

# STANDARD CONDITIONS OF SALE

## 1 - DEFINITIONS

- **AOG** (Aircraft On Ground) means a situation in which the Helicopter is unable to fly or is ineligible to return to service because of an unscheduled need for replacement or major repair of components, that is not related to scheduled maintenance tasks.
- **BFE/CFE** means Buyer Furnished Equipment / Customer Furnished Equipment.
- **Certificate of Conformity** (or **Statement of Conformity**) means the document issued by the Seller's quality assurance organization after completion of procedures approved by the respective authorized national agency certifying the Product's conformity with the Seller's applicable specifications.
- **CAMO** means Continuing Airworthiness Management Organization.
- **Contract** means the agreement between the Seller and the Customer of which these Standard Conditions of Sale form part, comprising the applicable Specific Annex(es) and the Purchase Order or Order Confirmation.
- **Core Unit** means the used Part sent by the Customer to the Seller in case of exchange for an overhauled or repaired Part under the standard exchange service.
- **Customer** means the person, entity, or company to whom the Seller sells any Products and/or Services under the Contract.
- **Customer Center** means a subsidiary of the Seller.
- **Documentary Credit** means an irrevocable, confirmed and non-transferable documentary credit.
- **EASA** means European Aviation Safety Agency.
- **Helicopter** means helicopter manufactured by the Seller.
- **Item** means transmission components, blades and/or equipment.
- **OTL, SLL** mean respectively Operating Time Limit and Service Life Limit.
- **Part** means a piece of an Item or a Product.
- **Party/Parties** mean either separately or collectively the Customer and/or the Seller.
- **Product(s)** means the goods to be provided by the Seller under the Contract in compliance with the applicable specification and/or definition, including all types of Helicopters, optional equipment, Spare Parts, tools, other equipment, documentation, technology, data, software on a Product (and any other goods mentioned in the Specific Annex(es), when applicable).
- **Production Organization Approval (POA)** means approvals issued by the respective competent authority to the Seller in compliance with EASA part 21/G regulation.
- **Order Confirmation** means the acknowledgement of receipt of the Customer's order by the Seller, i.e. either the confirmation sent by the Seller to the Customer to take into account the Customer's order or the approval sent by the Customer to the Seller on the Quotation.
- **Purchase Order** (or **Order**) means the order covering the acquisition of Products and/or Services.
- **Quotation** means the priced offer and associated conditions, sent to the Customer by the Seller.
- **RMA** means Return Material Authorization format provided by the Seller for the purposes of the warranty article and/or R&O Service.
- **R&O** means the following activities: repair, overhaul, standard exchange, inspection and modification of an Item.
- **Seller** means Airbus Helicopters (SAS) located in Marignane, France and/or Airbus Helicopters Deutschland GmbH, located in Donauwörth, Germany and/or Airbus Helicopters Canada Limited located in Fort Erie, ON, Canada.
- **Service(s)** means the services which may be performed under the Contract consisting of:
  - performance of R&O
  - technical publications, technical assistance, technical expert services, and/or tool rental
  - performance of Training,
  - SaaS, and
  - any other services mentioned under the Specific Annex(es), when applicable.
- **SaaS (Software As A Service)** means a software application available online on an internet website and/or a software application available on defined mobile operating system(s).
- **Specific Annex** (or **Annex**) means the annex of the SCS outlining specific conditions.
- **Spare Parts** means new parts to be provided by the Seller.
- **SCS** means general Standard Conditions of Sale for Products and Services.
- **SB** means Service Bulletin.
- **STC** means Supplemental Type Certificate and also refers to an equipment which has a STC.
- **TAT** means Turn Around Time, from the time the Seller receives the Customer's Item and its related and valid documents in its facility up to the time the Item is at the Customer's disposal FCA Incoterms® at Seller's facility, less the Customer's approval lead time and/or less lead time due to Customer's responsibility discrepancies.
- **TCCA** means Transport Canada Certifying Authority
- **Training Items** means training software, training documentation and courseware.
- **Training** means training need analysis, training courses, simulator sessions and on-the-job training.
- **TSN, TSO, TSR, TBO** mean respectively Time Since New, Time Since Overhaul, Time Since Repair and Time Between Overhaul.

## 2 - SUBJECT AND SCOPE

These general Standard Conditions of Sale apply to any sale of Products and/or Services sold by the Seller to its Customer(s), excluding brokerage or other distributor activities. The purchase of the Products and/or Services by a Customer is considered to be performed within the framework of its professional activities.

These general Standard Conditions of Sale are supplemented by the relevant Specific Annex(es) as quoted hereinafter, when applicable:

- for Helicopter sales:
  - Sale of new Helicopters and associated services
  - Sale of second hand Helicopters and associated services
- and for Products (other than Helicopters) and Services:
  - Sale of Spare Parts
  - R&O Services
  - Technical publications, technical assistance, technical expert services, tool rental
  - Training Services and Training Items
  - Helicopter maintenance, repair, overhaul, inspection, upgrade and retrofit
  - SaaS

## 3 - PURCHASE ORDER / QUOTATION

### 3.1 Sale of Helicopters and associated Services – Purchase Order

The Helicopter Contract shall be binding when signed by both the Seller and the Customer and shall come into force upon receipt of the initial down-payment.

### 3.2 Products and Services sold independently of a Helicopter sale – Order issuance, acceptance

Customer's Orders shall be confirmed by the Seller in writing. The Contract shall become binding upon receipt by the Customer of the Seller's Order Confirmation and shall come into force upon receipt of the down payment when relevant (as mentioned under article 6.2). The delivery schedule shall become effective upon receipt of the down payment.

In case the Customer requires a Quotation from the Seller, the Contract shall become binding when the Seller receives the Customer's written approval of such Quotation issued without changes. Said Quotation duly signed by the Customer shall constitute the Order Confirmation when received by the Seller.

