

GENERAL CONDITIONS LOMA AIR

Article 1 General

These General Terms and Conditions apply to the services and goods that LOMA-AIR BVBA, with registered office at 2220 Heist-op-den-Berg, Knotwilgenweg 23 with CE no. 0419.685.742, offers to its customers. Unless explicitly and in writing objection, each customer acknowledges to have taken explicit notice of these conditions and to adhere to them. General terms and conditions from the customer are in no way contradictory and do not in any way entail any rejection of the following terms and conditions, subject to separate written Agreement signed by both parties.

Article 2 Closing of the contract

a) Parts and Engines by Loma-Air

All Loma-Air offers, including price quotes, brochures and price lists, are without obligation and have a validity of 30 days from the date of issue. The Agreement is only concluded after receipt of a signed Dokla3a and/or a price offer signed by the customer or any other contract and returned for approval. For this explicit confirmation, the offer can always be revoked without any form. All prices are expressed in euro or US Dollar and are exclusive of VAT. The VAT is always borne by the customer. The customer and Loma-Air explicitly agree that a valid agreement can be established through electronic forms of communication as soon as these conditions and the order procedure have been met. In particular, the lack of a signature does not affect the binding force of the offer and the acceptance.

b) Factory engines via Loma-Air

All Loma-Air offers concerning factory engines, including price quotes, brochures and price lists, are without obligation and have a validity of 30 days from the date of issue or until manufacturers/suppliers change. The Agreement is only concluded after receipt of a signed Contract and a prepayment by customer. For this explicit confirmation, the offer can always be revoked without any form. All prices are expressed in USD (unless agreed otherwise in writing by Loma-Air) and are exclusive of VAT. The VAT is always borne by the customer. The customer and Loma-Air explicitly agree that a valid agreement can be established through electronic forms of communication as soon as these conditions and the order procedure have been met. In particular, the lack of a signature does not affect the binding force of the offer and the acceptance.

c) Reselling, transferal and disposal of engines

Overhauled engines and parts produced and/or supplied under FAA Repair Station Certificate EJ1R115K. Engines FAA inspected and tagged for export for commercial civil aircraft use. These items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred or otherwise disposed of to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. Government or as otherwise authorized by U.S. law and regulations. United States law currently prohibits export of these commodities to Cuba, Iran, North Korea, Syria and Republic of Sudan, unless otherwise authorized by the United States. An export license from the United States is also required if these commodities are destined for a military end-use in China, or a military end-use or military end-user in Russia or Venezuela. See <http://www.bis.doc.gov/>. Country of origin is the United States of America.

They Buyer agrees and certifies if knowledge that the commodity may be used in violation of U.S. laws or U.N. resolutions related to proliferation of weapons of mass destruction (missiles, nuclear, chemical or biological), terrorist or narcotics activities the Seller shall be given immediate notice. Schedule B # 8409100040

Article 3 Pricing

Prices are exworks Loma-Air at Heist-op-den-Berg. All prices are, unless explicitly stated otherwise, in euro or US Dollar, excluding taxes and levies, and excluding any travel, transport and insurance costs. The prices stated in the offer are valid for 30 calendar days, unless explicitly stated otherwise or if Loma-Air is forced to adjust it to the evolution of its fixed and/or variable costs as a result of changes in its structure or those of third parties, -suppliers.

Please note that all cores will be invoiced at value i.a.w. manufacturer prescriptions/conditions.

Article 4 Rules of art

The labor/works will be executed according to the rules of art and according to the technical and aesthetic criteria. Loma-air is not liable for errors in the implementation due to insufficient or incorrect input by the customer. The customer undertakes to provide the necessary and useful information that influences the assignment. The goods and services are delivered and performed as agreed upon in the quotation, order form, Dokla3a or on the front of the invoice.

Article 5 Retention of title

The delivered goods remain the property of Loma-Air until full payment including costs and interest has been obtained. The customer waives his right of retraction if the goods are delivered and placed in a rented location, the identity and place of residence of the lessor will be communicated. From delivery to the yard, the customer is responsible for damage to and alienation of the goods from the Loma-Air material on the yard. The customer undertakes to immediately receive and inspect the goods.

By accepting the goods or taking them with them, the customer explicitly acknowledges that the merchandise meets his order and is free of any visible defect.

Article 6 Terms

The terms stated in the agreement only entail an obligation of means in the Loma-Air Convention. Delay in mentioned does not have the right to compensation, nor to a certain condition.

Article 7 Payment invoices

a) Parts and engines by Loma-Air

The invoices from Loma-Air are payable no later than the expiry date as stated on the invoice or, in the absence of an expiry date, no later than 14 calendar days after the invoice date. In the event of non-payment of a part or the whole of an invoice, the balance of all other, even non-expired, invoices will automatically and immediately become due and payable. In such a case, a default interest of 1% per month is also legally owed from the invoice date, without any notice of default or reminder. Every started month counts as a full month. In addition, in the aforementioned cases, by law and without any notice of default or formal notice, a lump-sum compensation of 10% of the contracted price, excluding VAT, with a minimum of EUR 125.00 is payable, without prejudice to Loma-Air's right to full compensation, including lost profit.

