

1. GENERAL TERMS

- 1.1. These General Terms and Conditions of Maintenance and Repair (hereinafter – the “General Terms”) shall constitute an inseparable part of UAB “FL Technics” (hereinafter – “FL Technics” or “FLT”) Proposal, Quotation or any other similar document, as applicable, and Customer’s Purchase Order (hereinafter – the “Proposal”). Acceptance of the Order by the Customer shall be treated as acceptance of these General Terms. Customer’s Standard Contract Terms and Conditions are not applicable. Deviations from these General Terms need to be agreed in writing. These General Terms apply to all aircraft maintenance, engineering, design and repair services (hereinafter – the “Services”) provided by FL Technics until the respective agreement for the provision of Services is executed between the Parties.
- 1.2. Customer shall supply FL Technics in advance with current (updated) aircraft documentation required for Service performance.
- 1.3. The Customer warrants that at the date of the input of the aircraft to FL Technics / its subcontractor’s facility it will have obtained any relevant authorizations required from the appropriate authority to allow FL Technics / its subcontractor to perform the Services and shall provide copy of such authorization.
- 1.4. The Customer shall grant / make the aircraft possessor and/or the owner grant FL Technics’ personnel unrestricted access (either remote or direct) to the aircraft and records/documentations in a timely manner. The Customer is responsible for acquiring (and for negotiation of the terms for such acquisition) all necessary permits such as, inter alia, permissions allowing taking pictures of the aircraft or entry into the airport premises.
- 1.5. FL Technics shall have the right to sub-contract any or all of the Services provided it obtains the Customer’s consent, which consent shall not be unreasonably withheld, as a result of FL Technics lack of capability or capacity.
- 1.6. Unless otherwise agreed in writing, delivery of material or an aircraft will be at Customer’s risk and expense unless otherwise agreed in writing. Redelivery of material or an aircraft will be EXW the FL Technics facility.
- 1.7. The performance by FL Technics of the Services shall not constitute in any way for Customer a transfer of title or any right of use, of all or part of the Intellectual Property Rights owned by FL Technics or licensed to FL Technics by any third party. Should the performance of the Services by FL Technics result in the creation and development of any Intellectual Property Right, FL Technics shall be the sole owner and shall have full title and interest in such right upon its creation, including all rights relating to such Intellectual Property Right.
- 1.8. FL Technics reserves the right to change, modify, add or remove these General Terms at any time without prior notice.

2. COMMERCIAL TERMS

- 2.1. Prices for the Services shall be specified in the Proposal and Invoice.
- 2.2. All rates prescribed in the Proposal not include VAT (if such applies). In addition to the price for the Services, the Customer shall pay any taxes (including value added taxes, excise, import and export duties and etc.), any levies and any other fees related to the Proposal (including withholding taxes). All payments to be made by the Customer hereunder shall be made without set off or counterclaim, free and clear of and without deduction for or on account of any present or future taxes, charges, levies, imposts, duties or Withholdings (hereinafter – the “Withholding”). If the Customer is compelled by law to make a Withholding the Customer will ensure that the deduction does not exceed the minimum legal liability therefore and the Customer shall pay to FL Technics such additional amounts as may be necessary to ensure that FL Technics receives a net amount equal to the full amount that would have been received had the payment not been made subject to such Withholding. FL Technics shall not be liable for any VAT or any taxes, duties or similar charges which arise in any jurisdiction other than Lithuania and these will be covered by the Customer. Should any taxes be levied by any government or any tax authority against any payment by Customer to FL Technics under the Proposal, and should FL Technics not actually receive on due time a net amount equal to the full amount provided for under the Proposal, Customer shall pay all necessary additional amounts to ensure receipt by FL Technics of the full amount so provided.
- 2.3. All payments in connection with the Proposal shall be made in currency specified in the Invoice to the bank amount specified in the Invoice. Any fees charged by a bank in connection with the transfer of funds from Customer to FL Technics will be borne by Customer.
- 2.4. If payment terms were not individually agreed, Customer shall be obliged to make payment within 10 calendar days from the issuance date of copy of the Invoice. Copies of invoices shall be sent to the Customer via email and / or fax and the originals of the Invoices shall be sent by post.
- 2.5. Customer shall notify to FL Technics any disputed amount within fifteen (15) Days from the invoice issuance date, accompanied with all relevant justifications. Customer shall not withhold the payment of any amount of any invoice nor shall Customer set off any amount against invoices. After settlement of the dispute, the eventual adjustment of the invoice (and late payment charge) will be made.
- 2.6. All invoices shall become due and payable immediately upon the occurrence of a breach by Customer to perform its obligations as agreed under the Proposal. In case of repeated late payments, FL Technics reserves its right to request other payment terms to Customer (such as but not limited to letter of credit or cash

