

### STANDARD CONDITIONS OF SALE - SPECIFIC ANNEX APPLYING TO THE SALE OF PRE-OWNED HELICOPTERS

#### F1 - GENERAL

This Specific Annex, subject to SCS, is applicable to the sale of pre-owned helicopters.

#### F2 - ACCEPTANCE ACTIVITIES FOR PRE-OWNED HELICOPTERS

Not later than (1) month prior to the date on which a pre-owned 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)**").

Within one (1) week after receipt of the notice from the Seller that the helicopter is ready for acceptance, 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 warrants that any representative it designates to perform such acceptance is duly empowered to act on behalf of the Customer for this purpose. The Customer's inspection team shall not exceed three (3) persons.

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

- o One (1) day for single engine helicopters and twin engine helicopters with MTOW  $\leq$  3700 kg, or
- o Two (2) days for twin engine helicopters with MTOW  $>$  3700 kg.

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, acceptance flights may be performed, the combined time of which shall not exceed per Helicopter one (1) flight hour for single engine helicopters and twin engine helicopters with MTOW  $\leq$  3700 kg Helicopters and two (2) flight hours for twin engine helicopters with MTOW  $>$  3700 kg. Acceptance flights, if any, 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 pre-owned helicopter(s) 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**". 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 after the above-mentioned time period.

#### F3 - DELIVERY

##### F3-1 Incoterms

Products shall be delivered Free Carrier (FCA) Incoterms® 2020 at the location specified in the respective Purchase Order, in fly away condition (except if otherwise stated in the Contract), unpacked and tanks empty.

##### F3-2 Delivery time

Products and associated Services shall be delivered in accordance with the contractual delivery schedule.

#### F4 - TRAINING AND TECHNICAL ASSISTANCE

At the Customer's request, pilot and technician training will be quoted separately for the delivered pre-owned Helicopter(s) at the prevailing rates established by the Seller. These training sessions may be organized and performed by the Seller or an approved and certified Customer Centre or sub-contractor, and will be conducted at the location designated by the Seller.

As well, at Customer's request, during the initial period of operation of the pre-owned Helicopter(s), the Seller may provide at the Customer's location and on a date to be agreed upon, one (1) or more factory trained technical representatives. In that case the Customer shall be charged at the prevailing rates established by the Seller.

#### F5 - TECHNICAL DATA

##### F5-1 General

The Seller shall supply at no additional cost for the pre-owned helicopter the flight and maintenance documentation as well as the log books for the helicopter with information about the operation and the maintenance of the helicopter as they were in the previous owner's possession and in the same language.

In addition, if applicable for some pre-owned Helicopter:

- o One hard copy of the Flight Manual for each pre-owned Helicopter and
- o An access to Technical Information Publication on Internet (T.I.P.I.):
  - For the SBs and their subsequent updates, and
  - For the Master Servicing Manual.

Any additional documentation shall be quoted and purchased separately and the Customer shall be charged at the prevailing rates established by the Seller.

The Seller reserves the right to change the support (media) of the Technical Data according to technological evolution.

##### F5-2 Updates

The Seller shall supply at no additional cost and as long as the pre-owned Helicopter is in operation, the updates of the flight manual, STC equipment being excluded. The master servicing manual and the SBs will be updated on the Seller's current website.

The Seller reserves the right to change the support (media) of the updates of the Technical Data in particular depending on technological developments.

In order for the Seller to be in a position to fulfil its obligations, the Customer undertakes to notify the Seller of any change either in the Customer's address or in the owner's name if the pre-owned Helicopter has been sold in the interim; in this latter case, the Seller is entitled to apply an entrance fee to be paid by the new owner.

#### F6 - PAYMENT TERMS

The Customer shall make the following payments:

- o 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,
- o The balance of the total contractual amount at the time of the acceptance of the Products and prior to delivery.

The Parties hereby agree that the down payment shall be non-refundable as per article 6.1 of SCS, except in the following cases:

- if the helicopter suffers an event of loss prior to acceptance date such as:
  - the actual or constructive total loss of the helicopter (including any damage to the helicopter which results in an insurance settlement on the basis of a total loss, or requisition for use or hire which results in an insurance settlement on the basis of a total loss); or
  - helicopter being destroyed, damaged beyond repair or permanently rendered unfit for normal use for any reason whatsoever, or resulting in a discrepancy.
- if the Seller is not in a position to tender the Helicopter for Acceptance Inspection due to reasons that are not attributable to the Customer's action;

If any of the above events occurs, the Seller is obliged to return the full amount of the down payment to the Customer after receiving the official letter from the Customer.

## **F7 - WARRANTY PERIOD**

Warranty conditions of Article 9.1 of SCS are fully applicable to pre-owned helicopters, but shall exclude Meghas avionics equipment, turbine engine(s), STC equipment and pre-owned Helicopters sold in an "as-is" condition.

Unless otherwise specified, to be eligible under warranty, the alleged failure must have occurred within the time-limits mentioned here-after for any pre-owned helicopter which is not sold by the Seller in an "as-is" condition:

- Within five hundred (500) flying hours or 12 (twelve) months after acceptance at the delivery location, whichever event occurs first.

## **F8 - GRADUATION OF THE INSTRUMENTS, MARKINGS AND EXTERIOR FINISH**

### **F8-1 Graduation of the instruments**

The flight instruments shall be provided in as-is conditions. Should the Customer request modifications of the graduation (either metric or English units), the Customer shall bear the associated costs.

### **F8-2 Markings**

The markings made on the interior and exterior identification plates and tags will be the ones by default. Should the Customer request the Seller to change the markings, the Customer will bear the costs of such customization.

### **F8-3 Exterior finish and interior upholstery**

The pre-owned Helicopter shall be delivered with the initial exterior finish and interior upholstery and as defined in the contractual technical definition. Should the Customer request that the Seller repaint and/or refurbish the pre-owned Helicopter, the Customer shall bear the costs of such customization.

In such a case, the Customer shall provide the Seller at the latest fifteen (15) days after signature of the Contract, based on samples provided by the Seller, detailed instructions concerning:

- The external paint scheme of the airframe,
- The colours of the interior upholstery and if necessary the selected type of upholstery.

### **F8-4 National emblems and registration**

Should the Customer request the Seller to paint national emblems and/or registrations, the Customer shall bear the costs of such customization. In such a case, the Customer shall be required to provide detailed instructions with the paint scheme at the latest fifteen (15) days after signature of the Contract.

Customer shall be liable for and hold the Seller harmless against any infringement of third party rights in the provision of instructions regarding emblems, markings, signs or registration.