

THE SA GROUP - GENERAL TERMS FOR DELIVERY AND SERVICE

1. PREAMBLE

The following conditions and terms shall apply to, and are binding for all deliveries and services performed by **THE SA GROUP**, in the following called **SA**. Still, any deviation stated in quotations, order confirmations, agreements or contracts always override these general terms.

2. GENERAL TERMS

All orders are final and not subject to cancellation without SA's acceptance.

In case of an order cancellation or other non-performance by the purchaser, the purchaser is responsible for all direct and indirect expenses put on SA by such instance including compensation of SA's loss of profits.

Orders, or changes hereto, may be submitted verbally but have to be confirmed in writing in order to be binding.

Both parties must protest in writing within one week after receipt if such order confirmation is considered to be in conflict with the agreed performance and is to be renegotiated

SA's services or supplies only cover what appears from the order confirmation /invoice.

SA's labour rate and Manufacturer's list price at the time of performance will apply as basis for all pricing.

All price information without a firm, written validity is subject to change without notice.

All prices are exclusive VAT, freight, customs, taxes and other expenses. If the prices of the offered or agreed delivery or service is changed as a result of the changes in the purchasing prices, commodity prices, exchange rates, freight, customs, taxes, amendments of laws regarding hired out personnel, collective agreements etc., SA is entitled to change the offered and / or agreed prices towards the Customer.

The contractual price is based on the exchange rate between the currency of the contracting, local SA division and the currency specified in the offer at the time of order, (base rate). If the exchange rate on the actual date of payment differs by more than 2 % from the base rate SA is entitled to adjust the contract price by the equivalent percentage, including the entire increased amount.

SA reserves, with the restrictions imposed by

mandatory law, the right of ownership of the products sold, until the full purchase price and those in connection with the delivery of the sales object incurred expenses has been paid by the Customer, or the agreed security has been provided and until this has taken place the Customer is not entitled to resell the sales object or to dispose of the articles in such a way that conflicts with SA's retention of title.

In connection with changes and adjustments of the products this must take place in such a way that the sales object does not lose its distinctiveness or identity so the retention of title is maintained so that it comprises the changed and adjusted object to the value which the product represented without the performed changes and adjustments.

At any time a security for the full amount can be required e.g. in the form of a bankers guarantee – before delivery /installation/ service will be commenced.

All variable costs are defrayed by the Customer, including any crew changes, SA allowance and accommodation, weather downtime, waiting time, aviation or maritime cost, charter costs, air freight costs, or freight charges and/or transportation.

SA, its personnel, and possible subcontractors shall not be liable for any damage or loss of property including any aircraft, injury or death or any other damage sustained by the Customer, its personnel, agents or third parties during or after, due to, in connection with or in consequence of the performance or non-performance by SA, its personnel, agents or subcontractors unless caused by wilful misconduct or gross negligence.

SA, its personnel, agents or subcontractors shall not be responsible for any consequential damages.

SA shall not be liable for any misconduct or delay due to force majeure, strikes, lockout, warfare, laws, embargo, export regulations, aviation authority interpretation and approval or other occurrences beyond SA's control

SA does not make, by virtue of any agreement or otherwise, and hereby expressly disclaims, any liability, of any kind with respect to handling, storage and warehousing of Customers property or product or any components owned by the Customer when the goods of

property is located at SA facilities or at a third party facilities according to or as a natural part of the agreement unless fully covered by SA insurance or otherwise agreed.

SA reserves the right to correct all typographical or clerical errors or omissions, which may be present in its correspondence, pricing or specifications.

3. TERMS OF DELIVERY

All SA services are EXW SA facility in accordance with INCOTERMS 2010.

Delivery time, advised by SA, is best estimate only, based on best information available at time of request, and SA is not liable for any cost or fault caused by delay in such estimate. Still SA is committed to do its absolute best to keep all delivery times and inform the Customer about any essential change as soon as possible.

If a delivery date is explicit confirmed in writing by SA, the maximum, aggregated, cumulative legal liability for documented losses for SA regarding delays cannot exceed 5 % of the contract price or 5.000 USD if lower per month for all delays regarding the same Customer in the same calendar year. The Customer cannot exercise other remedies for breach of contract regarding delays.