before delivery), or to immediately terminate without legal notice the Proposal or any part thereof without prejudice to any other rights that FL Technics may have under the Proposal or at law.

- 2.7. Any amount overdue for payment by the Customer shall incur a monthly simple interest charge of 3% (three per cents) until actual payment is received in cleared funds. Interest shall be immediately payable on demand.
- 2.8. In the event that any sum is not paid by the Customer as provided for under the Proposal then FL Technics shall be entitled on 24 (twenty four) hours notice to suspend further performance of the services until all outstanding amounts have been received by FL Technics in cleared funds and the time for performance of such services shall, at FL Technics option, either be extended by a period equal to the duration of the suspension plus 24 (twenty four) hours or shall be re-scheduled.
- 2.9. In case of non-payment by Customer FL Technics has by virtue of its Services rendered a contractual right of retention and a contractual lien over the subject matter in its custody as well as the right to repossess any property of FL Technics in Customer’s possession. These rights as well as a set-off right may also be claimed for Services rendered or material supplied previously.
- 2.10. FL Technics may set off amounts due to Customer against amounts due by Customer, even if such amounts are not liquid, fungible and/or payable. FL Technics will notify Customer of such set off.
- 2.11. Title to any component supplied shall pass from FL Technics to the Customer when payment in full has been received by FL Technics.
- 2.12. If the Customer for any reason, including the exercise of FL Technics Lien should not collect any aircraft/materials from FL Technics Maintenance facility on completion of the Services, FL Technics shall no longer be responsible for the aircraft/materials and shall be entitled to charge the Customer parking/storage charges at the rates valid at the time of performance of Services. Customer shall be charged for parking/storage until such time that the aircraft/material is removed from FL Technics premises. Any maintenance on and insurance of the aircraft shall be the responsibility of the Customer for so long as the aircraft shall remain at FL Technics premises.
- 2.13. Performance of the base maintenance services is subject to the Slot Reservation Fee for each aircraft, which is charged by FL Technics at the rates and on the terms valid at the time of performance of the Services.
- 2.14. The Customer shall be responsible at its entire expense for, including but not limited to: (i) all charges relating to the positioning of the aircraft to and from the FL Technics facility; (ii) all charges arising from the defueling, storage / disposal of fuel and refuelling of the aircraft; (iii) all hotel, travel or accommodation requirements of Customers’ employees, servants, agents or sub-contractors; (iv) all Customer computer requirements; (v) all international, local call charges for telephone (including mobile phones), fax, and the Internet usage.
- 2.15. The Price excludes daily allowance, lodging in the hotel, visa costs, travel expenses, and other Services related communication expenses and shall be borne by the Customer when Services are performed outside of the FL Technics facility.
- 2.16. In case payments are due under one or more invoices, FL Technics shall be entitled at its own discretion to set off any amounts paid by Customer against any outstanding invoices due under any agreement between the Parties without regards to the actual purpose of the payment (reference) indicated by Customer at the time when the payment (transaction) was made. Such set-off shall be without prejudice to any other rights that FL Technics may have under the Proposal or at law.

