

**1 APPLICABILITY**

1.1 FLM is an Italian registered legal entity, the Italian Civil Code applies. The FLM STCT are applicable to both workmanship performed on Aircraft, Aircraft Components or Parts of an Aircraft that are received for maintenance (hereinafter called the "Services") and to the sale of new, used or exchanged aircraft parts, components or accessories (hereinafter called the "Goods"), including Goods installed during the aircraft maintenance, modification and/or repair services carried out by FLM to the exclusion of any terms and conditions contained in any previous communication to the customer (hereinafter called the "Customer") and specifically agreed to in writing by FLM (hereinafter called "FLM").

1.2 Upon Customer written request or upon execution of appropriate contract, then a valid agreement for the sale of Goods and/or Services will come into existence. FLM shall have accepted the Customer written request or shall have executed the appropriate contract. If Customer cancels a confirmed request of service or a issued purchase order or an email request for services addressed to FLM via a written motivated request and serving a minimum of 24 (twentyfour) hours of notice, then the services shall not be delivered by FLM and charges shall not be applicable, in any other case FLM has the full right to charge the Customer with 50% of the budgeted proposed charges if cancellation is served in the time period of 24 Hrs < 8 Hrs of notice, and with 75% of the budgeted proposed charges if cancellation is served in the time period of 8 Hrs < 2 Hrs; in any other case of cancellation of planned and agreed services received by FLM in less than 2 Hrs from the start of the service, then FLM shall have the full right to charge 100% of the budgeted proposed charges to the Customer.

**2 DELIVERY**

2.1 Services will be delivered by FLM On-Wing for Aircraft Maintenance, and Off-Wing for some Goods Services.

2.2 Goods or Services other than Aircraft maintenance On-Wing will be delivered by FLM to a nominated carrier/forwarder (Incoterms 2000). Risk of loss or damage passes to Customer on delivery (Incoterms 2000).

**3 EXPORT PERMITS** By accepting a written request received from the Customer, then FLM in the performance of Services or supply of Goods could be subject to applicable export control regulations, at Customer's request and at Customer's cost FLM will apply for required export permits or approvals but FLM is not responsible for their issuance or renewal.

**4 TAXES AND DUTIES**

4.1 Customer is responsible for all taxes, duties and other charges arising from the sale of Goods or Services and will reimburse FLM for any of such charges FLM may be required to pay, INCLUDING Airport Royalties as applicable.

**5 PAYMENT**

5.1 Unless otherwise specified, FLM will require payment in advance of delivery and shall be entitled to cancel Customer's order if such payment is not made.

5.2 Unless otherwise specified, if Customer is in default of a payment obligation, FLM, without prejudice to any of its other rights or remedies, reserves the right to charge interest without reminder for 1% (one percent) every 5 (five) block days of payment delay starting from the date when the payment was supposed to be received. The Customer by addressing a written request to FLM has accepted this interest rate.

5.3 Goods delivered and/or installed by FLM shall remain the property of FLM until complete settlement of all claims arising out or in connection with the business relationship between FLM and the Customer.

5.4 In the event Customer disputes some invoice charges, the Customer shall pay to FLM the greater undisputed portion of the invoice or ninety percent (90%) of the invoice value and notify FLM with a written certified legal letter with receipt of delivery of the reasons of disputing the invoice including appropriate documentation.

5.5 Unless otherwise specified, disputes on invoices will only be accepted by FLM if raised by the Customer to FLM in writing via written certified letter legal with receipt of delivery and within seven (7) calendar days from the invoice date.

5.6 FLM is entitled in accordance with the Code of Navigation and in accordance with the Italian Civil Code to a right of retention if settlement is not performed in accordance with the terms set by FLM. In all cases FLM is entitled to enforce the right of retention and contractual lien due to claims arising from maintenance services, deliveries of spare parts and any other claims arising from business relations.

5.7 Customer agrees that in addition to any right or lien to which FLM may be legally entitled, FLM shall also be entitled to a general lien on any of the items received from the Customer for all payments due to FLM. FLM shall have the right to sell or dispose of the Customers Goods as agent for at the expenses of the Customer and apply the proceeds towards payments of such sums upon giving the reasonable notice time of fifteen (15) calendar days in writing to the Customer. Upon accounting to the Customers for any balance remaining after payment of all sums due to FLM including cost of sale or disposal. FLM will be discharged of all liability in respect of the Goods.

**6 DELAY AND FAILURE TO PERFORM**

6.1 FLM cannot be held responsible for delays of delivery or performance due to force majeure (unforeseeable events) or due to events which make completion for FLM significantly more difficult or impossible (especially war or states of emergency, civil unrest, strikes, lock-outs, stipulations by the authorities, adverse weather conditions, sabotage, shortages of raw material and illnesses – all these in reference to suppliers of FLM as well). Such circumstances permit FLM to defer the service respectively for the period of hindrance plus an appropriate period of time, or to withdraw from the contract either completely or partially. This applies too for the cases in which the suppliers of FLM can be held responsible for the delays in delivery or performance provided that FLM has endeavoured with due diligence to achieve prompt completion and/or services.

