

## General Terms and Conditions of Business of Aircraft Service Klatovy s.r.o.

Version dated 24.04.2023, may change without notice

## 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 Aircraft Service Klatovy s.r.o., IČ 26371332 (hereinafter referred to as **ASK**) 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 nr. 634/1992 Sb. as amended and in the Law Civil Code nr. 89/2012 SB. 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 ASK and the Customer shall be concluded:
  - by acceptance of an offer (cost estimate) by the Customer;
  - offers prepared by ASK 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.
- An offer by ASK 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 ASK.
- 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) ASK 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, ASK 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 ASK 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, **ASK** shall be authorized 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) ASK** shall not be obliged to carry out test flights; these must be carried out by the **Customer** himself or by his licensed pilots at LKKT airfield on demand by **ASK**.
- d) Should defects of relevance for airworthiness be discovered in the course of inspection of the AC or performance of the works, ASK 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, ASK 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. ASK 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, ASK shall be entitled to refuse the service release without a reduction of its claim to remuneration.

# 5. Warranty and Damages:

- a) ASK shall provide the **Customer** with a 12-month warranty period covering the quality of the Subject Matter of Performance according to terms and conditions below, unless specified otherwise int the Contract or in the order:
  - I. he warranty period begins to run on the day of handing over the Subject Matter of Performance. This date is marked on a relevant protocol, warranty certificate or a similar document.
  - II. The warranty guarantees that the supplied Goods have agreed upon or usual properties that will be retained during the entire validity of the warranty period.
  - III. The Customer's claims for the removal of the defect of the Subject Matter of Performance asserted within a warranty period shall be processed by **ASK** no later than in 30 days from the day a justified claim was filed, unless agreed otherwise by the Contracting Parties (unusually complex cases requiring independent or time-consuming expert assessment).
  - IV. The warranty period covering the Subject Matter of Performance shall be extended with the period during which the Subject Matter of performance is under warranty but it is not fit to be used for an agreed upon or usual purpose, or it does not have agreed upon or usual properties. If the defective Goods or a faulty part is replaced with a new one, a new warranty period will begin to run.
- b) If the Subject Matter of Performance exhibits a defect during a warranty period, the Customer is entitled to claim the defect during the warranty period. The Customer is obliged to claim the defects of the Goods identifiable during the handover of the Goods immediately upon handover by making a record in a Handover Protocol.



- c) if the Subject Matter of Performance carries a defect at the time of delivery, it is up to the Customer's discretion to:
  - I. request that substitute or missing Goods be delivered, or
  - II. request that the defective Goods be repaired at ASK's expense, provided that the defects are repairable, or
  - III. request a reasonable Price discount.
- **d)** ASK is not held liable for the damage caused to the Subject Matter of Performance induced by improper or unreasonable use, or for the defects caused by wrong operation, unprofessional handling, use and installation that contradict the user manual or technical regulations.
- e) The warranty expires in the event of unauthorized interference with the Subject Matter of Performance by a person who was not expressly empowered to do so by ASK.
- f) The warranty pursuant to Article V. of GTC does not apply to servicing interference with aviation technology or to post-warranty repairs of onboard aviation technology that follow regulations below:
  - I. ASK provides a 6-month warranty period for completed Labours and a 12-month warranty period for new spare parts that were used for the Work Order, unless stated otherwise by the original manufacturer of those spare parts or specified otherwise in contract.
- g) 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 **ASK** 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 **ASK** is not to blame.
- h) 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.
- i) If ASK 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)
- j) If parts with a manufacturer's warranty are installed by **ASK**, the **Customer** shall be entitled to this warranty directly and **ASK** 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 **ASK** 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, **ASK** 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, ASK shall be entitled to retain the AC as set out in § 1395 Law 89/2012, the Civil Code of the Czech Republic 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. ASK shall merely place the usual wheel chocks with the AC.
- e) An entrepreneur who concluded a contract in the course of his business does not have the right to demand the cancellation of the contract pursuant to Section 1793, paragraph 1, nor can he invoke the invalidity of the contract pursuant to Section 1796.
- f) If product remains manufactor's property processing or transformation is always carried out for the manufacturer, but without any obligation for him. Products to which manufacturer have (joint) ownership are referred in trade as reserved products. If (co-)ownership expires through connection, it is already agreed that the (co-)ownership of the buyer/orderer in the uniform item shall pass to manufator in proportion to the value (invoice value). The buyer/orderer keeps manufactor's (co-)ownership free of charge.

