giving rise to the claim. Notwithstanding anything to the contrary in the Agreement, Nayak shall not be liable for any special, indirect, consequential, lost profits, or punitive damages.
- 17.5 Customer agrees to limit Nayak's liability to Customer and any other third party for any damage on account of any error, omission or negligence to a sum not to exceed the payment received by Nayak for the particular service provided giving rise to the claim. The limitation of liability set forth herein is for any and all matters for which Nayak may otherwise have liability arising out of or in connection with the Maintenance Agreement, whether the claim arises in contract, tort, statute, or otherwise.
- 17.6 Customer's exclusive remedy for any claim arising out of or relating to the Agreement will be for Nayak, upon receipt of written notice, either (1) to use commercially reasonable efforts to cure, at its expense, the matter that gave rise to the claim for which Nayak is at fault, or (2) return to Customer the fees paid by Customer to Nayak

for the particular service provided that gives rise to the claim, subject to the limitation contained in the Maintenance Agreement. Customer agrees that it will not allege that this remedy fails its essential purpose.

- 17.7 All the provisions of this article will survive the expiration or termination of the Agreement for any reason.
- 17.8 Customer shall give Nayak written notice within one hundred eighty (180) days of obtaining knowledge of the occurrence of any claim or cause of action which Customer believes that it has, or may seek to assert or allege, against Nayak, whether such claim is based in law or equity, arising under or related to the Agreement or to the transactions contemplated hereby, or any act or omission to act by Nayak with respect hereto. If Customer fails to give such notice to Nayak with regard to any such claim or cause of action and shall not have brought legal action for such claim or cause of action within said time period, Customer shall be deemed to have waived, and shall be forever barred from bringing or asserting such claim or cause of action in any suit, action or proceeding in any court or before any governmental agency or authority or any arbitrator. All notices or other communications hereunder shall be in writing, sent by courier or the fastest possible means, provided that recipient receives a manually signed copy and the transmission method is scheduled to deliver within 48 hours, and shall be deemed given when delivered to the address specified below or such other address as may be specified in a written notice in accordance with this Section.
- 17.9 Each party shall in any case, notwithstanding the other provisions of this Maintenance Agreement indemnify and hold harmless the other party to the extent required to give effect to the provisions of this Maintenance Agreement (provided that this indemnity shall not apply in case of willful misconduct or gross negligence of the party to be indemnified). The said indemnities shall also apply for the benefit of the employees and the agents of each party, as well as for the benefit of each party's independent contractors and suppliers if required by terms of their contract with either party.

Article 18 - Insurance

- 18.1 The Customer shall be held responsible for the insurance's covering the Aircraft hull and the Aircraft third party, passengers, baggage, mail and cargo liability to waive any right of recourse against Nayak, its employees, agents, suppliers and independent contractors. The Customer shall ensure that the above mentioned waiver shall survive the termination of the Agreement.

Article 19 - Excusable delay

- 19.1 Nayak shall not be responsible or liable, nor be deemed to be in default on account of delays in the performance of the Agreement, or any part thereof, or causes beyond Nayak's control including but not limited to, strikes, labour troubles, cessation or dislocation of work, government action, fire, flood accident, weather conditions, inability or any other cause whatsoever, whether or not of a similar nature to the foregoing.
- 19.2 Nayak shall as soon as practicable after becoming aware of any delay falling within the

provisions of the Maintenance Agreement notify Customer of such delay and of the probable extent thereof, and subject as hereinafter provided shall as soon as practicable after the removal of the cause (or causes) for delay resume performance under the Agreement.

- 19.3 Nayak shall never be liable or responsible for, nor deemed to be in default with respect to indirect losses or consequential damages of whatever nature in relation to any delay.

Article 20 - Taxes

- 20.1 Nayak shall bear all risks for Dutch taxes (except VAT) imposed on Nayak as a result of the services performed by Nayak under the Agreement and shall hold Customer free and harmless from liability for such taxes (including the amount of interest and penalties on connection herewith) all other taxes, duties or fees, imposed by any other Government, Airport or Aviation Authority are for Customer's account.

