



Terms & Conditions

GENERAL TERMS OF BUSINESS

All orders shall be executed based on these General Terms of Business. Any special terms or condition of the customer shall not, unless explicit stated in Scanaviation A/S' (hereafter Scanaviation) order acknowledgment, impose any liability on Scanaviation.

OFFERS AND ORDERS

Scanaviation shall only be bound by any order acknowledgment or agreement in written, i.e. oral agreement as well as offers submitted without a subsequent order acknowledgment shall be deemed void and shall be legally binding for Scanaviation. Any Offers made and provided by Scanaviation shall expire without notice 14 days after the date of offer unless accepted in writing prior to the said deadline. Offers shall be subject to the goods being unsold. All orders submitted to Scanaviation shall be binding on the customer as from Scanaviation's receipt thereof. Offers from Scanaviation may be based on information we have received from the distributor delivering the product(s) to us. If it turns out, contrary to our expectation, that delivery cannot be effected in accordance with the terms stated by the distributor to us and us to the customer, we reserve our right to change or withdraw the offer, even if the customer have accepted it.

PRICES

Prices quoted by Scanaviation are based on the prices of Scanaviation suppliers Ruling at the date of the offer or at the date of the order acknowledgment and the prevailing rates of exchange, tariff rates and indirect taxes ruling. Scanaviation accordingly reserves the right to make such adjustment to the prices quoted as might follow from change in above matters and occurring prior to completion of Scanaviation's work or delivery, and Scanaviation also reserves the right to undertake price adjustment in consequence of the circumstances provide under clause Terms and delivery hereof.

TERMS OF PAYMENT

Unless otherwise agreed in written in the order acknowledgment or the like, the terms of payment shall be net cash on delivery or completion of the work with an upfront payment of 50% of the value of the order prior to Scanaviation initiating any work on the order, and the customer shall not unless agreed in written be entitled to make deductions of any nature. The property in goods sold on credit shall remain with Scanaviation until such time as the purchase price has been paid in full. The customer shall, at the latest on delivery, sign a contract of sale with retention of ownership and have made the minimum down payment to comply with the requirements of Scanaviation's credit policy. Where payment is overdue Scanaviation shall without additional notice, demand or legal request be entitled to charged interest on the overdue amount. Such interest shall be charged every month. The applicable rate of interest shall be 2% per month or part thereof. To secure payment of any claim against the customer, including claims in respect of previously supplied goods and services as well as claims for damages in tort, Scanaviation shall have a right of retention with respect to goods handed over for repair as well as any other



property of the customer in Scanaviation's possession. Scanaviation shall have a right of retention whether or not it has granted credit terms.

TRANSPORTATION/PARKING

Transportation to and from Scanaviation shall be at customer's expense and risk. Unless otherwise agreed the delivery terms shall be Ex Works Scanaviation or FCA Scanaviation (as chosen by Scanaviation) as set out in Incoterms 2010.

TERMS AND DELIVERY AND EXECUTION AND FORCE MAJEURE

Terms of delivery or terms for execution of the work shall not be binding for Scanaviation, even where such terms have been stated on the order and acknowledgement by Scanaviation. Scanaviation shall make every endeavour to meet agreed terms to the extent possible but shall not accept any liability for delays. The customer on his part shall not be entitled to raise any claim for damages in the event of postponement of such terms. Where execution of the work shall not be possible by reason of force majeure, Scanaviation shall without notice be entitled to postpone execution of the work or cancel the order and the customer shall not be entitled to raise any claims for damage against Scanaviation in that connection. The following circumstances shall be deemed to constitute force majeure: War, warlike condition, insurrection and civil disturbances, decisions or acts of any authority – national, municipal, port, airport or transport authorities – strike, lockout, fire, non-delivery or defective suppliers from sub-suppliers, accidents during repair work, during testing or in transit, on any other circumstances beyond the control of Scanaviation.

DEFECTS

In compliance with the following Sub-Clauses Scanaviation undertake for a period (starting on the 1st day of operation or no later than 3 month from date of shipment from Scanaviation) of 24 month or five hundred flying hours – whichever comes first – to remedy defects of shortcoming in goods supplied or work performed by Scanaviation. Scanaviation shall not be under an obligation to remedy defects caused by wrong or inexpedient maintenance or misapplication, exposure to extraordinary climatic condition, exposure to extraordinary chemicals or substances or any other circumstances which may directly or indirectly result from repaired work, modifications or technical intervention carried out by any other than Scanaviation and without the intervention or written approval of Scanaviation. Scanaviation moreover excludes liability for or related to goods, spare parts materials or assistance rendered by suppliers or sub-suppliers of Scanaviation, but to a reasonable extent undertakes an obligation to assist the customer in enforcing any claim against such parties.

Scanaviation's liability shall in any event be limited to repairing or replacing parts repaired or supplied by Scanaviation on condition:

- - That claims are made forthwith at such time as the defect has been or should have been detected.
- - That the defective goods are returned to Scanaviation.
- - That all transport charges are prepaid by the customer. Warranty repair does not include warranty repair claim rectification at location other than Scanaviation's factory in Denmark. Scanaviation's liability shall be limited to remedying as described above and explicitly disclaims liability for any indirect loss suffered by the customer, including consequential loss, incidental loss, lost profit, loss of value, lost wages, loss of



business opportunities, as well as loss caused by the customer's non-performance of his obligations to any third party. As an alternative to remedying defects Scanaviation may elect to issue a credit note.

LIABILITY

The customer shall keep the goods handed over for repair duly insured as Scanaviation does not accept or assume any liability for the fortuitous loss or destruction of the goods while in the care of Scanaviation. Scanaviation shall be liable for any damage or personal injury only where it is proved that such damage or injury was caused by gross negligence or willful misconduct on the part of Scanaviation or others of which Scanaviation is liable. Scanaviation shall not be liable for any consequential loss, incidental loss, loss of profit, loss of value, lost wages, loss of business opportunities or any other indirect loss. To the extent to which product liability is imposed on Scanaviation with respect to third parties, the customer shall be under an obligation to keep Scanaviation harmless to the extent to which Scanaviation's liability is limited under this clause.

JURISDICTION AND CHOICE OF LAW

The relationship with the customer is governed by and will be interpreted in accordance with Danish law, excluding its conflicts of law rules.

Any dispute arising out of the relationship with the customer, including any dispute concerning the existence or validity of an agreement, order or the like, will be decided by mediation by the Danish Institute of Arbitration (Danish Arbitration) unless a Party objects thereto. The Danish Institute of Arbitration will apply its own rules of procedure being in force when the application for mediation is submitted.

If a Party objects to mediation, or if mediation does not result in a settlement, the dispute will be decided with final effect (i) by simplified arbitration by the Danish Institute of Arbitration (claims of less than DKK 800,000) or (ii) by arbitration by the Danish Institute of Arbitration (claims of DKK 800,000 or more). The Danish Institute of Arbitration will apply its own rules of procedure being in force when proceedings are commenced. The arbitration tribunal will sit in Copenhagen, and the language of proceedings will be English unless the parties agree otherwise.

The Parties are not entitled to disclose confidential information relating to the mediation or the arbitration proceedings to any third party, including information on any decision or arbitration award, unless the other Party has consented in writing to each individual disclosure. However, either Party is entitled to disclose information relating to the mediation or the arbitration proceedings to a third party if such disclosure is made to protect its interests in relation to the other Party or to comply with current legislation or public authority decisions, or if such disclosure is required under any listing agreements.