## 7. <u>Invoices and Prices:</u>

- 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) ASK** 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, **ASK** 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) prelast sentence shall apply mutatis mutandis.
- g) Unless specified otherwise, invoices must be paid within 14 days net (without discount) to the specified account of **ASK**.
- **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. Core return policy

- a) As distributor, ASK, utilizes the respective parts manufacturers core policy. ASK policy on core condition will mirror the manufacturers.
- b) Most of the remanufactured parts come with an associated core charge or core deposit. The "core" is the part that is remanufactured and brought back to specifications. These parts are sold on an "exchange basis". This means that when we send you a rebuilt device/part, we have to get your old core in exchange.
- c) When we receive your core, it will be inspected by our reman department to make sure the core is rebuildable.
- d) Cores returned must be the same as the unit sold.
- e) The core must be in a condition which is deemed "normal wear and tear."



- f) The cost of freight to return the core is the responsibility of the customer.
- g) Core return credits are subject to our review and acceptance of the condition of the core item returned to us.

### 9. Takeover of the Aircraft and Transfer of Risk:

- a) The AC shall be handed over at the premises of **ASK.** On collection by the **Customer** himself or a delegated pilot, **ASK** 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 **ASK** 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 Posumavsky Aeroklub Klatovy, z.s. LKKT (depending on MTOW) shall be invoiced for parking the AC on an open position.

# 10. Software Programs:

- a) On delivery (first provision) of software programs and/or installation of the programs in AC avionics, **ASK** 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) ASK 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) ASK** 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**.

# 11.Place of Fulfilment

- a) Labour on the aircraft shall be carried out in approved conditions according to the requirements of PART-145. Closer specification of the place of Labour will be stated in corresponding Contract / Order.
- **b)** More detailed description of the Labour conditions can be part of the corresponding Contract/Order.
- c) ASK reserves the right to refuse the fulfilment of the Labour without giving reasons for the same.

## 12. <u>Data Privacy Statement:</u>

- **a) ASK** 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, **ASK** shall obtain it. The **Customer** can withdraw this consent at any time by e-mail to <a href="mailto:office@ask.cz">office@ask.cz</a>. The data processing remains lawful until consent is withdrawn. For the revision of the **Customers** 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. **ASK** shall not store the data longer than is necessary for fulfilment of the contractual obligations and the defence of liability claims.



- 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 ASK shall notify the Customer of the erasure within 4 weeks.
- d) When **ASK** is sending invoices, cost estimates or order confirmations, **ASK** 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. **ASK** 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.).

# 13. Miscellaneous:

- a) ASK 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".
  - **ASK** informs that it shall not participate in this arbitration procedure before consumer arbitration panels.
- c) These GTCs have been drawn up in Czech and in English.

  Since terminological and interpretational discrepancies may result during translation, the Czech 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.

# 14. Final provisions:

- a) These General Terms and Conditions come into force as written on first page under the document title.
- b) In the event that the Labour or the Equipment is a subject to licensing proceedings, the Customer is obliged to hand over to ASK all the data and documents necessary for the ensuring of relevant licenses, depending on the specification of the Work Order.
- c) These GTC, as well as all legal relationships between the seller and the buyer are subject to the legal order of the Czech Republic, especially Act No. 89/2012 Sb., Civil Code, as annotated, except the UN Convention on the International Sale of Goods (Notification of the Ministry of Foreign Affairs of the Czech Republic No. 160/1991 Sb.).
- d) The Contracting Parties undertake to observe the confidentiality of the facts of material or immaterial nature they will learn about in connection with the fulfilment of any Contract under these GTCs. Such facts constitute the subject matter of ASK's trade secret. Unless having ASK's express agreement in writing, the other Contracting Party is not entitled to use such facts for its own benefit or in favor of third parties, except persons authorized by law.
- e) ASK is not held liable for any indirect, random, and/or subsequent damage of the subject matter of the Work Order; for the losses in profit, or for the losses of the property and capital of the Customer even on the assumption that the possibility of such damage was communicated to ASK in advance or that ASK could have foreseen it
- The expiration of the effect of the Contract and/or of GTC or any of their provisions does not mean the termination of claims based on the defects of the Goods, or of claims to contractual penalties or damages. The Contracting Parties are obliged to fulfill everything they agreed upon before the termination of the validity of the Contract and/or GTC, unless they agree otherwise.
- g) Disputes that might occur between the Contracting Parties during the performance of their contractual obligations will be solved out of court. If the parties fail to reach an agreement in this way, the dispute will be referred to the seller's locally competent commercial court.



h) If any of the provisions of thee GTC is or becomes invalid, ineffective or unenforceable, the validity, effect, and enforceability of the provisions will remain unaffected. With regard to the facts contained in an invalid provision, the relationship between the Contracting Parties will follow the general provisions of respective legal regulations.