### 3.3 Purchase Order modifications

#### 3.3.1 Modifications to Purchase Order by the Seller

Pursuant to new manufacturing or engineering requirements, obsolescence or new regulations, the Seller shall be entitled to carry out modifications without the consent of the Customer, as long as these modifications do not affect the specification and/or performance of the Product and/or Services, and/or delivery time. Should the requirements affect specification and/or performance of the Product and/or Services, related costs and/or delivery time, the Seller and the Customer shall agree on the contractual consequences. If the Parties fail to reach an

agreement within one (1) month, the Seller shall be entitled to terminate the Contract under the conditions stated in article 14.2.

### 3.3.2 Modifications to Purchase Order modifications by the Customer

Any changes or configuration changes requested by the Customer require mutual written agreement of the Parties and may lead to an adjustment of the price and/or delivery time.

## 4 - EXPORT AND IMPORT LICENCES – AUTHORIZATIONS, CUSTOMS

### 4.1 Export and Import licences - authorizations

All Products, including but not limited to item(s)/commodity(ies) (goods/hardware, software and technology(ies)) and/or Services may be subject to export laws and regulations as well as national, foreign and international regulations, and the Parties acknowledge that violations to such laws and regulations are prohibited.

The Seller will perform all necessary and appropriate procedures for requesting any official authorizations (such as export licences) needed for the performance of this Contract. The Customer agrees to provide reasonable assistance or any documentation or certificate requested by the Seller to obtain the necessary authorizations and/or to ensure compliance with the applicable laws and regulations

The Seller shall not be held liable if the authorizations are not granted or are granted with delay or if an authorization that has been granted is revoked or not renewed. Such event shall be considered as a force majeure event as defined in article 13.1.

The Customer shall obtain in due time any import licence/authorization required in its country for the Products and/or Services covered in the Contract and shall provide in due time the Seller upon its request with an end-user certificate duly signed by an empowered representative or, when necessary, its national authorities. The Seller agrees to provide, upon Customer's request, reasonable assistance and any documentation for obtaining the import licences and/or to ensure compliance with the applicable laws and regulations.

Export licences/authorizations are provided for a specific end-use/end-user and/or with specific provisions and/or conditions. The Customer undertakes to abide by the content of governmental licences/authorizations and to warrant and represent certificates signed in the context of application procedures. Any change in the end-use/end-user of the corresponding Products and/or Services requires the prior authorization of the government that has issued the said export licences/authorizations. Therefore, prior to any transfer of control, possession, registration, title, ownership, etc. of Products and/or Services to any third party, the Customer shall notify the Seller thereof in order to allow the Seller to assess the necessary actions to be taken and the procedures to be applied. The Customer shall then follow the instructions given by the Seller.

The Parties also agree not to re-export any technical information or technology that may be exported under this Contract without first obtaining the other Party's approval and, when necessary, approval from the relevant Governmental authorities.

### 4.2 Export and Import - Customs

Irrespective of the applicable Incoterm, if Products are exported directly to a country outside the European Union, the Seller will provide appropriate export customs documentation to the Customer or its designated freight forwarder. The Customer guarantees correct closure of the related customs procedure in due time on leaving the European Union or the country of dispatch. In case of non-compliance, the Customer shall be liable for any additional costs and charges imposed on the Seller by the national tax administration.

If the Seller transports the Products by ferry-flight, the Customer will have to provide additional documentation to the Seller to prove exportation for sale Taxes purposes. The Seller will inform the Customer of the required documentation in due time before the delivery date.

## 5 - PRICES

### 5.1 General

Prices are stated and payable in USD (US Dollars).

Helicopter prices and the prices of other Products and Services sold together with Helicopters are according to the baseline Helicopter

definition in force at the date of signature of the Contract and to the specific configuration and scope detailed in the Contract.

For Products and Services sold independently of Helicopters, all invoices for Products and Services will be at the prices stated in the relevant Seller's price list in force, or in the relevant Quotation. The Seller's price lists are subject to regular updates.

Prices relate to Products and Services delivered in accordance with the Incoterms mentioned in each Specific Annex of these SCS.

### 5.2 Duties and taxes

Prices are exclusive of taxes, duties and/or charges resulting from administrative and legislative regulations in force in any country other than the Seller's country and of any customs and duty charges, which shall be borne by the Customer.

Prices are exclusive of Federal and Provincial sale taxes or turnover taxes or other similar taxes. If applicable, such taxes will be charged in addition.

### 5.3 Additional costs/ Chargeable amounts

Prices, unless otherwise stipulated in the Contract, do not include any preparation, packing and crating charges nor any modifications carried out at Customer's request before and after delivery, expenses incurred for the inspection of Products by third parties, expenses relating to freight forwarding, carriage by sea, air or land, ferry-flight, storage and insurance costs incurred after Customer's acceptance.

For all orders below a minimum amount of two hundred (200) USD (US Dollars), the Seller reserves the right to invoice a minimum amount of two hundred (200) USD (US Dollars).

## 6 - PAYMENTS

### 6.1 General

The payment obligation will be considered fulfilled at the time the due amount is irrevocably credited in full to the Seller's bank account.

The following payment methods shall be used:  
- For contractual amounts not exceeding one (1) million USD (US dollars): cheque, bank draft or wire transfer.  
- For contractual amounts exceeding one (1) million USD (US dollars): bank transfer.

Any down payments are non-refundable, as they are necessary to partially cover the production, procurement, financial, administrative and other costs.

In the event of payment by Documentary Credit, the Customer shall at the time of the initial down payment and/or Purchase Order, open at its own expense, a Documentary Credit in favour of the Seller for the Contract price, reduced by the initial down-payment, if any.

The Documentary Credit shall permit partial deliveries and shall be valid for the total specified period of delivery or performance plus three (3) months covering the time required for preparing the necessary documents and for performing the payment.

The Documentary Credit shall be payable at sight in favour of the Seller as deliveries are made upon presentation of the following documents by the Seller to the bank:

- o In case of Helicopter sale :
  - Commercial invoice in triplicate,
  - Statement of conformity or Certificate of Conformity for Helicopters and optional equipment installed therein,
  - Authorized release certificate (EASA Form 1) for packed optional equipment and Spare Parts and
  - Certificate of Conformity for miscellaneous parts and tools which are not subject to installation on Helicopter.
- o In case of Products and Services sold independently of a Helicopter sale
  - Commercial invoice in duplicate, and
  - Any document specified by the Seller and mentioned under the Contract.