If for any reason, purchaser delays the delivery, payment terms and time are still due according to original delivery schedule.

All quotations and deliveries are subject to valid export approval.

4. TERMS OF TECH. SERVICE

All technical services carried out by SA is according to the equipment manufacturer's specifications, approved standards in the industry and best craftsman's-like quality.

5. TRANSPORTATION

All Transportation is at Customer's risk and expense.

This also covers transportation arranged by SA on behalf of the Customer including warranty repairs.

Transportation, non-insured / best way according to SA's best judgement, will be arranged by SA In the absence of specific shipping instructions from the Customer.

SA will arrange insurance or special transport of shipments on purchaser's request and for his account.

Shipments received from SA must be examined promptly upon receipt, and SA is not liable for any claim reported later than 5 working days from receipt of the products

Equipment sent to SA and being received improperly packed, is repacked properly at return at Customer's expense. (If any).

6. WARRANTY

Equipment which has been maintained/certified or is sold by SA is covered by the following standard warranty:

Factory new equipment is covered by the original equipment manufacturer's warranty and SA does not under take further responsibilities.

Overhauled equipment is covered by 6 mths/400 hrs. warranty, whichever comes first.

Repaired and serviceable equipment is covered by 90 days limited warranty against defects in used material and quality of involved work.

Testing & re-certification of equipment do not imply any warranty.

Warranty covers the repair of equipment delivered to SA within the stipulated warranty period. SA is obliged to remedy any defect due to faulty design, materials or manufacturing. At SA's choice defects in the goods or products sold shall be remedied, delivered anew or the purchase price of the item sold will be credited the Customer.

Warranty repair does not change the original warranty period.

Warranty repairs will be performed within SA's normal working schedule, EXW SA and do not cover any extra charges like overtime, AOG charges or other non-routine services.

Warranty period is independent of usage of the equipment.

Warranty does not cover shipping, removal/reinstallation cost, normal wear and tear, loss of income and becomes void if warranty seals are broken, equipment shows sign of abuse, alteration, improper installation or packing.

Warranty on certification work is covering rectification of the certification package.

SA is not liable for defects or any consequential damages caused by material supplied by

the Customer, constructions and designs which are stipulated/specified by the Customer, mistakenly performed preparatory work performed by the Customer and circumstances occurring after the takeover including defects caused by faulty maintenance on the part of the Customer, changes in the delivery performed by the Customer without SA's Written Consent and faulty repairs performed by Customer.

If SA finds it is necessary to perform parts of warranty work on site, all travel related expenses, including maritime costs, air freight costs, vessels and charter costs or freight charges will be separately invoiced.

Warranty does not cover any indirect/consequential/incidental damages or expenses and SA shall not be liable for any such claim.

Warranty work within SA's warranty responsibility has to be performed by SA, or agreed in writing if alternative procedure is requested.

7. PRODUCT LIABILITY

Product Liability damages regarding Customers products which have been processed and incorporated in Customers products by SA shall be limited to USD 2,500,000.00 per year for all incidents or liability occurred in the same and in a given calendar year.

SA has Product Liability on its own products according to the provisions of the Danish Product Liability law. SA renounces liability for product damages on any other basis. The Product Liability shall be limited to USD 2,500,000.00 per year for all incidents or liability occurred in the same and in a given calendar year.

The Customer shall immediately inform SA if a third party claims product liability towards the Customer. To the extent SA will be imposed liability against a third party, the Customer is engaged to compensate SA to the same extent, as SA's liability is limited cf. the above-mentioned article.

SA shall under no circumstances be liable for consequential damages, punitive damages and/or losses and/or any indirect damages and/or losses what so ever mentioned as but not limited to loss of production, loss of profit, loss of goodwill, loss of turn over, loss of customers, loss of data, loss of third parties, loss of use of assets, loss of contracts, business interruptions or similar

or identical consequential and/or indirect losses and any other indirect losses.

If SA should be sued by a third party due to product liability the Customer accepts to be joined as a party during the proceedings or as a sued by the Court or Arbitration Tribunal which hear the case.

