

Index

1. General Terms
 1. Definitions
 2. General
 3. Ordering Procedures
 4. Delivery
 5. Terms and Conditions of Payment
 6. Disclaimer
 7. Cancellation of Orders
 8. Assignments
 9. Nondisclosure
 10. Excusable delay
 11. Suspension and Termination
 12. Applicable Law
 13. Indemnity
2. Conditions for Spare Parts Supply
 1. Purchase Order
 2. Order Acknowledgement
 3. Purchase Order Fulfillment
 4. Acceptance
3. Conditions for Exchange Transactions
 1. Fees
 2. Returning Core Unit
 3. Penalty Fee
 4. Missing Parts
 5. (Additional) Payment Conditions
 6. Retention of Title
 7. Default Interest
 8. Additional Security

Preface

These General Terms and Conditions ('GTC') shall govern the provision of Services by Seller to Buyer. The General Terms which are applicable to all Services Seller agrees to Buyer under the GTC or any agreement pertaining thereto is described in chapter 1. Some additional conditions for some specific services are described in chapter 2 and chapter 3.

Chapter 2 will cover the additional conditions for Spare Parts supply and Component Repair and Overhaul and Aircraft Repair, Overhaul and Maintenance Services. Chapter 3 will cover the additional conditions for Exchange Transactions.

In the event there is a conflict between the additional conditions for specific services of chapters 2 and 3 and the General Terms of chapter 1, the additional conditions for specific services of chapters 2 and 3 shall prevail.

1. General Terms
2. Conditions for Spare Parts Supply
3. Conditions for Exchange Transactions

1. General Terms

1.1. Definitions

The following definitions shall apply (such definitions to be equally applicable to both singular and plural forms of the terms to be defined):

Aircraft:	an aircraft owned or operated by Buyer;
BER(beyond economical repair):	a component of which the repair / overhaul value exceeds the replacement cost of a unit in serviceable or overhauled condition
Buyer:	the party to whom Seller provides Services;
Component:	any self-contained part, combination of parts, sub-assemblies or units, which perform a distinctive function necessary to the operation of a system;
Core Unit:	the Buyer Part which Buyer shall submit to Seller in respect of an Exchange Transaction;
Data:	documents, drawings, manuals, computer programming information, software and all other forms of media storing, containing, conveying or embodying information, and regardless of whether the information is in hard copy, electronic, or any other form;
Days:	calendar days, if not otherwise stated herein;
Exchange Transaction:	A transaction whereby Seller shall send an Exchange Unit to Buyer and in exchange Buyer shall submit a Core Unit to Seller and depending on type of Exchange transaction and / or condition of Core, will pay an additional charge to Seller;
Exchange Unit:	the Seller Part which Seller shall send to Buyer in case of an Exchange Transaction;
Ex-works:	ex-works as defined in the Incoterms 1990 or any subsequent edition thereof, issued by the International Chamber of Commerce, Paris, France;
Indemnities:	Seller and Seller's Assignees and their respective directors, shareholders, affiliates, officers, employees, agents and subcontractors;
Information:	all (technical) Data pertaining to Services, whether or not established by Seller and Buyer to be confidential, or copies of any of these supplied by Seller under the GTC;
Overhaul:	the restoration of the Component according to the agreement pertaining to this GTC, in accordance with the instructions defined in the relevant manual;
Repair:	the test and restoration, if applicable, of a defective Component and/or Aircraft, whichever is applicable according to the agreement pertaining to this GTC, to a serviceable condition only;
Seller:	Avia Singapore Aircraft Parts Pte Ltd (ASAP);
Seller's Assignee:	any person(s) or company (companies) used or assigned by Seller, either as a subcontractor or supplier, to perform Services, under the GTC or supplying Seller Parts or information pertaining thereto to Seller for the performance of Services by Seller under the GTC;
Seller's Facility:	such plant or facility as may be designated by Seller;