Should the Documentary Credit expire before full delivery is completed, the Customer shall in due time extend, at its expense, the Documentary Credit without any need for action in this respect on the part of the Seller.

### 6.2 Payment terms

#### 6.2.1 Sale of Helicopters and associated Services

The Customer shall make the following payments:

- An initial down payment of thirty (30) per cent of the contractual amount no later than fifteen (15) calendar days after the signature of the Contract,
- An intermediate down payment of
  - Twenty (20) per cent of the contractual amount, six (6) months prior to delivery for H120, H125, H130, AS355, H135/H135 Helionix®, H145 and EC145 Helicopters, or
  - Thirty (30) per cent of the contractual amount, nine (9) months prior to delivery for AS365, H155, H175 and H225 Helicopters,
- The balance of the total contractual amount at the time of the acceptance of the Products and Services and prior to delivery.

In case of sale of second-hand helicopter(s), the Customer shall make the following payments:

- An initial down payment of thirty (30) per cent of the contractual amount no later than fifteen (15) calendar days after the signature of the Contract,
- The balance of the total contractual amount at the time of the acceptance of the Products and prior to delivery.

## 6.2.2 Products and Services sold independently of a Helicopter sale

For any Order, the Customer shall make the following payments:

- Upon Contract signature, a thirty (30) per cent down payment of the total amount of the Contract shall be paid by the Customer no later than fifteen (15) calendar days following the date of invoice;
- Upon delivery of the Products / performance of the Services, the balance of the invoiced amount of the delivered Products or Items / performed Services shall be paid by the Customer no later than thirty (30) calendar days following the date of invoice.

For Spare Part or R&O Service orders not exceeding two hundred thousand (200,000) USD (US Dollars), full payment shall be made upon delivery no later than thirty (30) calendar days following the date of invoice.

Payment terms for Services such as, but not limited to, SaaS or Helicopter maintenance, repair, overhaul, upgrade, retrofit or inspection, are specific and defined in the relevant Specific Annex.

Unless otherwise agreed, no discount shall be granted by the Seller to the Customer in case of early payment.

## 6.3 Penalties for late payment

Payment shall under no circumstances be postponed or apportioned for any reason whatsoever. Consequently, in case of late payment, the Customer shall pay to the Seller interest on the unpaid amount at the rate calculated on the basis of ten (10) percentage points per annum computed on the basis of 365 days/year and the actual number of days elapsed since the due date until the actual date of payment without any need for a formal demand or any prior notice.

Without prejudice to the above, should the Customer fail to pay or in the event of a delay in payment, the Seller will be entitled to extend the schedule for an equivalent time period and/or suspend performance of the Contract and/or in all cases, definitively retain the amount of any payments already made by the Customer. The retention of any such payment shall not preclude the Seller from seeking compensation from the Customer for further damages. In the event of a delay or failure by the Customer to pay for more than two (2) months, the Seller shall be entitled to terminate the Contract for default of the Customer under the conditions defined in article 14.2.

## 7 - QUALITY ASSURANCE AND AIRWORTHINESS

### 7.1 General

Airbus Helicopters and Airbus Helicopters Deutschland GmbH hold, as issued by its respective national civil aviation authorities,

- a POA in compliance with the EASA Part 21/G regulation,
- a maintenance organisation approval in compliance with the EASA Part 145 regulation, and
- a training organisation approval in compliance with the EASA Part 147 for maintenance staff and helicopter Part FCL (Flight Crew Licencing) for aircrews

Airbus Helicopters Canada Limited holds, as issued by its national civil aviation authority,

- a maintenance organisation approval in compliance with the TCCA Part 145 regulation, and
- a training organisation approval in compliance with the TCCA

The privileges of an approved production organization include the issuance of airworthiness documents.

The Seller holds a CAMO approval certificate issued by its national civil aviation authority in compliance with EASA Part M/ Subpart G.

The official recognition that Products and repaired / overhauled / standard exchange Items have satisfied the quality assurance procedures is certified by the issuance of the following documents:

For Helicopter(s) in baseline definition and installed optional equipment:

- A Statement of Conformity or Certificate of Conformity issued by the Seller's quality organization to certify compliance with the contractual specification,
- An Aircraft Statement of Conformity (EASA Form 52) for Helicopters sold to customers of EASA member states signed by the Seller's authorized certifying staff within the above mentioned POA. The EASA Form 52 allows the issuance by the national civil aviation authority of the certificate of airworthiness for the European countries members of EASA, or
- A certificate of airworthiness for export, for Helicopters sold outside the European Union, issued by the national civil aviation authority upon submission by the Seller to the EASA representative body of the above mentioned original Helicopter Statement of Conformity (EASA Form 52),
- Upon request, a certificate of non-registration issued by the national civil aviation authority.

For optional equipment delivered packed, Spare Parts and repaired / overhauled / standard exchange Items:

- Upon request, a Certificate of Conformity or other equivalent document issued by the Seller's authorized certifying staff, for standard components,
- An authorized release certificate (EASA Form 1) for other certified components or non-standard Spare Parts issued on behalf of the national civil aviation authority by the Seller or the Seller's selected workshop.
- A log card if applicable
- A dual or tri release if required through a bi/tri lateral agreement between authorities (e.g. Federal Aviation Regulation (FAR) 145 / Transport Canada Civil Aviation (TCCA) 145).

For miscellaneous parts and tools which are not subject to installation on the Helicopter (if applicable):

- A Certificate of Conformity issued by the Seller.

The Customer that has its civil helicopter registered in a country under EASA regulation is responsible of any task related to the management of the continuing airworthiness of the helicopter or shall transfer this obligation by signing a contract with a CAMO in order to ensure the proper accomplishment of the airworthiness management activities in accordance with the regulations in force (Part M/ Subpart G). Upon signature of the Contract with the Seller, the Customer shall indicate who will assume the responsibility of the CAMO.

