

General Terms and Conditions of Business
of Urbe Aero GmbH (FN 348812i)
for Aviation Maintenance

Version dated 18.10.2019

1. Scope of Validity:

- a) These Terms and Conditions are valid for the conclusion of maintenance service contracts and all associated works to maintain the airworthiness of aircraft, as well as the sale of spare parts and components, today or in the future.
- b) The maintenance contract including associated services is concluded between Urbe Aero GmbH (hereinafter referred to as **URBE**) and the customer (hereinafter referred to as **Customer**), whereby every contract shall be based upon these GTCs.
- c) If the **Customer** objects to these GTCs but still utilises the services, these GTCs shall in any case apply.
- d) Terms and conditions of the **Customer** shall only apply if this is agreed separately in writing.

2. Definitions and Abbreviations:

- a) “Customer”: Natural person or legal entity that orders and utilises the maintenance works including associated services.
- b) “Consumer” and “Entrepreneur”: Terms as defined in the Consumer Protection Act of 1979 as amended.
- c) “Maintenance Contract”:
The contract concluded in accordance with these GTCs for maintenance of aircraft, including the associated services, and for the purchase of spare parts/components, including software and avionics, the content of which is regulated in the following.
- d) “Aircraft”, **AC** in short: any AC, helicopter and gyrocopter, as well as any other aerial vehicles operated with an engine or electrically.

3. Closing of Contract:

- a) The contract between **URBE** and the **Customer** shall be concluded:
 - by acceptance of an offer (cost estimate) by the **Customer**;
 - offers prepared by **URBE** are non-binding and may be revoked at any time prior to written acceptance by the **Customer**, unless the offer was explicitly designated as binding.
- b) An offer by **URBE** shall be valid for 2 weeks from receipt by the **Customer**, the offer must be accepted by the **Customer** within these 2 weeks. Electronic acceptance or acceptance by post is possible until the last day of the two-week deadline. An acceptance received after expiry of said deadline shall not have a binding effect; such an acceptance received after expiry of the 2-week deadline shall be considered a new offer by the **Customer**, which may but does not have to be accepted by **URBE**.
- c) Electronic declarations shall be deemed to have been received if the addressee can retrieve them during regular business hours (08.00 to 17.00 hours on business days).

- d) **URBE** is entitled to make closure of the contract **subject to payment of a down-payment**. This condition and the amount of the down-payment shall be stated in the offer; in the case of orders by the **Customer** without a preceding offer, **URBE** shall inform the **Customer** about the required down-payment in the order confirmation. The contract shall only be concluded if this down-payment is received on the account of **URBE** within 7 days of receipt of the booking confirmation. The charges for a bank transfer shall be borne by the **Customer**; in the case of credit or debit card payments, the terms and conditions of the card issuer shall apply.
- e) The down-payment is an instalment of the agreed fee.

4. Performance of Works:

- a) Together with the AC, the **Customer** shall also hand over the necessary papers and documents. If these papers are required in order to start the work and determine the service intervals and are not available, the agreed worktime shall not commence until these papers and documents are available and have been reviewed.
- b) After conclusion of the contract, **URBE** shall be authorised to have the works necessary and ordered for inspection of the AC, in particular static tests, ground tests or test flights, carried out by its employees.
- c) **URBE** shall not be obliged to carry out test flights; these must be carried out by the **Customer** himself or by his licensed pilots at LOAN airfield on demand by **URBE**.
- d) Should defects of relevance for airworthiness be discovered in the course of inspection of the AC or performance of the works, **URBE** shall be authorised to perform the works required for restoration of airworthiness without a separate contract, provided the contract value does not exceed 20% of the existing contract value. If this amount is exceeded, the **Customer's** approval must be obtained by phone and then confirmed in writing (e-mail, fax or letter) by the **Customer**. In the case of consumers, approval shall be obtained in advance every time the contractual repair costs are exceeded.
- e) The works shall be performed in accordance with the state of the art, manufacturer's standards, standards set by the aviation authority, service bulletins and airworthiness instructions LTH + LBTH + Ads, operational airworthiness references BTH, review of overhaul intervals TBO, with clarification of exceeded overhaul intervals ON-CONDITION, taking the maintenance requirements into account.
If the **Customer** wishes to deviate from the above regulations and standards, **URBE** shall not be held liable for any resulting disorders or fatal accidents and claims under civil and criminal law, actions initiated by the authority, property damage or personal injury. **URBE** shall, however, point out the problems associated with a failure to observe service intervals or exceeding service intervals to the **Customer**.
If the deviation results in the aircraft no longer being airworthy, **URBE** shall be entitled to refuse the service release without a reduction of its claim to remuneration.