- Seller Parts:** Aircraft Components, systems, accessories, equipment and parts, including ground support equipment and special tools for the Aircraft supplied in accordance to Buyers specifications, delivered from Seller's own stocks;
- Spare Parts:** the service provided by Seller to Buyer;
- Vendor:** any manufacturer or supplier (other than Seller) of Vendor Parts;
- Vendor Parts:** mean Aircraft Components, systems, accessory, equipment and parts, including ground support equipment and special tools for the Aircraft not covered by the definition of Seller Parts;

1.2. General

Any Service Seller agrees to provide to Buyer shall be subject to (i) this GTC and (ii) such additional terms and conditions as are agreed upon by Seller and Buyer in writing. The GTC shall exclusively apply to all quotations made and agreements entered into by Seller with respect to the Services to be rendered, irrespective of what is mentioned in purchase orders, letters, general conditions and other documents issued by Buyer, unless otherwise expressly stated by Seller in relevant quotation or agreement. The applicability of any general terms and conditions which may be used by Buyer or to which Buyer may refer in any manner whatsoever is hereby specifically rejected.

1.2.1. Notices

Except as otherwise provided in the GTC or any agreement pertaining thereto, all notices and requests in connection with the GTC shall be given in writing and may be given by (air) mail, facsimile, cable, e-mail or any other customary means of (written) communication addressed as follows:

To Seller: Avia Singapore Aircraft Parts Pte Ltd. 1 Fullerton Road, #02-01 One Fullerton 049213/Singapore; or as the Party to receive notice or request shall designate by notice to the other. The effective date of any notice or request given in connection with the GTC or any agreement pertaining thereto shall be the date on which it is received by the addressee.

1.2.2. English Language

The performance of Services and all communication between Seller and Buyer regarding the GTC or any agreement pertaining thereto shall be in the English language.

1.2.3. Validity

If any provision of this GTC should be held to be invalid or unenforceable, this GTC shall remain in force and effect in all other respects as if such provision had not been included in this GTC. Seller and Buyer shall then use all reasonable endeavors to replace the invalid or unenforceable provision by a valid provision, the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

1.3. Ordering Procedures

Upon Buyer's request, Seller shall make price and schedule quotations for Services which quotations shall be valid for a period of thirty (30) days after the date of issue, unless otherwise stipulated in the relevant quotation. The Services shall only be rendered by Seller on the basis of a Buyer issued (written) order and accepted by Seller in (writing), unless Buyer and Seller have agreed in writing to an alternative procedure.

Seller reserve the right to correct pricing errors of a clerical, arithmetical or typographical nature and these shall not be considered as price change

1.4. DELIVERY

1.4.1. Delivery

All goods and Services furnished under the GTC shall be delivered Ex-works Seller's Facility, unless otherwise specified by Seller. The risk of loss of the component delivered to the Buyer shall pass from Seller to the Buyer at the moment of delivery of the unit from Seller's Facility.

1.4.2. Shipment

- (1) All goods and/or Services furnished under the GTC shall be accompanied by packing documents indicating Buyer's Purchase Order number, quantity shipped, part number (where applicable), key word and total value.
- (2) Seller shall inform Buyer, as soon as practicable, about shipping arrangements made.

1.4.4. Buyer's Responsibility

The Buyer shall be responsible to ensure the timely and continuous availability, validity, completeness, reliability and accuracy of any and all Data and goods, the Buyer is reasonably required to provide for the due performance of the Services by the Seller. Inspection by Seller of Buyer furnished items shall not relieve Buyer from its responsibility hereunder.

Buyer is responsible to provide transportation details and shall pay all costing including incidental charges and freight, custom fees, hazmat fee and all additional costs related to AOG orders etc.

Buyer confirms that, all materials which sold by "SELLER" are not to be shipped or sold to any company or person that is placed in OFAC List. Buyer is responsible to follow up updated OFAC List.