## 7.2 Modifications after delivery

The Seller will notify the Customer of any modifications that the competent national airworthiness agency has decided to impose on Helicopters or Spare Parts of the same type. In the event of such modifications, the Seller shall make available to the Customer, within a reasonable time, at the latter's request and expense, the equipment kits required to incorporate such modifications to the Helicopter and Spare Parts previously delivered.

For this purpose, the Customer shall receive at no additional cost the technical information bulletins relating to the type of Helicopter mentioned in the Contract for as long as at least one (1) Helicopter of the type remains in service with the Customer.

## 8 - ACCEPTANCE AND TRANSFER OF OWNERSHIP AND RISK

### 8.1 Helicopter acceptance activities

#### 8.1.1 Helicopter acceptance activities by the Seller

Prior to Customer's acceptance activities for new Helicopters, the Seller shall perform production ground and flight tests on Helicopters. Flight tests will not exceed per Helicopter:

- Twenty (20) flight hours for H120, H125, H130, AS355, H135/H135 Helionix®, H145 and EC145 or,
- Thirty (30) flight hours for AS365, H155 and H175 or,
- Fifty (50) flight hours for H225.
- Some equipment and components may be delivered with up to fifty (50) hours and/or the remaining time of some equipment and components may be reasonably affected by the industrial cycle.

Additional hours may be flown in the event that development and installation of specific equipment is requested by the Customer. The cost of such additional hours shall be borne by the Customer.

Helicopter non conformities with certified definition, which have an impact on Helicopter operation and maintenance by the Customer, shall be submitted to the Customer for approval.

Upon satisfactory completion of the Seller's acceptance activities, a Certificate of Conformity will be issued by the Seller. As from the date of issuance of this document, the Helicopters shall be deemed ready for Customer's acceptance, referred to as the "Ready for Acceptance" date.

Not later than (1) month prior to the date on which a Helicopter is to be Ready for Acceptance by the Customer, the Seller will provide the Customer with a procedure describing the acceptance process (organization, schedule, documents, etc) and document(s) defining the flight tests that could be performed by the Customer (hereinafter referred to as "Acceptance Test Document(s)"). The purpose of these tests is not to re-perform certification tests. These documents shall be valid for all Helicopters of the same type.

Within one (1) week after receipt of the Ready for Acceptance notice, the Customer shall send to the Seller the information required from the Customer's representatives in order to be admitted to the Seller's premises. The Customer's inspection team shall not exceed three (3) persons.

### 8.1.2 Helicopter acceptance activities by the Customer

The acceptance activities by the Customer shall not exceed, per Helicopter:

- o One (1) day for H120, H125, H130, AS355, H135/H135 Helionix®, H145 and EC145, or
- o Two (2) days for AS365 and H155, or
- o Three (3) days for H175 and H225.

The Customer shall bear its own expenses and costs related to the Customer acceptance activities including but not limited to travel and accommodation of its representatives during this process.

During the Customer's acceptance activities, it may perform acceptance flights, the combined time of which shall not exceed per Helicopter one (1) flight hour for H120, H125, H130, AS355, H135/H135 Helionix®, H145 and EC145 Helicopters and two (2) flight hours for AS365, H155, H175, AS332, H225 Helicopters.

Acceptance flights will follow the format and procedures described in the Acceptance Test Document(s) provided by the Seller and shall be carried out under the responsibility of a Seller's pilot acting as pilot in command.

Unless a major deviation from the specification is found during the Customer's acceptance, the Customer shall accept the Helicopters as being in conformity with the contractual specifications. The acceptance shall be acknowledged by the Customer's signature of an acceptance certificate, designated as "Acceptance Protocol" and/or "Acceptance and Transfer of Ownership Protocol". If the acceptance certificate is not signed within the above acceptance time period, and without such absence of signature being duly justified in writing explaining the precise reason of the rejection and the contractual grounds thereof, or if the Customer does not attend the acceptance procedure, the acceptance shall be deemed to have been granted by the Customer.

### 8.2 Acceptance of the other Products than the Helicopters and Services

A Certificate of Conformity or equivalent document is issued by the Seller for Products other than the Helicopters.

With regards to Products other than Helicopters, the Customer shall check and notify any defect and/or non-conformity with the order and/or missing associated documentation in a documented registered letter:

- o within twenty one (21) calendar days as from the date the Seller has notified that the Product is ready to be collected, or
- o in case of Products delivered CIP or DAP, the time frames for acceptance are the following:
  - forty eight (48) hours for AOG orders,
  - fifteen (15) calendar days after delivery for Training Items and/or technical publications

and claims against the carrier shall be made within three (3) working days as from the date of receipt of the Product. After expiry of said periods, the Customer's acceptance of the Products shall be deemed given unless the Customer's refusal is duly substantiated in writing and explaining the precise reason of the refusal and the contractual grounds thereof.

For the Services, except SaaS, a certificate of completion of Services or assignment sheet shall be issued once the Service has been performed. The Customer shall sign the form certifying that the Service has been provided in accordance with the Contract. Unless the Customer's refusal is duly substantiated in writing and explains the precise reason of the refusal and the contractual grounds thereof, the Service shall be deemed accepted five (5) working days after issuance of the certificate of completion of the Services or of the assignment sheet. SaaS, including any and all of their supporting elements and content, are provided on an "as is" and "as available" basis.

### 8.3 Collection of Products

After the transfer of ownership, the Customer shall collect the Helicopter within two (2) weeks in case of ferry flight or within one (1) month if it is to be dismantled or conditioned for sea, air or road transport.

If the Customer has requested pilot's training following the acceptance of its Helicopter, said duration shall be extended by the time required to train its pilot(s) on its Helicopter.

The Customer shall collect any optional (i.e. not installed on Helicopter) packed equipment, Spare Parts, R&O Items and/or tools:

- o within four (4) weeks for Products sold together with Helicopters
- o within fifteen (15) calendar days otherwise

following the notification by the Seller to the Customer of its availability.