Article 21 - Property and risk

- 21.1 No property of any of the goods sold, and (or) received by the Customer, and (or) physically delivered shall pass to the Customer until payment of any and all amounts due to the Nayak shall have been fully made, irrespective whether such amounts due constitute the purchase price of these goods or are due for other reasons.
- 21.2 Accordingly, Nayak shall be entitled on default in payment to repossess the goods and the Customer shall do all in its power to enable Nayak so to do. Until property in the goods has passed to the Customer:
- (I) the Customer shall take proper care of the goods and take all reasonable steps to prevent any damage or deterioration thereto and shall allow Nayak to inspect them if she so requires;
 - (II) the Customer shall give the Nayak all such information relating to the goods as she may require.
- 21.3 Nayak shall be authorized to collect these goods from the Customer at any time, to arrange for this to be done, or to reposes or store them elsewhere if the Customer should fail to comply its obligations in respect of Nayak or should fail to do so in full and (or) time, or if it has become clear that the Customer shall not be able to comply with its obligations in respect of Nayaks or shall fail to do so in full and (or) time.
- 21.4 Nayak shall have this right in particular, but not exclusively, if the Customer has applied for or been granted a moratorium of payments, if its involuntary liquidation or bankruptcy has been requested or pronounced, or if the Customer should have entered into any payments agreement with one or more of its creditors.
- 21.5 The Customer shall be required to notify Nayak immediately if third parties can lay claim to rights in respect of goods which Nayak has supplied to the Customer, as long as the Nayak has any claim against the Customer.

- 21.6 In that case the Nayak shall be authorized to collect the relevant goods from the Customer or to have this done, to repossess them and to store them elsewhere.
- 21.7 If Nayak should wish to collect the goods in conformity with the above, the Customer shall grant it access to its office or business premises for that purpose. The Customer shall be liable for all the costs connected with the collection and storage of the goods. Nayak shall not be obliged to make the goods available again until she has been paid in full or has been given sufficient security in respect of its claim(s).
- 21.8 Notwithstanding the foregoing, all risk relating to the goods shall pass to the Customer on receipt of the goods and the Customer should arrange insurance accordingly.

Article 22 - Events of default

- 22.1 The following shall be events of default ("Events of Default") under the Agreement:
- a) Customer fails to satisfy or perform any of the Obligations when due;
 - b) any representation or warrant made by (or on behalf of) Customer to Nayak is (or becomes) incorrect or untrue, or Customer breaches or fails to comply with any term of the Agreement or any other agreement or undertaking now or hereafter given by Customer to Nayak;
 - c) Customer becomes insolvent or bankrupt, a petition in bankruptcy is filed against Customer, Customer makes an assignment for the benefit of creditors, a trustee, receiver or similar procedure is appointed in respect of Customer or any of its assets;
 - d) Customer ceases, or threatens to cease, to carry on its business or any material part thereof as presently carried on, or makes or agrees to make a sale of all or substantially all of its assets;
 - e) an execution or any similar process of any court becomes enforceable against Customer, or a distress or any similar process is levied upon Nayak's equipment;
 - f) any encumbrance affecting Customer's equipment becomes enforceable;
 - g) Nayak in good faith believes, and has commercially reasonable grounds to believe that the prospect of payment or performance of the Obligations is, or is about to be impaired or that Nayak's equipment is in jeopardy, or is about to be placed in jeopardy;
 - h) there is a change in control of Customer;
 - i) Customer has rescinded the Maintenance Agreement pertaining to the purchase of Nayak's equipment by Nayak.

Article 23 – Remedies of Nayak upon default of customer

- 23.1 Upon the occurrence of one or more Events of Default, Customer shall be in default under

the Agreement (without the necessity of any demand of performance, other demand, notice of any kind or judicial measures) and the Obligations shall, at the option of Nayak, be immediately due and payable (including all present and future indebtedness and liabilities of Customer to Nayak, including interest therein, and the payment and performance of all other present and future obligations of Customer to Nayak, whether direct or indirect, contingent or absolute, matured or not, and whether Customer is bound alone or with another or others, and including the costs of transport and recovery of the Aircraft), and the pledge shall become enforceable at the option of Nayak.