5. Warranty and Damages:

- a) The statutory warranty as set out in SS. 922 et seq. *ABGB* [Austrian Civil Code] shall apply for a period of 2 years as from handover of the AC/spare parts, components, or installation of the software programs to/for the **Customer**.
- b) If defects that establish a warranty claim on the part of the **Customer** occur after the repair, **URBE** shall primarily have the option of rectifying the defect through rework or replacement of the installed spare part. The entrepreneur is obliged to notify defects as set out in S. 377 *UGB* [Austrian Business Code], both for purchased and delivered goods and for the service, which is qualified by agreement as a contract for work and services as set out in S. 381 Par. 2 *UGB*. The entrepreneur therefore has to notify defects of the repairs or the delivered goods within a reasonable period, which is generally 14 days acc. to established practice.
- c) In the case of existing defects that **URBE** has to rectify, the **Customer** must grant a reasonable period of time of at least 14 days for the rectification.
- d) Since the duration of performance of the contracted maintenance works depends on whether there are any unforeseeable technical problems, any periods of time specified in the offer/order confirmation shall be non-binding in the case of entrepreneurs. Contractual promises made by **URBE** to consumers with regard to the duration of the repairs shall only be invalid if there are unexpected delays in the above sense for which **URBE** is not to blame.
- e) In the case of a promised completion date for the repairs the **Customer** therefore cannot assume in good faith that this deadline can actually be met, and must therefore plan appropriate reserves when planning the renewed availability of the AC.
- f) If **URBE** has culpably caused damage in the course of the works, it shall only be obliged vis-à-vis entrepreneurs to rectify the actual damage and shall not be held liable for any claims asserted by entrepreneurs for consequential damages, loss of profit, or unusability of the AC (e.g. frustrated standing costs), this in waiver of S. 349 *UGB* (concerning loss of profit).
- g) The liability of **URBE** for personal injury is unlimited, its liability for other damages is limited to wilful intent and gross negligence (S. 6 Par. 1 (9) *KSchG* [Consumer Protection Act]). Vis-à-vis entrepreneurs, liability is limited to the maximum cover of the existing liability insurance (aviation products and grounding liabilities insurance) in the amount of USD 10 million, and for loss (aviation premises and hangar keeper's liability insurance) of at least EUR 5,000.00 and at most EUR 10,000.00 for single-engine AC, motor gliders and Diamond DA 42, as well as at least EUR 5,000.00 and at most EUR 25,000.00 for other multi-engine reciprocating AC, turbines and helicopters.
- h) If parts with a manufacturer's warranty are installed by **URBE**, the **Customer** shall be entitled to this warranty directly and **URBE** shall neither be responsible nor liable for assertion of the same. It shall, however, assist the **Customer** in asserting such warranty by

communicating with the manufacturer, whereby legal actions are not included.

6. Vendor' Lien and Retention Right:

- a) If **URBE** delivers equipment, spare parts or software programs, a vendor's lien until payment of the full purchase price by the **Customer** shall be deemed agreed.
- b) If the **Customer** resells the equipment and software programs subject to the vendor's lien, he shall be obliged to impose the vendor's lien upon his contractual partner and oblige the same to impose the vendor's lien further.
- c) If such equipment, systems or parts are installed in an AC and title to the same is thus lost as a result of combination, **URBE** shall become joint owner of the AC in proportion to the share of the value of the objects delivered in the value of the AC. This joint ownership shall not lapse until payment of the outstanding fee.
- d) If the **Customer** fails to pay the agreed fee on handover after completion of the maintenance works, **URBE** shall be entitled to retain the AC as set out in S 471 *ABGB* until the outstanding fee has been paid. During this time the AC shall be parked on an open position and the defaulting **Customer** shall bear the risk for any damage by third parties or caused by weather himself. **URBE** shall merely place the usual wheel chocks with the AC.
- e) If the **Customer** is an entrepreneur, the legal remedy of *laesio enormis* is ruled out as set out in S. 351 *UGB*.

7. Invoices and Prices:

- a) All prices are stated net, exclusive of statutory sales tax, both for consumers and for entrepreneurs.
- b) In the case of an intra-Community purchase, sales tax is not payable if the statutory requirements are met.
- c) If a lump-sum price was agreed, it shall suffice to state this price in the invoice and itemisation shall not be required.
- d) A Release to Service Certificate shall in any case be issued in writing for the logbook of the AC; if the **Customer** refuses this he shall no longer be entitled to any legal claims under this title.
Depending on the amount of work involved and scope, which is currently not known, a reasonable fee shall be charged for the relevant document.
- e) If the **Customer** is an entrepreneur, he must lodge any objection to the invoice in writing within an exclusion deadline of 8 days, otherwise his claims for judicial or extrajudicial objections will be permanently extinguished.
- f) **URBE** shall be entitled, in addition to the down-payment for award of contract, to invoice one or more instalments in the course of the works. If the **Customer** is more than 14 days in default with the payment of instalment invoices, **URBE** shall be entitled to stop the works and rescind the contract after setting a period of grace of 10 days. In this case the **Customer** must collect the AC within 3 days, otherwise Article 6. d) last sentence shall apply *mutatis mutandis*.

- g) Unless specified otherwise, invoices must be paid within 14 days net (without discount) to the specified account of **URBE**.
- h) A dunning fee of EUR 50.00 net shall be charged for reminders.
- i) If goods are shipped to the **Customer**, he must determine the method of shipment so that the risk transfers to the **Customer** upon handover to the shipper/freight forwarder.