If the Customer fails to pick up its Products within the above mentioned periods of time:

- o The Customer shall reimburse the Seller any expenses incurred by the Seller such as maintenance, storage, insurance, taxes and associated penalties if any, levies, etc. The foregoing does not constitute any obligation for the Seller to maintain, store or insure the Products beyond the date the Products should have been collected.
- o The Seller may terminate the Contract as per article 14.2 and shall not be liable for any loss or damages incurred by the Customer as a consequence of such termination.

In the event that the Products are delivered in consigned containers, the Customer shall return said containers at its expense within fifteen (15) calendar days after they are made available to the Customer by the freight forwarder. After the expiry of this period, the Seller shall be entitled to invoice the container at its current price.

### 8.4 Transfer of ownership and risk

#### 8.4.1 Helicopters

Transfer of ownership of the Product shall be subject to the prior fulfillment by the Customer of its obligations, in particular full payment of the balance of the Contract and interest, if any. Upon signature of the "Acceptance Protocol" or the "Acceptance and Transfer of Ownership Protocol" by the Seller and the Customer and upon full payment of the Contract price, the ownership of the Products is transferred from the Seller to the Customer. The Seller shall also immediately issue the bill of sale.

All risks relating to the loss of or damage to the Products shall pass to the Customer upon delivery.

With respect to the Customer's hull all risk and hull war risk insurance coverage, the Customer shall cause the insurers of the Customer's hull insurance policies to waive all rights of subrogation against the Seller, its assignees and its directors, officers, agents and employees. This waiver shall be applicable as from the time of signature of the "Acceptance Protocol" and/or the "Acceptance and Transfer of Ownership Protocol".

At Customer's request and costs, and according to the terms of the Contract, the Seller will dismantle and package the Helicopter for transportation after the transfer of ownership.

#### 8.4.2 Products other than Helicopters

The transfer of ownership of any Products other than Helicopters shall take place:

- o at the Seller's facility, at the time of their collection by the forwarding agent appointed by the Customer, or
- o in case of Products delivered CIP or DAP, at the mentioned delivery place,

and shall be subject to the prior performance by the Customer of its obligations in particular the full payment of the delivered Products and interest, if any.

As a result, should the Customer fail to pay according to the contractual payment terms, the Seller reserves the right to terminate the Contract

through notification sent by registered letter and, if the Products are already delivered, to demand that said Products be returned.

If the laws of the country where the Products are delivered do not allow the Seller to regain ownership, the Seller shall be entitled to benefit from any other rights that such laws may confer. The Customer shall implement all measures necessary to protect the Seller's aforementioned rights. In all cases, this will not prevent the Seller from claiming any damages.

Risk of loss or damage to the Products is transferred to the Customer at the time of delivery of the Products by the Seller as determined by the agreed INCOTERMS® 2010.

## 8.5 Adherence to the delivery date

Adherence to the delivery date is conditioned upon the Customer fulfilling all of its contractual obligations.

## 9 - WARRANTY

### 9.1 General

The Seller warrants that the Products and Services provided, except the turbine engine(s), specific equipment with a STC mentioned in the Contract (if any) and MEGHAS avionics equipment, are free from defects in material and workmanship under normal use and service and that software identified in the applicable Helicopter specification substantially provides the functions set forth in the said specification or in the applicable SB.

The turbine engine(s) as well as the MEGHAS avionics equipment installed in the Helicopter and STCs equipment identified in the Purchase Order are covered by the warranty granted by the manufacturers of these items (Turbomeca, Pratt & Whitney and Thales and the STC holder), the benefits of which the Seller hereby assigns on to the Customer who hereby acknowledges and accepts such assignment.

As soon as possible but no later than fifteen (15) calendar days after the discovery of a defect, the Customer shall furnish to the Seller, by using a warranty claim form provided by the Seller, the full details of its claim and the basis thereof. As soon as it receives the said form, the Seller will forward to the Customer a warranty claim acknowledgment and a RMA form. Within fifteen (15) calendar days following the receipt of such documents the Customer shall return the allegedly defective Parts to the Seller. If the Customer fails to return the allegedly defective Parts in due time, the Seller reserves the right to invoice the replacement Parts which have been ordered or produced for the Customer at the price stated in the relevant Seller's price list in force, or in the relevant Quotation.

The Seller will compensate reasonable transportation costs outbound from the Customer premises to the Seller's premises for the repairable Parts for which the benefit of the warranty has been granted by the Seller. The Customer shall send the invoice to the Seller by the end of each quarter and in any case not later than three (3) months after the acceptance by the Seller of the warranty claim. Corresponding credit notification will be issued on a quarterly basis by the Seller and shall be applicable to Spare Parts and/or R&O invoice(s). Insurance, customs expenses and other charges as well as the expenses incurred by the Customer for the removal, re-installation, calibration and troubleshooting operations with respect to such Parts shall be borne by the Customer.

However, during the first year of the warranty of a new civil Helicopter (except H215 one), for each valid warranty claim, the Seller will compensate in kind the Customer for reasonable labour charges related to warranty issues on the basis of removal and re-installation of the concerned Part(s) (troubleshooting excluded). These labour charges flat rates in force are defined by the Seller per category and are available to the Customer on request. Such compensation shall be cumulated on a monthly basis under the form of a credit which shall be valid for one (1) year and shall be used by the Customers for paying ordered Spare Parts. If applicable, the Customer hereby authorizes the Seller to grant the credit to the company who manages and performs the warranty claim on its behalf for the final benefit of the said Customer.

Said credit(s) shall not apply in case of Customer's default, such as, but not limited to, late payment and payment failure.

For Parts for which the benefit of the warranty has been granted by the Seller, the return transportation costs to the Customer premises shall be borne by the Seller.