1.5. Terms and Conditions of Payment

- 1) Unless otherwise agreed upon by Seller in writing or otherwise provided in the relevant chapters of the GTC prices for ordered Services to be rendered shall be due and payable on acceptance by Seller of Buyer's order.
- (2) All third party provided services will be charged to the customer as an advance payment. (3) All payments to Seller shall be made in USD net free and clear of all taxes, duties and charges without withholding, set-off or counterclaim counterclaim of any kind and shall be made to the account of A.S.A.P at the bank which is stated below;

BANK: CIMB BANK BERHAD
ADDRESS: 50 RAFFLES PLACE 09-01 SINGAPORE LAND TOWER 048623 SINGAPORE
BRANCH: RAFFLES PLACE / 001
SWIFT CODE: CIBBSGSG
ACCOUNT NUMBER: 2000254368
ACCOUNT NAME: AVIA SINGAPORE AIRCRAFT PARTS PL

- 4) If any amount due to Seller is not received by Seller when due hereunder, Buyer shall pay 1,5% penalty fee per month. (5) Seller shall have the right to require a payment or security acceptable to Seller for all sums due, to the extent not covered by the amounts received pursuant to 1.5.1 (6) In case Buyer disputes Sellers invoice, Buyer shall notify Seller of this dispute in writing within 14 (fourteen) days after the date of Sellers relevant invoice. In such event, Buyer is entitled to suspend payment of the disputed part of the invoice. As soon as possible Parties will discuss the disputed part of the invoice and make every reasonable effort to promptly settle the dispute. In the event the Parties agree that the dispute is justified, Seller will adapt the invoice and Buyer will subsequently pay outstanding amounts, if any, within fourteen calendar days of receipt of the corrected invoice. In the event that the Parties determine that the dispute was not justified, Buyer will promptly pay the disputed part to Seller plus an interest charge in accordance with paragraph 5 of this section 1.5. In no event shall Buyer claim a right of set off or a security interest.

1.6. Disclaimer

On the delivery date, the part is being sold in its then "AS IS, WHERE IS, WITH ALL FAULTS" condition, without any representation, warranty or guarantee of any kind being made or given by A.S.A.P., its officers, agents, directors, affiliates, employees and assigns, Express or implied including any Express or implied warranty as to (a) merchantability or fitness for a particular purpose or (b) title, arising by law or otherwise, other than such warranties as are expressly provided herein.

1.7. Cancellation of Order

In the event Buyer cancels a Purchase Order for any goods and/or Services, after delivery of such goods and/or Services by Seller to Buyer, Seller may recover a restocking charge in the amount of 10% of the net value of the cancelled Purchase Order, with a minimum of USD 150.00. The restocking charge will be immediately due and payable with analogous application of the provision(s) of section 1.5. of this GTC. Buyer is also responsible for returning of the ordered unit(s) to the Seller's facility.

Buyer may cancel a Purchase Order for any Spare Part prior to delivery thereof. Seller may recover any actual damage arising there from in an amount not more than the purchase price of the Spare Parts covered by the canceled Purchase Order. The cancellation charge shall be based upon the costs made by Seller fulfilling the specific Purchase order before cancellation of the Purchase Order by Buyer as well as third party claims in connection with such cancellation. Upon Buyer's request, Seller shall substantiate such costs.

In the event Buyer cancels an Exchange Order or otherwise terminated prior to ASAP's completion of the repair, maintenance or overhaul, the customer shall pay A.S.A.P an additional amount equal to the Exchange Fee, plus the labor and material incurred by Repair Organization through the date of cancellation or termination, including all transportation and custom fees etc, plus any expenses incurred in connection with stopping work in progress following such cancellation or termination.

1.8. Assignments

The agreements pertaining to the GTC are for the benefit of and binding upon each of the parties hereto and their respective successors and assignees. The rights and obligations hereunder may not be assigned in whole or in part by either party without the prior written consent of the other party.