3. WARRANTY

- 3.1. FL Technics warrants that Services under the Proposal are rendered in accordance with the EASA standards and Transport Competence Agency (formerly Civil Aviation Authority of the Republic of Lithuania) (TCA) standards when work is carried out in accordance with TCA certificate of approval for aircraft maintenance.
- 3.2. FL Technics warrants that all Services provided by FL Technics under the Proposal will be free from defects in workmanship.
- 3.3. A defect will only be regarded as subject to warranty if it arises (i) within 180 (one hundred eighty) calendar days or within one thousand (1000) flight hours after Redelivery, whichever may occur first (in case base maintenance services have been performed on the Aircraft); (ii) before performance of next scheduled (in accordance with Aircraft Maintenance Program) line maintenance services (in case line maintenance services have been performed on the Aircraft); (iii) within 60 (sixty) calendar days from completion of Services (in case design changes services have been performed on the Aircraft); or (iv) within 180 (one hundred eighty) calendar days or within one thousand (1000) flight hours, whichever may occur first, after completion of Services (in case refurbishment, engineering or CAMO services have been performed on the Aircraft).
- 3.4. A warranty claim must be raised by Customer within 7 (seven) days after the defect has become apparent and FL Technics must be provided with the defective part for inspection and repair within an additional thirty (30) days after the warranty claim has been raised. If a defect arises on an irremovable part of an aircraft the Parties will agree upon arrangements by which such defect will be remedied at Customer’s best convenience as well as at conditions reasonable for FL Technics.
- 3.5. Customer must prove that FL Technics did not properly perform the work causing the defect. Material must at all times have been stored, handled and operated in

accordance with manufacturer's recommendation and the defective part may not be serviced, repaired, overhauled, maintained or modified by anyone other than FL Technics or its Subcontractors.

- 3.6. The cause of the defect must be related to Services rendered by FL Technics. FL Technics does not warrant for Subcontractor's / Supplier's material or Services. For such material or Services any assignable rights to warranty granted to FL Technics by its Subcontractor's / Supplier's will be assigned to Customer. In case work is performed by Subcontractor or in case parts procured from Subcontractor / Supplier are installed, all assignable warranties of Subcontractor / Supplier will be transferred by FL Technics to Customer. In case of demands, pretensions or warranty claim against a Subcontractor / Supplier FL Technics shall cede its rights against the Subcontractor / Supplier to Customer. Subcontractor / Supplier directly will respond and be liable to Customer for its breach of warranty.
- 3.7. FL Technics warranty shall not extend to any claim, failure or damage which results from defects, non conformity, failure or not normal wear and tear which are in whole or in part attributable to or the result of, FOD, IOD, abnormal, incorrect, inaccurate or improper use, operation, maintenance, handling, storage, transportation, packing or installation, OEM's design deficiencies, misuse, abuse or accidents, Force Majeure or incidents and taking into consideration the specific use and design of such Aircraft and/or Item, which has not been anticipated by the standards, regulations, procedures and/or requirements issued by the relevant manufacturer, the relevant Airworthiness Authorities and/or FL Technics.
- 3.8. FL Technics will correct the defective Item or replace it with a non defective Item (at its own discretion) at its own cost and expense except that Customer will arrange at its own risk and expense for the removal, installation and the transport of such Item DDP repair shop. FL Technics obligations with respect to the foregoing shall only require FL Technics to correct defects, replace or restore the defective Item to a serviceable condition equivalent to that at the time the defect occurred. In case of a remedial action, the initial warranty period shall continue for the remaining period of the warranty as set forth in Clause 3.3 above.
- 3.9. Should the warranty claim be rejected, the Services provided by FL Technics, including shipping costs, material or inspections costs and/or specialists assignment (if applicable), will be charged to Customer on a time-and-material basis.
- 3.10. The warranties and obligations of FL Technics and remedies of Customer set forth in this Clause are exclusive and in substitution for, and Customer hereby waives, releases and renounces all other warranties, obligations and liabilities of FL Technics and all other rights, claims or remedies of Customer against FL Technics and/or its insurers, express or implied, arising by law or otherwise, with respect to any non conformity or defect in any data, part or product delivered or Service performed in relation to or under the Proposal including but not limited to (i) any warranty against hidden defects, (ii) any implied warranty of merchantability or fitness for intended use, (iii) any implied warranty arising from course of performance, course of dealing or usage of trade, (iv) any warranty against infringement, (v) any obligation, liability, right, claim or remedy (whether in contract, in tort or otherwise). In no event will FL Technics be liable for indirect damages. FL Technics liability connected with or resulting from this warranty will not exceed the cost of correcting the defect / price of replacing Material.
- 3.11. The warranty is not assignable without FL Technics written consent.