The goods will only be made available to the customer after full payment of the invoice amount. In the event of non-payment, Loma-Air reserves the right to suspend further deliveries / services / services or orders until full payment of the amounts stated in this article. He also reserves the right to consider the Agreement dissolved by operation of law and without prior notice of default for the whole or the part not yet executed.

b) Factory engines

Factory engine orders are non cancellable. Loma-Air bvba cannot be held responsible for any faults and defaults by ordering and delivery of the factory engine. Late charges will apply for any Invoice that is left unpaid. Conditions of payment: Customer agrees to receive 2 (Pro-forma) Invoices for the Engine order. The first (Pro Forma) invoice will cover the prepayment of 50%. The order will be placed at the factory after receiving the prepayment of this invoice. A second invoice will be send for remaining amount once engines arrives at the Loma-Air facility. The engine will only be released to the customer after receiving full payment. The invoices will be in \$ US Dollar. They can be adjusted into EURO on request (after written approval of Loma-Air) . Invoices concerning transport Belgium- Customer will be in EURO. All payments must be carried out in in the currency as mentioned on the invoices with all bank costs prepaid, if not bank costs will be charged extra. Loma-Air bvba cannot be held responsible for late delivery of engines. The engine shall be shipped by Loma-Air bvba. After delivery to the carrier, all Engines shall be at the risk and expense of customer regarding loss, destruction, damage, freight, taxes and charges of every kind. I understand and undersign the Engine Core Policy. The warranty terms and conditions are according to the factory prescriptions. Customer shall have five (5) working days from the date of its receipt of a delivery of the engine in which to inspect the engine. All claims for alleged defects or shortages shall be reported in writing to Loma-Air bvba.

c) Non Payment

If the financial condition of Buyer at any time does not , in the judgement of Loma-Air, justify continuance of the work to be performed by Loma-Air on the terms of payment agreed upon , Loma-Air shall be entitled to stop work on Buyer's engine without prior notice and shall receive reimbursement for its reasonable and proper cancellation charge. In the event of non payment of invoices after 6 months of invoice date, bankruptcy or insolvency , Buyer's engine becomes property of Loma-Air and they can sell it for recovering costs made.

Article 8 Storage

In the event of a refusal to collect the goods at the agreed time, Loma-Air will proceed to storage thereof. This for a period of 30 days with the calculation of the monthly storage costs for 10% of the total invoice value with a minimum of Euro 50. In the absence of collection within the aforementioned period, Loma-Air will have no option but to regard the order as cancelled. Consequently, the cancellation costs plus storage costs charged by the customer under article 11 will be charged. If the goods have already been fully paid for by the customer, Loma-Air undertakes to store them for a period of 3 months, subject to additional charging for the above storage costs. In the absence of collection after the expiry of the 3-month period, Loma-air is entitled, after a final written notification of this intention, to dispose of the goods freely. In the event of sale of the goods in question, the balance will be made available to the customer after deduction of the anticipated cancellation and storage costs.

Under no circumstances engines will be preserved longer than 60 days. Loma-Air cannot be held responsible for any loss, corrosion or damage due to long non preservation of engines. Because after this period of 60 days has expired, engines or parts can be preserved again upon customers request for an additional cost.

Article 9 Additional work

Additional work is carried out in coordination and in agreement with the customer. Transport or orders to subcontractor are also taken into account. An additional price is charged when there are additional difficulties or obstacles that are not due to Loma-Air as well as when the customer in the price request gives a different description of the reality or the reality deviates from the description in the agreement between Loma-Air and the customer. The supplementary cost for the repair or replacement of rejected parts will be announced during or after complete labor. All prices are expressed in euros or US Dollar and are exclusive of VAT. The VAT is always borne by the customer.

Article 10 Subcontracting

Loma-Air reserves the right to have the agreed performance performed by third parties.

Article 11 Leadtime

The indicated delivery term is only provided by way of information and is not binding. Delays in delivery does not give customers the right for filing any claims.

Article 12 Discontinuation of work

If, due to force majeure, strike, lock-out, accidents, etc., Loma-air is not able to execute the Agreement, it reserves the right to terminate the Agreement without the customer being able to claim any compensation. Loma-Air reserves the right to consider the Agreement terminated by operation of law and without prior notice of default in the event of bankruptcy, apparent inability, continuity of companies ac to as well as in the event of any change to the client's legal situation.

The cancellation of an order / order placed by the customer is only possible in writing as long as Loma-air has not yet commenced its work and agrees to this in writing and provided that one of the lump sum compensation equal to 50% of the agreed price, with a minimum of EUR 500.00, without prejudice to Loma-air's right to full compensation, including lost profit. Buyer's order may not be terminated or cancelled, either in whole or in part, without Loma-Air's consent, and then only under the terms that will reimburse Loma-Air for all applicable cost incurred by it, including but not limited to the cost of purchased materials, performed labor and a reasonable allowance of profit.