1.9. Nondisclosure

Neither Buyer nor Seller shall disclose information furnished under the GTC or any agreement pertaining thereto to any third party without the written consent of the other party, except as required by law. If disclosure is required by law, then the disclosing party shall use its best efforts to limit such disclosure, including a request for confidential treatment or implementing other means reasonably requested by the non-disclosing party. No license under any patent, copyright or whatever other intellectual or industrial property right is granted or implied by Seller exchanging, conveying and/or applying whatever Data or Information pursuant to and/or in connection with the Services.

1.10. Excusable delay

Seller shall not be responsible for, nor be in default under the GTC on account of any delay in performance due to an excusable delay. Excusable delays are defined as delays due to causes not within Seller's control including, but not be limited to, acts of God, strikes, labor troubles causing cessation or dislocation of work, inability after due and timely diligence to obtain material or part not of Seller's own stocks. However, Seller will make every reasonable effort to minimize the consequences of an excusable delay to Buyer.

1.11. Suspension and Termination

1) If Customer 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 readjustment 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, then A.S.A.P may immediately terminate this Agreement or suspend performance under this Agreement, including any work in progress, upon written notice to the Customer unless the Customer, within five (5) days of such notice, gives adequate assurance of the future performance of this Agreement by establishing an irrevocable letter of credit, issued by a bank and on terms and conditions acceptable to A.S.A.P, and in an amount sufficient to cover all amounts potentially due from the Customer under this Agreement, that may be drawn upon by A.S.A.P if the Customer does not fulfill its obligations under this Agreement in a timely manner.

2) If either party fails to perform its obligation under this Agreement and such failure to perform continues for a period of thirty (30) days after written notice to such party by the other party present (except in the case on nonpayment of monies due, wherein should failure continue for a period of 5 (five) days after written notice to such party from the other party), the other party may terminate this Agreement immediately upon written notice. The right of each party to require strict performance of any obligations hereunder will not be affected in any way by any previous waiver, forbearance or course of dealing.

1.12. Applicable Law

(1) The GTC and any agreement pertaining thereto shall be governed by and construed and interpreted in accordance with the Singaporean law. This clause 1.13 (2) is for the benefit of Seller only; accordingly, Seller may bring legal action relating to this GTC or any agreement pertaining thereto in any court in any country (whether arbitral or regular court), including, without any limitation, the territory, in which any property of Buyer is then situated or in any other competent court.

1.13. Indemnity

Buyer shall release, defend, hold harmless and indemnify Seller, Seller's assignees and each Indemnity thereof, from and against all claims and liabilities, direct and consequential damages, losses and judgments, including costs and expenses incidental thereto, which may be suffered by, accrued against, be charged to or recoverable from Seller, Seller's assignees or any of their Indemnities for death of or injury to a person or persons, other than indemnities of Seller or Seller's assignees or for loss of or damage to any property, including any Aircraft, save property of Seller, Seller's assignees or any of their indemnities arising out of or in any way connected with the performance by Seller, Seller's assignees or any of their indemnities of Services.

2. Conditions for Spare Parts Supply

2.1. Purchase Order

Orders for Spare Parts shall be placed by Buyer in writing ('Purchase Order') or by e-mail, facsimile or any other (written) instrument confirmed by a Purchase Order, unless parties have agreed in writing to an alternative ordering procedure. Each Purchase Order shall include an order number or specific contract number, part number(s), nomenclature, quantity, material condition and required delivery schedule, as well as detailed forwarding instructions, such as forwarding address, accounting address and the marking required to be put on the packing if such instructions have not been agreed upon or differ from those agreed upon.

2.2. Order Acknowledgement

Acceptance by Seller of Buyer's Purchase Order(s) shall be in a written Order Acknowledgment ('Order Acknowledgment'). Seller's Order Acknowledgment(s) shall include Buyer's order number or specific contract number and, for each part, part number, applicable unit price, extended value and the scheduled delivery date(s). A Purchase Order is not binding upon Seller unless accepted by Seller in accordance with this paragraph.

