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STANDARD TERMS & CONDITIONS
FOR
PERFORMANCE OF SERVICES

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Article 1. **Definitions**

The terms hereunder shall have the following meanings for all purposes of these Conditions:

- “EPCOR“: EPCOR B.V., a Dutch corporation, having its registered office at Bellsingel 41, 1119 NT Schiphol-rijk, The Netherlands;
- “Services“: Activities performed by EPCOR in the fields of maintenance, repair, inspection and modification of aircraft components; performance of technical services; providing technical know-how and supplying goods; all such activities in the broadest sense of the word;
- “Proposal“: An offer or study, whether or not preliminary, prepared by EPCOR with regard to Services under consideration;
- “Customer“: The individual or legal entity requesting EPCOR to perform Services;
- “Quote order“: An EPCOR standard document signed by the Customer authorizing EPCOR to perform Services.

Article 2. **Scope**

- 2.1 These Conditions apply to any Proposal or Services irrespective of where the request is made or where the Services are performed, unless covered by a separate agreement between the parties which deviates from these Conditions.
- 2.2 Any deviation from these Conditions will require EPCOR's consent in writing.
- 2.3 EPCOR shall be entitled to subcontract any of the Services.

Article 3. **Proposals**

- 3.1 Proposals are made by EPCOR without commitment.
- 3.2 Costs related to the preparation of a Proposal made on request of Customer may be charged to the Customer if no order results from such Proposal.
- 3.3 Proposals are valid during 45 calendar days after date of issue, unless stated otherwise in such Proposal.

- Article 4. **Standard of Performance**
- 4.1 Services shall be performed in accordance with EPCOR's normal standards and practices.
- 4.2 EPCOR will take into account the Customer's special requests as much as practicable.
- 4.3 EPCOR will use its best efforts to perform the Services within the agreed period of time. However, irrespective of any indication on the quote order to that effect, EPCOR will not assume any liability whatsoever in this respect.
- 4.4 Delivery and redelivery of the goods, to which the Services relate, will take place at Schiphol Rijk, unless agreed upon otherwise.
- Article 5. **Quote order**
- Before carrying out Services, or at any time thereafter, EPCOR may require that a Quote order be signed by Customer. The absence of such signed Quote order, however, shall not relieve a Customer from his obligations under these Conditions.
- Article 6. **Security**
- Before carrying out Services, or at any time thereafter, EPCOR may require a bank guarantee, a deposit, or some other security acceptable to EPCOR, for all payments due by Customer to EPCOR in consideration of such Services.
- Article 7. **Exclusivity**
- Customer shall not allow any third party to supply services similar to those ordered from EPCOR, at the same location(s) and during the same period.
- Article 8. **Inspection by Customer**
- Customer and his authorized representative will be entitled to inspect performance of Services, on condition that such inspection in no way interferes with EPCOR's normal activities.
- Article 9. **Completion of Services**
- 9.1 EPCOR will notify Customer as early as possible about the moment of completion of Services.
- 9.2 Within forty-eight (48) hours after completion of Services, Customer shall check, and take delivery of the serviced item(s) at the place indicated by EPCOR.

Article 9. **Continued ...**

9.3 If Customer fails to take delivery within the period mentioned in Article 9.2 above, EPCOR may charge to Customer additional costs arising from or connected with such delay.

9.4. If necessary to perform the Services, replacement of parts shall take place. Transfer of title and risk of the replacing part(s) to Customer shall take place at the moment of replacement. At the same moment the title and risk of the removed part(s) shall pass on to EPCOR.

Article 10. **Non-disclosure**

All information and related documentation given to Customer are for Customer's use only and Customer undertakes not to disclose anything to third parties without EPCOR's prior written consent, unless and in as much as required by competent authorities.

Article 11. **Charges**

11.1 Customer shall pay EPCOR for Services performed either on the basis of EPCOR's applicable rates effective on the commencement date of performance of such Services or on the basis of special rates agreed upon between EPCOR and Customer.

11.2 EPCOR may require Customer to refund to EPCOR all expense made for Customer of his personnel to the extent such expenses are not included in the rates referred to in Article 11.1 above.

11.3 The rates referred to in Article 11.1 above are subject to change at thirty days' written notice to Customer.

11.4 Charges for supplying goods are f.o.b. Schiphol Rijk, goods cleared from customs, unless otherwise indicated by EPCOR .

11.5 All taxes, duties or fees imposed by any government (with the exception of those imposed on net income by the Dutch Government) are for Customer's account.

Article 12. **Payment**

12.1 Customer shall pay within fifteen (15) calendar days after the invoice date, unless otherwise agreed. . EPCOR may require prepayments before redelivery or completion of Services; unless a security as referred to in Article 6 above has been given.

12.2 All invoices of EPCOR shall be considered accepted and approved by Customer, unless written notice to the contrary is given to EPCOR within fifteen (15) days after the date of such invoice.

- Article 12. **Continued ...**
- 12.3 Without prejudice to Customer's right to object as mentioned in Article 12.2 above, EPCOR may charge interest at the rate of twelve (12) percent per annum or at the currently applicable legal interest rate -whichever is higher - as of the due date of any payment.
- 12.4 Payments will be made in the currency (currencies) in which EPCOR's applicable rate(s) are quoted to Customer, unless otherwise indicated by EPCOR.
- 12.5 Payments will be made by transfer at the expense of Customer to bank accounts indicated by EPCOR.