8. CERTIFICATION

SA shall not be liable for any claims, losses, expenses, injuries or damages arising out of or any way related to certification of products for the Customer. Furthermore SA is not liable to the Customer for any special or consequential damages including, but not limited to, lost profits, loss of use, malfunctioning equipment and cost of replacement caused by SA's wrongful certification or other approval of products or any other cause whatsoever.

9. GENERAL LIMITATION OF LIABILITY

Subject to any limitation mentioned above, any and all other contractual liability for SA shall further be limited to USD 2,500,000.00 per incident of contract breach i.e. a series of Serial Defects with the same root cause or any other individual breach of contract.

However and regardless of anything stated contrary hereto in the above or elsewhere in the contract, the maximum, aggregated, cumulative legal contractual liability for SA under this Agreement shall be limited to USD 2,500,000.00 per year for all incidents or liability occurred in the same and in a given calendar year.

All claims for consequential damages, punitive damages and/or losses and/or any indirect damages and/or losses what so ever mentioned as but not limited to loss of production, loss of profit, loss of goodwill, loss of turn over, loss of Customers, loss of data, loss of third parties, loss of use of assets, loss of contracts, business interruptions or similar or identical consequential and/or indirect losses and any other indirect losses under this are expressly agreed to be excluded from both parties liability under the agreement.

10. TERMS OF PAYMENT

Customer agrees to pay SA for all orderings according to the payment terms, provided that delivery is in compliance with the order. In case of minor deviations, which do not influence the general performance of the delivery, the Customer can hold 5% of the payment until the delivery is completed.

In case that an order cannot be completed in full or to full performance of a system, part delivery may be arranged against Customer's acceptance and a payment relative to the value of the part delivery. If size of the part payment cannot be mutually agreed upon, SA is entitled to hold all shipments until delivery can be completed in full.

General payment terms are net cash on delivery. Open account arrangements are accessible to regular Customers complying with SA's terms for such arrangements.

SA holds the right to cancel any open account arrangement at any given time and also reserves the right to require full or partial payment in advance or COD.

Complaints regarding payments and invoices must be made in writing no later than 5 week days after receipt of the invoice.

By late payment a default interest will be charged at the rate of 2 % per month as from the due date. Payment by set-off can not take place if the counterclaim has been disputed. If the Customer does not comply with the terms of payment this will be considered as a material breach which entitles SA to stop further deliveries and to demand for the immediate payment if any outstanding amount due as well as not due.

11. TRANSFER OF OWNERSHIP

If ownership or control of the Customer is transferred the Customer will inform SA hereof without undue delay. In case of such transfer SA is entitled to terminate any agreement with the customer within 14 working days written notice.

12. CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY RIGHTS

Confidential Information are all trade secrets and other non-public information of business, products, drawings, documentation, specifications, services, financial conditions, capitalization, plans, operations, research, inventions, technology, intellectual property, know-how, assets, and/or liabilities, which SA has provided. Confidential information shall not include information now in the public domain or after it becomes generally available to the public without breach of these terms.

SA and the Customer agree that neither of them may use or disclose confidential information

from each other unless they are given a written consent to do so.

SA may free of charge use pictures, videos, descriptions, etc. of the installed order and products, including the main subject – even though the main subject or other subjects do not belong to or is owned by SA – and disclose this in public. This information may be used in marketing/publicity/promotional context by SA, without further written Consent from the Customer, however SA will not disclose Customer name or aircraft registration in such material, without the written consent of the Customer.

Drawings, documentation, specifications and the like, which have been submitted by SA before or after conclusion of the Agreement, shall remain the intellectual property of SA and shall not be disclosed without SA's written consent.

13. LAW

Unless otherwise explicitly agreed all disputes arising between SA and the customer shall be governed by Danish Law.

14. LANGUAGE

The official languages for all arrangements with SA are Danish or English. In the event of any conflict between Danish and English drafted contracts the English version shall prevail. SA is not responsible for any misunderstanding or misinterpretation due to communication in any other language.

15. DISPUTES

Disputes between the parties which can not be settled amicably shall be settled by the Court of Kolding by use of Danish Law. However Danish private international law which refers to foreign law and the International Sale of Goods Act (CISG) shall not be applicable.

**The SA Group.
January 2017**