Article 13 Subject to performance (by a third party)

Every natural person or company that places orders on behalf of third parties or with the request to invoice them to third parties, is committed to these third parties in accordance with art. 1120 Belgian Civil Code and will be personally liable for the payment, insofar as the third party would fail to pay the invoice within the contractually stipulated period.

Article 14 Complaints and liability

Complaints regarding the invoice are only admissible if the facts to which the complaints relate are accurate and insofar as they are reported to Loma-air in writing and by registered mail within seven working days after the invoice date. The burden of proof of timeliness lies with the customer. No complaint, even if justified, allows the customer to postpone the payment or change the payment terms. If no protest of the invoice takes place within the aforementioned date, the invoice is deemed to have been accepted by the customer.

Complaints in connection with the execution of the works must reach Loma-air by registered letter within 5 working days after termination of the works.

Without this further notice, works are irrevocably deemed to have been accepted, also when other materials or constructions are applied to, against, for or alongside executed works. The acceptance covers all visible defects and all defects that can be discovered by a professional and after thorough investigation.

Article 15 Invalidity

The invalidity or non-enforceability of one or more provisions of these General Terms and Conditions will not affect the validity or enforceability of the other provisions thereof that will remain in full force. A waiver of a right or claim under these General Terms and Conditions can only take place if this waiver is explicitly done and communicated in writing.

Article 16 Applicable law

Belgian law applies to all quotations and Agreements from Loma-Air. The courts and tribunals of the judicial district of Antwerp, Mechelen department are exclusively competent for any dispute that may arise regarding the formation, interpretation, implementation of an Agreement. However, before the dispute is brought before the competent court, the parties will attempt to settle the matter amicably.

Article 17 Warranty claims

In the event a warranty needs to be claimed, Buyer always has to do it in writing at Loma-Air. Loma-Air will send a warranty claim form that needs to be completely filled out and returned signed. Filling out the warranty claim does not automatically mean that the it has been granted or accepted. When receiving full details, warranty will be investigated and if necessary claimed at the manufacturer. Loma-Air will always handle the claim according to manufacturer’s decision. Only after manufacturer fully or partial grant the claim a credit note will be made . When claim is denied, an additional invoice may follow. Shipping cost does not fall under the warranty and is always the responsibility of the Buyer.

a) Engines OH by Loma-Air

On delivery of an OH engine by Loma-Air , customer receives a Loma-Air Engine Warranty Document. This document needs to be completed once engine is installed on the airplane and needs to be returned completed and signed to Loma-Air. Warranty on Overhauled engine or exchange with an engine Overhauled by Loma-Air is 24 months limited warranty with no flight hours limit on Loma-Air Workmanship from date of Test Run. This does not include engine accessories.

All replaced new or overhauled part and accessories are covered by manufacturer’s warranty policy only. Old reused parts are not covered by any warranty, but are measured , inspected and tested during overhaul. These warranty terms are only applicable if engine meets the requirements described in the Loma-Air engine warranty terms. Warranty terms are not applicable if we have not received filled out and signed Loma-Air Engine Warranty Form once engine is installed and/or if customer decides to already replace the part or has third parties work on engines/accessories without written approval of Loma-Air.

b) Parts and accessories

Manufacturer’s warranty policy is applicable and to be followed on parts and accessories. Loma-Air can only start procedure on warranty claim once Warranty Claim Documents is returned completely filled out and signed. The warranty terms are not applicable if customers decides to already replaced the part or has third parties work on parts and accessories without written approval of Loma-Air.

Article 18 Return of unserviceable/unsalvageable parts to customer

The following types of components should typically be classified as unsalvageable:

- (a) Components with non-repairable defects, whether visible or not to the naked eye;
- (b) Components that do not meet design specifications, and cannot be brought into conformity with such specifications;
- (c) Components subjected to unacceptable modification or rework that is irreversible;
- (d) Certified life-limited parts that have reached or exceeded their certified life limits, or have missing or incomplete records;
- (e) Components that cannot be returned to airworthy condition due to exposure to extreme forces, heat or adverse environment;
- (f) Components for which conformity with an applicable airworthiness directive cannot be accomplished;
- (g) Components for which maintenance records and/or traceability to the manufacturer cannot be retrieved.

It is common practice for possessors of aircraft components to dispose of unsalvageable components by selling, discarding, or transferring such items. In some instances, these items have reappeared for sale and in the active parts inventories of the aviation community. Misrepresentation of the status of components and the practice of making such items appear serviceable have resulted in the use of unsalvageable nonconforming components. Therefore organisations disposing of unsalvageable aircraft components should consider the possibility of such components later being misrepresented and sold as serviceable components. Caution should be exercised to ensure that unsalvageable components are disposed of in a manner that does not allow them to be returned to service.

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