The warranty exclusions are as follows:

- Parts and any associated costs incurred for scheduled maintenance, or
- if the Customer has failed to notify the Seller of its warranty claim within two (2) weeks from the failure occurrence date, or
- if the supply and/or any part thereof is stored, operated, maintained, installed, repaired or overhauled otherwise than in accordance with the manuals, documentation and instructions delivered by the Seller, or
- in the event that maintenance activities have not been properly entered in the appropriate logbook (or in case of failure to produce the logbook to the Seller if so requested), or
- if the defective Product or any part thereof has been repaired or altered otherwise than as instructed by the Seller or its subcontractors/suppliers, or
- if the Product or any part thereof has suffered an accident, or
- in the event of a defect that is the result of normal wear and tear, or
- if the Product has not been delivered by the Seller, or
- if such Product or any part thereof is not properly stored and protected in accordance with instructions delivered by the Seller, or
- if the defect is partly or wholly caused by a defective item not provided by the Seller, or
- if the software or the host media is exposed to any computer virus or to any conditions in excess of those published in the applicable manuals, documentation and instructions delivered by the Seller, as well as any alteration and/or modification not validated by the Seller, having an impact on the software, or
- normal wear and tear of item(s) such as, but not limited to, seals, tires, inner tubes, bulbs, packings and similar consumables parts.

The warranty is granted to the Customer personally and shall not be assigned or transferred to any third party without the prior consent of the Seller. Should the Customer want the warranty to be managed by a third party, it shall then provide the Seller with a power of attorney authorizing the said third party to act on its behalf.

The warranty constitutes the Seller's sole liability in case of breach of the warranty obligation, and is exclusive and in lieu of any other warranty or remedy available under this Contract or at law.

### 9.2 Warranty period

The Seller's obligation under the warranty is limited to the repair - or replacement at the Seller's discretion - of the allegedly defective Products or Services that have been returned to its facility and, at the time of any repair or replacement have been recognized by the Seller after expert investigation as defective. To be eligible under this warranty, the alleged failure must have occurred within the time-limits mentioned here-after:

- o For new civil Helicopter(s) (except H215 one) in baseline definition and installed optional equipment:
  - Within two thousand (2,000) flying hours or thirty six (36) months after their acceptance at the Seller's factory, whichever event occurs first.
- o For Spare Part(s) and SB kit(s):
  - Within one thousand (1,000) flying hours or twelve (12) months from the time they are fitted to the Helicopters or twenty four (24) months after their delivery from the Seller's factory, whichever event occurs first.
- o For tool(s):
  - Within twenty four (24) months after their delivery from the Seller's factory.
- o For Training Item(s):
  - Within the twelve (12) months after their delivery from the Seller's factory.
- o For repaired, overhauled and standard exchange Items, and second hand Part(s):
  - Within five hundred (500) flying hours or six (6) months from the time they are fitted to the Helicopters or twelve (12) months after their delivery from the Seller's site, whichever event occurs first.  
For repaired Item, the warranty is limited to the repair done and/or the Parts replaced.
- o For tools repaired, overhauled or returned for calibration:
  - Within twelve (12) months after their delivery from the Seller's site.
- o For workmanship:
  - Within five hundred (500) flying hours or six (6) months from the signature date of the acceptance certificate by both Parties, whichever event occurs first.
- o Warranty periods in case of sale of second-hand Helicopter(s) are defined in the relevant Specific Annex.

Software identified in the applicable Helicopter specification shall only be considered as non-conforming, if there are substantial deviations of the functions supported by software from the Helicopter specifications.

The Seller will, at its sole discretion, remedy such non-conforming software for the considered Helicopter by providing a correction release of the software or by finding a reasonable workaround. The Customer shall supply the Seller with all necessary information and documentation in its possession, to enable the Seller to investigate and rectify such non-conforming software. The Seller warrants the software identified in the applicable Helicopter specification provided that the alleged warranty is notified by the Customer to the Seller within one hundred and eighty (180) calendar days from the date of delivery of the Helicopter to the Customer.

The warranty conditions for software embedded in the delivered Spare Parts or in the delivered repaired/overhauled/ standard exchange Item shall be the ones applicable to the software delivered with the Helicopter, as mentioned in the previous paragraph.

Any SaaS, including any and all of their supporting elements and content, are provided "as is" and "as available".

The warranty period on the repaired or replaced part(s) shall be the warranty period that was remaining on the respective defective part. The part(s) removed for which the Seller supplies a replacement part(s) shall become the property of the Seller.

### 9-3 German legal warranty

For Contracts governed by German law, the German legal warranty (Sachmängelhaftung) supersedes the standard warranty conditions described here above for the first twelve (12) months. During this period, and provided that the German legal warranty is applicable, the Seller may elect to repair or replace the defective Products.

## 10 - CONFIDENTIALITY

During the performance of the Contract, the proprietary information of the Parties shall be protected as follows: the term "Proprietary Information" shall mean any information or data in whatever form (either in writing or orally, subject to the conditions set forth hereinafter, and including but not limited to any written or printed documents, samples, models or any means of disclosing such Proprietary Information that the disclosing Party may elect to use during the life of the Contract), disclosed by either Party to the other and which is designated as proprietary to the disclosing Party by an appropriate stamp, legend or any other notice in writing, or when disclosed orally, has been identified as proprietary at the time of disclosure and has been promptly (thirty (30) calendar days at the latest) confirmed and designated in writing as Proprietary Information of the disclosing Party.

The receiving Party hereby covenants that, from the effective date of the Contract, the Proprietary Information received from the disclosing Party shall:

- a) be protected and kept in strict confidence by the receiving Party, which must use the same degree of precaution and safeguards as it uses to protect its own Proprietary Information of like importance, but in no case any less than reasonable care; and
- b) be only disclosed to and used by those persons within the receiving Party's organization who have a need to know and solely for the purpose specified in the Contract; and
- c) not be used, in whole or in part, for any purpose other than the purpose of the Contract without the prior written consent of the disclosing Party; and
- d) neither be disclosed nor caused to be disclosed, whether directly or indirectly to any third party or persons other than those mentioned in subparagraph b) above; and
- e) neither be copied nor otherwise reproduced nor duplicated, in whole or in part, where such copying, reproduction or duplication has not been specifically authorized in writing by the disclosing Party.

Any Proprietary Information and copies thereof disclosed by either Party to the other shall, subject to any third party rights, remain the property of the disclosing Party and shall be immediately returned by the receiving Party upon request.

## 11 - INTELLECTUAL PROPERTY

The Seller retains all rights in respect of developments, inventions, know-how, production procedures and any intellectual property rights relating to the Products and/or Services.