- Article 13. **Rented Items**
- 13.1 Any item rented out to Customer shall be returned to EPCOR at Schiphol-Rijk or at such other location as agreed, in good order and condition, ordinary wear and tear excepted, on or before the agreed date.
- 13.2 If, for whatever reason including also force majeure, Customer fails to return a rented item to EPCOR in accordance with Article 13.1 above, EPCOR may require that its replacement value (including acquisition costs) at the agreed date of return be paid forthwith.
- 13.3 If, for whatever reason including also force majeure, an item is returned in a damaged condition, Customer shall, at the discretion of EPCOR, pay either (i) the difference between the value mentioned in Article 13.2 above and the value of such item in its damaged condition or (ii) the cost of repair of such item or (iii) the value mentioned in Article 13.2 above against delivery to Customer of such item.
- 13.4 Rented items shall be returned at the expense of Customer to the address indicated on the Quote order. The rental period will commence on the date of the relevant Quote order and will terminate on the date on which such rented items will have been received back in the EPCOR stores as stipulated on the Quote order. Expenses to be incurred by packing, transportation, customs clearance, inspection and overhaul, if applicable, of the rented item, will be charged to Customer.

- Article 14. **EPCOR's Lien**
- For all amounts due by Customer EPCOR will have a lien on all items which are object of Services and on all prepayments made by Customer by virtue of Article 12.1, as well as on any security made available to EPCOR by virtue of Article 6.

Article 15. **Cancellation of Services**

If, for whatever reason including also force majeure, components or other objects of Services, are not made available to EPCOR on the date agreed between EPCOR and Customer, Customer will have to pay EPCOR for labour costs as from such agreed date and as if such Services had been performed as from then, unless (i) EPCOR can use the manpower assigned to this work for other assignments or (ii) Customer has notified EPCOR at least 48 hours before the scheduled availability or the scheduled date of performance that such availability will either be delayed or cancelled or that such order will be cancelled.

Article 16. **Liability**

- 16.1 Neither EPCOR nor its employees, agents or subcontractors, shall be liable towards Customer for any damage, loss, death or bodily injury whatsoever sustained by, or claims lodged against Customer in connection with or arising from Services and Customer shall waive any right of recourse against them and shall hold them free and harmless against any claim whatsoever lodged by third parties and against any liability imposed by law in connection with or arising from Services, and shall assume all costs incident thereto except in case of wilful misconduct or gross negligence of EPCOR.
- 16.2 Items not owned by EPCOR which are the object of Services and which pursuant thereto are in EPCOR's custody will not be insured by EPCOR and shall remain entirely at the risk of Customer.
- 16.3 Customer shall hold EPCOR free and harmless from all liabilities and expenses arising from any patent infringement in connection with the sale and/or delivery of goods ordered by Customer.
- 16.4 EPCOR shall not be liable to Customer for any special, consequential, incidental, or exemplary damages of any kind.
- 16.5 Customer will at its expense maintain, or cause to be maintained, in full force with reputable and substantial hull and spares all risks and Aircraft third Party, passenger, baggage, cargo, mail and Airline general third Party legal liability insurance. Such insurance shall include War Risk and Allied Perils including AVN52E and insurance of government guarantee for excess War and Allied Perils for combined single limit, bodily injury and property damage, name EPCOR as Additional Insured on the liability insurance policy in which cross liability will be included on such liability insurance, and cause the insurers for the hull and spares insurance to waive any right of recourse against EPCOR.

Article 17. **Warranty**

17.1 EPCOR warrants that at the time of delivery of overhauled or repaired goods, the overhaul and repair Services by EPCOR will have been performed in a workmanlike manner. EPCOR's liability and Customer's remedy under this warranty are limited to EPCOR correcting at its shops such Services as are shown to EPCOR's reasonable satisfaction to have been defective, provided that :

- the warranted item has been used under normal conditions and has not been subject to misuse, neglect, accident and/or ingestion of foreign materials and has not been repaired or altered by anyone other than EPCOR;
- the defect in the work performance or in the part supplied has reasonably been proven to have occurred within 12 months after delivery or 30 days after the first operation of the goods, whichever comes first;
- the Customer files its claim promptly on establishing the defect in question; and
- the defective item, without any risk or expense to EPCOR, is delivered to EPCOR's facility at Schiphol-Rijk, The Netherlands, unless both parties agree in each individual case to another location for the performance of the work.

17.2 The warranty provided in Article 17.1 is in lieu of, and the Customer waives all other warranties, expressed or implied, arising by law or otherwise in connection with the Services.

Article 18. **Shipping and Insurance**

If expressly requested by Customer in writing, EPCOR will arrange at Customer's costs shipping and insurance of ordered goods according to EPCOR's procedures, provided that EPCOR shall not be liable if such request is not or wrongly complied with by any reason whatsoever.

Article 19. **Applicable Law**

19.1 These Conditions and any activity performed there under shall be governed by the laws of The Netherlands.

19.2 Any dispute which may arise shall be submitted to the competent court at Amsterdam unless EPCOR prefers or agrees to either submission to another court or to arbitration.

Article 20. **Headings**

Headings are only inserted for the purpose of easy reference and shall in no way affect the interpretation of these Conditions.