8. Takeover of the Aircraft and Transfer of Risk:

- a) The AC shall be handed over at the premises of **URBE**. On collection by the **Customer** himself or a delegated pilot, **URBE** shall not be obliged to check his licenses under aviation law. This also applies with regard to the prevailing flight weather conditions, which the pilot must check himself at his own discretion.
- b) After completion of the contractual works, the AC shall be parked in front or at the side of the hangar and secured. If the **Customer** does not collect the AC within 3 days of notification of completion, all risk shall transfer to the **Customer** and **URBE** shall have no further obligations under the contract. Article 6. d) shall apply *mutatis mutandis*.
- c) As from the third day, costs in accordance with the parking fees published and collected by Wiener Neustadt-Ost LOAN Airfield (depending on size, MTOW and wing span of the AC) shall be invoiced for parking the AC on an open position.

9. Software Programs:

- a) On delivery (first provision) of software programs and/or installation of the programs in AC avionics, **URBE** shall provide updates to the **Customer** for a charge for such period of time as the consumer “can reasonably expect”. This period of time is mutually agreed as one month.
- b) In the case of entrepreneurs, however, the obligation to continue to inform the **Customer** about current updates or provide the same is explicitly waived, so that the **Customer** is himself responsible for this duty as responsible AC owner/pilot (in accordance with the EU Directive on digital contents, 2019/770, Art. 7, which enters into effect on 01.01.2020).
- c) **URBE** has pointed out that instrument flights are only legally permissible with up-to-date databases.
- d) The **Customer** is advised to carry out a test flight immediately after collection of the AC in order to be able to identify any possible defects prior to starting a cruising flight.
- e) **URBE** shall not be obliged to insure received AC for the duration of the repairs, or to get information about the existence of an insurance. Any risk of non-insurance shall therefore be borne by the **Customer**.

10. Place of Fulfilment/Venue and Governing Law

- a) The place of fulfilment for the maintenance contract and associated services shall be Wiener Neustadt.

- b) This contract is governed by Austrian law to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG) and international private law.
- c) In the case of a contract with an entrepreneur, the sole venue for all disputes arising from the concluded contract shall be **Wiener Neustadt District or Regional Court** (up to EUR 15,000.00 District Court, above that Regional Court), whereby **URBE** shall, however, be entitled to assert its claims at any other court of jurisdiction *ratione loci* or *ratione materiae* in Austria.
- d) Legal actions by consumers must be lodged at the general venue of **URBE**; in the case of legal actions by **URBE** the sole venue shall be the consumer's place of residence or work as set out in S.14 *KSchG*.

11. Data Privacy Statement:

- a) **URBE** shall process and protect all personal data exclusively on the legal basis and in compliance with the GDPR (General Data Protection Regulation). Such data shall not be processed for any other purposes than fulfilment of the concluded contract and internal statistical purposes.
- b) If a consent from the **Customer** is required for further data processing, **URBE** shall obtain it. The **Customer** can withdraw this consent at any time by e-mail to maintenance@urbe.aero. The data processing remains lawful until consent is withdrawn. For the revision of the **Customer's** contract it is necessary to forward **Customer** data to third parties, such as cooperation partners, lawyers, tax consultants, insurances, IT support, courts or authorities, always on the basis of the GDPR. **URBE** shall not store the data longer than is necessary for fulfilment of the contractual obligations and the defence of liability claims; in accordance with the statutory limitation applicable in Austria for claims for damages this period is 30 years.
- c) The **Customer** has the right to demand information about their stored data at any time, as well as the right to have them corrected, and ultimately to object to their processing if such processing is not lawful. Last but not least the **Customer** has the right to demand erasure of his data, **in which case URBE shall notify the Customer of the erasure within 4 weeks.**
- d) When **URBE** is sending invoices, cost estimates or order confirmations, **URBE** shall only state the name and address from the **Customer**, which are public data that can be obtained by anyone at any time both on the Internet and from registries. **URBE** shall therefore send invoices in the form of a PDF file as an e-mail attachment and shall not use any sensitive data (health data or complete credit card numbers, etc.).

12. Miscellaneous:

- a) **URBE** shall be entitled to communicate with the **Customer** by e-mail in unencrypted form, unless instructed otherwise by the **Customer**. The **Customer** declares that he is informed about the associated risks (in particular access, confidentiality, modification of messages during transmission), and about the possibility to use trust networks, and fully

aware of these risks he agrees to e-mail correspondence in unencrypted form.

- b)** The EU has set up an online platform for out-of-court settlement of consumer disputes between businesses and consumers with an “OS platform”.

URBE informs that it shall not participate in this arbitration procedure before consumer arbitration panels.

- c)** These **GTCs** have been drawn up in German and in English. Since terminological and interpretational discrepancies may result during translation, the German text shall prevail in the case of doubt.
- d)** Any amendments and supplements to the concluded contract must be made in writing; this also applies to any waiver of written form.