Nothing in the SCS shall be construed as a legal transfer of or licence to (other than specified hereafter), any patent, utility or design model, copyright, trademark, know-how or other intellectual property right.

Copying and/or reproducing and/or communication and/or transmission to a third party of Seller's Products or Services or technical information

or publications, either wholly or partially, without the Seller's express approval is strictly forbidden (except for the copying by the Customer of technical documentation provided by the Seller exclusively for the purposes of operation and maintenance of the Helicopters by the Customer).

The Seller grants the Customer a non-exclusive, non-transferable licence to use

- o a SaaS for the purposes of operating and/or maintaining helicopters and/or
- o the executable form of the software on the related Product, for the purposes of operating the Helicopters.

This licence does not entitle the Customer to receive free of charge updates of such software. The Customer shall not decompile, disassemble, modify, reverse assemble, reverse engineer or reduce to human readable form, the software and/or any SaaS except to the extent the foregoing restriction is, by operation of applicable law, prohibited or of no effect.

## 12 - LIABILITY

Notwithstanding any provision to the contrary in the Contract or elsewhere, the total and cumulated liability of the Seller under the Contract, due to any and all causes whatsoever, whether based on breach of contract or in tort or otherwise, shall in no event exceed in aggregate an amount equivalent to ten per cent (10%) of the total net Contract price.

The above limitation shall not apply in the event of gross negligence, wilful misconduct, death or bodily injury.

Each Party shall be responsible for death or bodily injury arising to its own personnel, whatever the cause. The Parties therefore waive the right to any claim against the other in this respect, except if such death or bodily injury is caused by the gross negligence or wilful misconduct of the other Party.

In no event shall the Parties be liable for any indirect, consequential, incidental, special or punitive damages of any kind, including, but not limited to, damages for any loss of use or profit, loss of assets, loss resulting from business disruption, loss of goodwill or loss of contractual opportunity by the other Party.

To the extent permitted at law, the Seller's obligations and liabilities and the Customer's rights and remedies as set forth in this Contract are exclusive and are in replacement of any and all other remedies under law or otherwise.

## 13 - FORCE MAJEURE AND EXCUSABLE DELAY

### 13.1 Force majeure

The Seller shall not be held responsible for failure to perform or delay in performing any of the contractual obligations of this Contract if such failure or delay is due to, but not limited to:

- o acts of God, war, insurrection, epidemics, sabotage, labour disputes, strikes, lock-outs, shortages of labour, interruption or delays in transportation, fire, explosion, equipment or machinery breakdown, failure or delays of the Seller's sources of supply, shortage in material or energy, or
- o acts, orders or priorities resulting from any government action, national or international authorities, or
- o acts caused by any supplier or subcontractor of the Seller (or lower level subcontractor or supplier), or
- o a bankruptcy or insolvency event concerning any supplier or subcontractor (or lower level subcontractor or supplier), or
- o any other case beyond the reasonable control of the Seller.

For the avoidance of doubt, the delay or absence of payment by the Customer cannot be considered by it as a case of force majeure.

In case of force majeure, the contractual delivery date shall be extended by such period of time reasonably required to remove and/or overcome the event of force majeure and its effects.

### 13.2 Excusable delay

Any postponement of the contractual dates due to the following causes shall not constitute a delay:

- a) BFE/CFE not delivered according to the schedule stated in the Contract or found defective and which consequently requires to be replaced by the Customer or,
- b) Changes or additions to the Contract requested by the Customer or,
- c) Any failure or omission by the Customer to perform its obligations set forth in this Contract.

Any additional costs incurred by the Seller as a result of the occurrence of one of the above events shall be invoiced by the Seller and paid by the Customer over and above the Contract Price.

## 14 - TERMINATION

### 14.1 Extraordinary termination

Each Party may immediately terminate or reduce the scope of the Contract by notice in writing to the other Party if:

- o A petition is filed, a notice is given, a resolution or a court order is passed in connection with the winding up of the other Party, or
- o The other Party becomes bankrupt or insolvent.

### 14.2 Termination for default

A Party may terminate all or part of this Contract for default of the other Party in the event that the other Party persistently fails to perform its obligations and despite the non-defaulting Party having notified by acknowledgment of receipt the defaulting Party to take adequate corrective measures and provided no such measures have been proven to have been taken within a period of two (2) months, following the above notice. The termination shall occur without any specific formality other than the above notice.

In the case of termination for default, the following shall apply:

- o In case of default of the Customer:
  - a) the Customer shall reimburse the Seller for all costs (including but not limited to raw materials, labour, overhead, storage and financial fees) incurred by the Seller or which the Seller could not avoid incurring (including termination indemnities, if any, under the contracts between the Seller and its subcontractors or suppliers or under the second level contracts or subcontracts),
  - b) the Customer shall pay to the Seller a termination indemnity equal to ten per cent (10%) of the contractual price as well as an indemnity equal to the damages sustained by the Seller,
  - c) the Customer shall indemnify the Seller in case other remedies are available by the Customer under this Contract, than those mentioned under paragraphs a) to b) above, and
  - d) the Seller shall be entitled to retain any payments already made by the Customer, until an agreement is found on the above or the dispute resolution has been implemented and a decision has been taken in consequence.
- o In case of default of the Seller:
  - a) the Seller shall be entitled to deliver the remaining non-faulty Products and render the remaining non-faulty Services, and shall be paid the corresponding price thereof,
  - b) the Seller shall return to the Customer all the BFE/CFE remaining in its premises, once the Products are delivered and/or the Services are rendered,
  - c) the Seller shall refund the Customer, the amount of the down payment which refers to the unfulfilled part of the Contract, and
  - d) the Customer shall possibly apply the liquidated damages, if any.

### 14.3 Termination for force majeure

In case of the occurrence of a force majeure event as provided in article 13.1 which lasts more than six (6) consecutive months, the Parties shall meet in order to determine under which conditions they wish to pursue the Contract or if they do not reach an agreement within a one (1) month period, either Party shall be entitled to terminate the Contract, without being entitled to claim for any damages or compensation in any form whatsoever from the other.