6.2 In cases in which FLM makes use of its right of withdrawal on the abovementioned grounds, it is obligated only to repayment of any payments possibly made in advance, thereby excluding any other claims made on them.

**7 PURCHASE ORDERS**

7.1 In the case that the Parties have not entered into any specific agreement defining particular terms and conditions and unless otherwise specified, these Standard Terms and Conditions of Trading and Official Price List of FLM are exclusive and take precedence over the terms and conditions of any other document of the Customer Concerning the Services. Standard terms used by the Customer cannot be applied and will be considered null and void.

**8 SHIPMENT****"FLM" FLASH LINE MAINTENANCE S.r.l.**

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Suppliers invoices recipient: invoice@f-lm.it

**WWW.F-LM.AERO**

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SDI : M5UXCR1

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- 8.1 Parts provided by the Customer for the accomplishment of the Services shall be delivered to the site indicated by FLM door to door without costs for FLM. The Customer shall arrange at its sole cost the door to door service for the delivery of its goods.
- 8.2 Parts to be returned to the Customer by FLM after the accomplishment of the Services shall be picked up door to door at the site indicated by FLM without costs for FLM. The Customer shall arrange at its sole cost the door to door service for retrieving its goods or to dispose its unserviceable goods. (Incoterms 2000).
- 9 LIABILITY**
- 9.1 FLM is not liable for damages and losses in respect of the subject matter of the contract or parts handed over to it for working on, unless the damage is caused by gross negligence or with intentional misconduct of its (FLM) personnel, agents and subcontractors, or if the damage stems from a culpable breach of a fundamental contractual obligation.
- 9.2 FLM, its personnel, agents and subcontractors shall not be liable hereunder for consequential or indirect loss or damage, including loss of profit, cost of capital, loss of goodwill or any other special or incidental damages.
- 9.3 The Customer is obliged to remove from the aircraft, on which FLM intends to work, any object which are not necessary for the use of the aircraft. FLM does not take on any liability for the loss or the damage of objects that remain in the aircraft contrary to the aforementioned obligation. This does not apply, if a contract has been signed with FLM explicitly concerning the safekeeping of such objects.
- 9.4 Except for FLM's liability outlined before, Customer shall indemnify and hold harmless FLM, its personnel, agents and subcontractors from any liability claims, including third party claims, arising out, in any way, in connection with any written request or purchase order issued by the Customer and the Services performed.
- 9.5 The Customer is liable to FLM in respect of all damage culpably caused by it (the Customer) or its representatives.
- 10 WARRANTY**
- 10.1 FLM warrants the Services will comply with applicable aircraft manufacturer specifications and conform with the standards of good workmanship in the industry, the Aircraft Maintenance Manual at their latest revision with a clear work order including airworthiness approved data references shall be delivered by the Customer to FLM.
- 11 INSURANCE**
- 11.1 In principle, the Customer is responsible for the insurance cover of the subject matter of the contract. As long as workmanship is performed on Aircraft for maintenance, FLM shall maintain in full force and effect the third party damages and liability insurance for a maximum of USD 1.500.000 per event. In any case the Customer shall maintain in full force and effect the hull insurance for the Aircraft or its components which shall apply at first.
- 11.2 In any case FLM only has liability for intentional or gross negligence acts performed with the aim to cause a damage; all cases under human factor principles shall not be considered a liability for FLM, the Customer assumes all obligations.
- 12 TERMINATION OF PURCHASE ORDER**
- 12.1 FLM may terminate a Customer's purchase order at any time by written notice to the Customer if Customer commences winding-up, becomes insolvent, commits any act of bankruptcy or if a receiver, trustee or custodian is appointed of the Customer property or a substantial part of the Customer property.
- 12.2 On termination FLM will have no further obligation to the Customer under the order and the Customer will reimburse FLM's termination costs including a reasonable allowance for profit.
- 13 MODIFICATION AND ASSIGNMENT**
- 13.1 No modification of a Customer's purchase order shall be binding unless agreed to in writing and signed by both parties. The Customer may not assign the order without the written consent of FLM.
- 14 OTHER CONDITIONS**
- 14.1 Agreements and terms that diverge from all conditions stipulated above or which complement them are only valid when agreed on in writing and signed by both parties.
- 14.2 If any of the conditions stipulated above are or become inapplicable for legal reasons or because they are excluded contractually, the applicability of all other conditions is not affected.
- 15 USE OF PERSONAL DATA**
- 15.1 FLM informs the Customer that the personal data provided will be handled exclusively in connection of the performance of the Services or the supply of Goods and are used in respect of the current law.
- 16 CONSENT TO USE PERSONAL DATA**
- 16.1 The Customer acknowledges the content of Article 19 and authorizeS FLM to use its personal data only for the performance of the Services and the supply of Goods.
- 21 LANGUAGE AND GOVERNING LAW**
- 21.1 Unless otherwise specified, in case of conflict between these General / Standard Terms and Conditions of Trade and the Italian or the European law, the Italian or the European law will prevail.
- 21.2 Both parties agree that solely the law of Italy shall apply and the contract language shall be Italian or English. The United Nations Convention on Contracts for the international sale of goods shall not apply. The sole place of jurisdiction shall be Rome, Italy.