- 23.2 Furthermore, Nayak shall (in addition to any other remedies available at law or equity or contained in any other agreement between Nayak and Customer, all of which remedies shall be independent and cumulative) be authorized, at its discretion:
- a) to require advance payment or proper security for payment;
 - b) to terminate the Agreement in whole or to the extent not executed, with immediate effect;
 - c) to terminate one or more, or all the current agreements in respect of which Customer has not defaulted, in whole or to the extent not executed, with immediate effect, without prejudice to Nayak's right to claim complete compensation of damage;
 - d) to request Customer to make the Nayak's equipment available to Nayak at a place which Nayak shall select, whereupon Customer shall (at its own expense) forthwith cause the Nayak's equipment to be moved to the place designated by Nayak, and keep the Nayak's equipment so delivered to Nayak at such place pending further action by Nayak with regard to Nayak's equipment to the extent permitted by law.
- 23.3 If Nayak proceeds to foreclose its right of pledge under the Agreement, it shall not be obliged to notify to Customer, or anyone who has created a (second) right of pledge in Nayak's equipment, or who has attached Nayak's equipment, of the manner in which, the location where and the period within which the contemplated sale shall occur.
- 23.4 Similarly Nayak shall not be obliged to give notice of the actual sale. Customer hereby waives its authority to petition the President of the Court of First Instance to determine that Nayak's equipment may be sold in a manner other than that specified in Article 250 of Book 3 of the (Dutch) Civil Code.

Article 24 - Collection costs

- 24.1 Customer shall be liable for all the collection costs, including judicial and extra-judicial costs incurred as a result of its default. The extra-judicial costs shall amount to at least 15% of the principal and interest, with a minimum of € 2.500.-, excluding the value added tax payable in The Netherlands, without prejudice to Nayak's right to claim any extra-judicial costs which it incurs and which are in reality in excess of this sum from Customer.
- 24.2 Nayak shall provide evidence of this, inter alia, by submitting the statement of fees it receives from its legal advisors.

Article 25 - Failure to enforce any remedies

- 25.1 Nayak shall not be liable for any delay or failure to enforce any remedies available to it or to institute any proceedings for such purposes.
- 25.2 Nayak may waive any Event of Default, provided that no such waiver shall be binding upon Nayak unless in writing nor shall it affect the rights of Nayak in connection with any other or subsequent Event of Default.
- 25.3 Customer shall remain liable to Nayak for any deficiency, and any surplus funds realized after the satisfaction of the Obligations shall be paid in accordance with applicable law.

Article 26 - Extensions by Nayak

- 26.1 Nayak may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, and otherwise deal with the Equipment, without prejudice to the Obligations and the rights of Nayak to hold and realize upon the pledge.
- 26.2 Nayak has no obligation to preserve rights against other persons in respect of the pledge.

Article 27 - Other security

- 27.1 The Agreement and the pledge are in addition to - and not in substitution for any other security now or hereafter held by Nayak in respect of Customer, the Obligations or the pledge.

Article 28- Term and Termination

- 28.1 Parties may terminate the Agreement with immediate effect and without need of judicial recourse if :
- a. the other party is in default in the performance of any of its obligations under the Agreement and such default shall not be remedied within 14 (fourteen) days after written notice to the other party;
 - b. the other party becomes insolvent, makes a general assignment for the benefit of its creditors or commits an act of bankruptcy or if a petition for its reorganization or the readjustments of its indebtedness be filed by or against it, or if a receiver, trustee or liquidator of all or substantially all of its property be appointed;
 - c. the right to use or perform the services are revoked, cancelled or suspended by the government authorities.
- 28.2 Notwithstanding termination each party shall fulfill all obligations accrued under the Agreement prior to the time the termination becomes effective.

Article 29 - Disputes and Applicable Law

29.1 The Agreement shall be construed, governed and interpreted in accordance with the laws of the Netherlands. Any dispute arising from the interpretation or application of the Agreement or relating to any right or obligation based thereon or related thereto shall be referred to and finally settled by the competent court at Amsterdam the Netherlands.

Article 30 - Miscellaneous

30.1 The Agreement shall supersede all previous agreements, arrangements and stipulations in respect of the subject matter between the parties and can be changed only by written instrument signed by both parties.

Article 31 - Headings

31.1 Headings are inserted for convenience only and will not affect any construction or interpretation of the Agreement.

Article 32 - Non-Disclosure

32.1 All information and related documentation supplied to the Customer are for the Customer's use only. The Customer must not disclose anything to any third party without Nayak's prior written consent, unless and in as much required by competent government authorities.