2.3. Purchase Order Fulfillment

In fulfilling Purchase Orders for Spare Parts, Seller reserves the right to make any necessary corrections or changes in part number and nomenclature, or to substitute parts, provided that interchangeability between the Spare Parts is not affected. Seller shall give Buyer prompt written notice of such correction, change or substitution and any effect on price resulting there from. Buyer shall advise Seller in the same prompt manner whether such change of price is acceptable.

2.4. Acceptance

(1) Within fifteen (15) days after receipt by Buyer of any ordered Spare Part ('Inspection Period'), Buyer shall notify Seller in writing of any alleged nonconformity of the Spare Part with Buyer's Purchase Order as acknowledge by Seller. Such notice shall state the grounds for Buyer's conclusion of nonconformity. For the purpose of this paragraph the day of shipment to Buyer shall be deemed the day of delivery by Seller, unless Buyer proves otherwise. (2) Upon receipt of such notice, Seller shall without undue delay notifies Buyer whether Seller agrees that such nonconformity exists and any corrective procedure which Seller will apply. Upon Seller's request, Buyer shall return such nonconforming Spare Part to Seller's Facility (3) If Seller is not notified by Buyer of any nonconformity within the Inspection Period, Buyer shall be deemed to have accepted the Spare Parts and to have waived all its claims and remedies in respect thereto, except for the contractual warranty provisions.

3. Conditions for Exchange Transactions

3.1 Fees

All the transport and custom fees involved with an Exchange Transaction, for both the shipment of the Core Unit and the Exchange Unit, will be borne by Buyer.

3.2 Returning Core Unit

The Customer shall, within thirty (30) days after signing date of Exchange Agreement which is required to be signed for the exchange transactions, return to Repair Organization the unserviceable removed component/assembly of like configuration. If the Customer does not return the component/assembly within the thirty (30) days, the transaction shall be subject to a late fee unless prior agreement has been made in writing with A.S.A.P. and also A.S.A.P. reserves its right to change the transaction to outright sale.

3.3 Penalty Fee

In the event Seller has not received the Core Unit accompanied by all applicable completed documents (including but not limited the log card) within the time-period as mentioned under section 3.2., Buyer will incur a penalty fee of USD 60.00 per day, starting at the end of a thirty (30) calendar day period until the day that Seller has received the Core Unit accompanied by all applicable completed documents (including but not limited the log card).

3.4 Missing Parts

In the event any parts found to be missing from the Core Unit, Seller shall invoice Buyer for the value of such missing parts. Buyer herewith agrees to such additional invoicing and beforehand accepts that this will be automatic and without any prior notice from Seller. Once the additional invoice has been processed by Seller, no credit will be granted to Buyer, irrespective of whether the missing parts will be send to Seller at a later date.

3.5 (Additional) Payment Conditions

(1) In case of an Exchange + cost transaction: After teardown and inspection of the received Core Unit by Seller, Seller shall send an invoice to Buyer, accompanied by a copy of the teardown & inspection report.

(2) In the event the returned Core Unit is: (i) in a different mod standard than the originally delivered unit; (ii) has suffered from abnormal use, mechanical damage, excessive wear, tear and/or corrosion or; (iii) has been involved in an accident or incident, Seller shall invoice Buyer for the additional costs.

(3) Seller will also invoice Buyer for additional costs in the event the returned Core Unit is in a different mod standard than the originally to Buyer delivered unit.

(4) In the event the Core Unit is declared BER, Seller shall invoice Buyer for the difference between the agreed exchange fee and the outright sales price as stated on the written order as "Core charge".

3.6 Retention of Title

The Exchange Unit will remain property of Seller until full payment as specified under section 3.5 has been received by Seller.

3.7 Default Interest

Failing to comply with any of the above sections or other applicable provisions of this GTC might result in extra (interest) charges and eventually confiscating of the originally supplied exchange unit(s).

3.8 Additional Security

Seller reserves the right to ask for additional and/or financial securities prior to release of the Exchange Unit(s), In line with Seller's policy.