4. LIABILITY

- 4.1. FL Technics, its personnel and its subcontractors shall not be liable for any damage to, or loss of, property of Customer including the aircraft, or injury or death or any other damage directly or indirectly caused to Customer's directors, officers, employees, agents, servants or third Parties during or after, due to, or in connection with, or in consequence of the performance or non-performance of the Proposal (including third parties' claims), unless caused by wilful misconduct or gross negligence of FL Technics or its Subcontractors, and Customer shall indemnify and hold harmless FL Technics, its directors, officers, employees, agents, servants and Subcontractors against any and all such claims including costs and expenses incident thereto.
- 4.2. Customer, its personnel and its subcontractors shall be liable for any damage to, or loss of, property of FL Technics (or property of any third party, which is located at FL Technics facility) including any facility where the aircraft or any part may be situated, or injury or death or any other damage directly or indirectly caused to FL Technics directors, officers, employees, agents, servants during or after, due to, or in connection with, or in consequence of the performance or non-performance of the Proposal (including third parties' claims), unless caused by wilful misconduct or gross negligence of FL Technics.
- 4.3. Notwithstanding any other clause, FL Technics shall never be liable and Customer hereby waives, releases and renounces all rights and claims against FL Technics to the fullest extent permitted by law for any special, incidental, consequential, punitive or indirect losses or damages of any kind whatsoever (including without limitation loss of use, revenue or profit, loss of prospective economic advantage, loss of customers, loss of data, costs incurred as a result of the lease of a spare aircraft or Item or other costs resulting from the unavailability of an aircraft or Item, accommodation and compensation of passengers, or immaterial damage), for any reason whether arising in contract (including warranty) or otherwise.
- 4.4. FL Technics total liability for any and all demands or claims, for any damages connected with, or resulting from the performance of any Service will not exceed the price allocable to the Service which gave rise to such demand or claim.
- 4.5. FL Technics and Customer are fully aware and agree to FL Technics liability limitation and acknowledge that prices and rates for services specified in the Proposal

have been calculated, *inter alia* by specific reference to the exclusions and liability limitations.

5. INSURANCE

- 5.1. Throughout the duration of the Proposal (and for 2 years thereafter or to the next major check whichever is the greater) Customer shall procure and maintain and will provide FL Technics with a certificate of the following insurances in respect of the Aircraft: Hull All Risk insurance in respect of the aircraft; Hull War Risks insurance in respect of the aircraft, Passenger and Passenger Baggage Legal Liability, Cargo and Mail Legal Liability, aircraft third Party Legal Liability and Comprehensive General Third Party Legal Liability, All Risks insurance. The insurance referred above will include the following provisions where applicable: (i) FL Technics, its directors, officers, employees, servants, agents and Sub-contractors will be included as additional assured under all required liability insurance; (ii) waiver of Underwriter's rights of subrogation against FL Technics, its directors, officers, employees, agents, servants and subcontractors under all required Hull / Hull war insurance; (iii) provide that in the interests of the additional assured, the insurance will not be invalidated by any action or inaction of the Customer regardless of any breach or violation of any warranty of the policy; (iv) include a severability of interests section under the liability coverage, which provides that the insurance shall operate to give each Insured the same protection as if there were a separate policy, issued to each Insured.
- 5.2. The Customer will, at least 3 (three) days prior to the commencement of the Services and from time to time as FL Technics may reasonably request, furnish to FL Technics certificates of insurance evidencing that the forgoing insurances are in full force and effect. Failure by the Customer to evidence the certificates of insurance or include necessary provisions required by this Clause shall not relieve the Customer of the insurance requirements set forth and/or in any way relieve or limit its obligations and liabilities under any other provision of the Proposal.