## 15 - APPLICABLE LAW AND DISPUTE RESOLUTION

The Contract shall be governed by the laws of the Province of Ontario, without reference to the laws of any other Province or jurisdiction. Irrespective of the applicable law, the United Nations Convention for the international sale of goods is excluded.

The Parties shall attempt to amicably settle any dispute, controversy or claim arising out of or in connection with the Contract. If two (2) months after the occurrence of such dispute, controversy or claim, the Parties have failed to reach an agreement, then the dispute, controversy or claim, depending on the contractual aggregate amount shall be settled as follows:

A dispute will be finally settled under the rules of arbitration of the International Chamber of Commerce (ICC) by three (3) arbitrators appointed in accordance with the said rules.

In the specific case of a dispute of which the aggregate amount does not exceed ten million (10 000 000) USD (US Dollars), the Parties agree to opt for a fast track arbitration process in accordance with the ICC rules.

The place of arbitration shall be Geneva (Switzerland) and the language of the arbitration shall be English.

However, in all cases, should the Seller elect to choose a local court jurisdiction due to arbitration not being adapted to the specific nature of the dispute, in particular the need for immediate injunctive relief or to recover sums due, then such local court will be competent to settle the dispute.

The Parties hereby consent and agree to be subject to the jurisdiction of the aforesaid courts and/or arbitration and, to the greatest extent permitted by the applicable law, the Parties hereby waive any right to seek to avoid the jurisdiction of the above courts on the basis of the doctrine of *forum non conveniens*.

Unless otherwise agreed by both Parties, the fact that any dispute has been referred to arbitration pursuant to this article shall not relieve either Party from any of its obligations as set out in this Contract.

## 16 - DATA EXCHANGE

### 16.1 General

In order to improve the Products, their reliability and availability and the Customer services, the Seller has set up a data exchange process based on maintenance and operational data coming from the Customer's helicopters in service. The list of data to be exchanged will be proposed by the Seller when applicable and will be agreed between the Parties in a specific agreement relative to the types of data and applicable exchange modes. The Customer's data will notably consist of:

- o Customer's helicopter data generated by on-board recording systems
- o Customer's information system data, such as maintenance, operation, logistics and airworthiness data.

The Customer hereby authorizes the Seller on a free and non-exclusively basis:

- o to collect such Customer's data.
- o to use the data to create processed data (Customer's data which is reconciled, enriched, qualified and selected by the Seller),
  - for the Seller's and its Customer Centers' use
  - for the Customer's use subject to a specific agreement
- o and to use suitably de-identified and anonymous processed data, which may be used by the Seller for the purposes of, but not limited to, its current business activities such as trend monitoring, benchmarking, data mining, performance calculation, statistical or predictive analysis, data aggregation, report issuance, studies, summaries, analyses, reports or oral discussions thereof.

### 16.2 Data confidentiality and intellectual property

The Parties agree that any and all Customer's data disclosed by the Customer to the Seller shall be deemed confidential. Nevertheless, after achievement of the de-identification process, the outcome of analysis, studies, statistics, results performed by the Seller and based on such Customer's data are not deemed confidential, therefore the Seller shall be entitled to use in the conditions defined in the foregoing paragraph.

The Seller owns the foreground intellectual property being the result of the analysis, studies or statistics that it has performed.

Notwithstanding the confidentiality obligations here above, the Seller may disclose the Customer's data

- o to the Seller's officers, employees, professional advisers, insurers, agents and subcontractors who have a need to access the Customer's data for the performance of their work with respect to the permitted purpose and who are bound by a written agreement or professional obligation to protect the confidentiality of the Customer's data.
- o to any governmental agency or judge legally authorized to have access to the Customer's data.

### 16.3 Data related liability

Notwithstanding anything to the contrary in the Contract, the Seller shall not be liable toward the Customer in the frame of the analysis of the Customer's data and/or in connection with the Customer's helicopter maintenance, repair and flight operations as a result of the disclosure of confidential information by the Customer to the Seller or as the result of any exchange or analysis of information collected through the process.

## 17 - MISCELLANEOUS

These SCS along with the applicable Specific Annex(es) and Purchase Order (or Order) constitute the entire agreement between the Seller and the Customer. They supersede all previous communications and/or agreements either oral or written, between the Seller and the Customer with respect to the Products or Services.

In the event that one (1) or more of the articles provided for in these SCS is deemed invalid or unenforceable, the remaining provisions shall remain entirely valid and applicable.

English shall be the language of the Contract. Both Parties shall use English as the language to exchange, issue and deliver information, documentation and notices, and any related documents excluding those documents which might be produced by a governmental institution in the local language.

In the Contract, unless the contrary intention appears:

- o headings are for the purpose of convenient reference only and do not form part of the Contract;
- o where the last day of any period prescribed for the doing of an action falls on a day which is not a working day in the country of the applicable law, the action shall be done no later than the end of the next working day.

In case of any contradictions and discrepancies between the parts of the Contract, precedence shall be given in the following decreasing order:

- 1) Purchase Order, Order or Order Confirmation (as applicable)
- 2) Present SCS
- 3) Specific Annex(es)
- 4) Other Annexes and/or appendices in their order of appearance.

The provisions of the confidentiality, intellectual property, liability, applicable law and dispute resolution articles of the Contract shall survive and continue to have effect after the termination or expiry for any reason whatsoever of the Contract, and for a period of thirty (30) years thereafter.

No term or provision hereof will be considered waived by either Party, and no breach excused by either Party, unless such waiver or consent is in writing and signed by the Party against whom the waiver is asserted. No consent by either Party to, or waiver of, a breach by either Party, whether express or implied, will constitute a consent to, waiver of, or excuse of any other, different or subsequent breach by either Party.

The relationship between the Seller and the Customer is solely that of purchaser and seller. No joint venture or partnership is intended nor will any be construed from this Contract. Neither Party will have the authority to enter into contracts on behalf of or bind the other in any respect.

The Customer shall not be entitled, without the prior written consent of the Seller, to assign or transfer to a third party all or part of the rights and obligations under the Contract.