6. EXCUSABLE DELAYS

- 6.1. The Parties agree that it will be deemed not to be FL Technics' fault and FL Technics will not be held liable if such Turnaround Times, performance dates or other agreed upon time limits are not met for reasons such as but not limited to: (i) force majeure, including but not limited to acts of the public enemy; war, insurrections or riots; fires; floods; explosions; earthquakes; serious accidents; epidemics or quarantine; any act of government or governmental authority; strikes or labour troubles causing cessation, slowdown or interruption of work; general hindrance in transportation; (ii) major defects on airframe, systems, Engines or Components which were unforeseen and which could not have been expected and which have an impact on the Services to be performed; (iii) an aircraft, material, documentation, insurance certificates or securities to be supplied by Customer not being available or being supplied late or Customer not accepting suitable material offered by FL Technics; (iv) material ordered in a timely manner from Suppliers not being delivered to FL Technics on time or not being delivered at all; (v) Customer withholding or delaying its consent where such consent is required under the terms of the Proposal; (vi) delays or failure of Customer to comply with the payment terms; (vii) additional tasks which were not part of the contracted work scope being carried out by FL Technics upon Customer's request; (viii) FL Technics rightfully stopping or refusing the performance of Services; (ix) the period required to receive information/instructions from the OEM or any other relevant authorities.
- 6.2. If FL Technics is prevented by Excusable Delay from timely performance of any of its obligations hereunder, the time for performance will be extended by a period of business days equal to the time lost by reason of such delay.

7. EVENT OF DEFAULT

- 7.1. The occurrence of any of the following will constitute an Event of Default and material breach of the Proposal: (i) Party fails to make any payment due hereunder in the manner and by the date provided herein and fails to make such payment within twenty (20) Business Days after such payment is due; (ii) fails to make any payment due under any other agreement between the Parties or otherwise; (iii) Party (a) suspends payment on its debts or other obligations, (b) is unable to or admits its inability to pay its debts or other obligations as they fall due, (c) is adjudicated or becomes bankrupt or insolvent, or (d) proposes or enters into any composition or other arrangement for the benefit of its creditors generally; (iv) any proceedings, resolutions, filings or other steps are instituted or threatened with respect to the Party relating to the bankruptcy, liquidation, reorganization or protection from creditors of the Party or a substantial part of the Party's property; (v) any changes in the export control laws and regulations (under such jurisdiction as, *inter alia*, the United Nations, the European Union, the United States of America or the Republic of Lithuania) occur, which might have a direct or indirect effect on the performance hereunder, including Customer or any person or entity that owns or controls the Customer, whether directly or indirectly, being identified as: (a) a citizen or national of, or a person or entity in a country subject to U.S. embargoes; (b) a person or entity identified on any U.S. Government list or order restricting transactions between U.S. persons and that person or entity, including without limitation the U.S. Treasury Specially Designated Nationals List ("SDN"), and the lists, orders, and identified in 15 C.F.R. Part 736 and 15 C.F.R. Part 744; (vi) if the Customer fails to comply with the covenants, requirements, representations or warranties set forth in Clause 10.
- 7.2. In the Event of default by the Customer, FL Technics may, upon written notice to the Customer, (1) suspend its performance in whole or in part, (2) terminate the Proposal and/or (3) declare all sums owing to FL Technics immediately due and payable. Exercise of any of the foregoing remedies by FL Technics shall not preclude exercise of any of the others, and neither the existence nor exercise of such remedies shall be construed as limiting, in any manner, any of the rights or

remedies available to FL Technics under the applicable law.

8. PERSONAL DATA PROCESSING

- 8.1. Each Party agrees to comply with FL Technics' General Terms of Personal Data Protection: <https://fltechnics.com/general-terms-of-personal-data-protection/>.

9. GOVERNING LAW AND DISPUTE RESOLUTION

- 9.1. Proposal is executed and will be interpreted according to laws of the Republic of Lithuania.
- 9.2. Any dispute or difference arising between the Parties hereto as to the construction of the Proposal or any other matter or thing arising hereunder or in connection therewith shall in the first instance be settled by the Parties in good faith through friendly negotiations. Failing such settlement, the Courts of Lithuania shall settle such disputes in accordance with Lithuanian law.

10. COMPLIANCE

- 10.1. The party confirms, agrees with and guarantees compliance with the FL Technics' General Terms of Compliance published on the FL Technics' website <https://fltechnics.com/general-terms-of-compliance/>.