1. AREA OF APPLICATION

1.1 The General Terms of Maintenance and Repair set out hereinafter shall apply, unless otherwise agreed in writing, to all work performed upon aircraft or equipment or parts thereof which Jet Aviation shall carry out itself or delegate/subcontract to third parties. Jet Aviation will not recognize differing terms and conditions of the Customer unless Jet Aviation has explicitly consented to their applicability in writing. The present terms shall apply also to any future business relations with the Customer even if they are not explicitly reiterated.

1.2 Each individual Jet Aviation maintenance facility shall be deemed to be a separate, independent unit under the present terms.

1.3 In the event that any one or more of the present terms shall, for any reason, be held to be invalid, illegal or unenforceable, the remaining present terms hereof shall be unimpaired and the invalid, illegal or unenforceable term shall be replaced by a mutually acceptable term, which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal or unenforceable term.

1.4 Without prior written approval by Jet Aviation, the Customer shall not be entitled to assign any of his rights and liabilities.

2. OFFERS AND COST ESTIMATES

2.1 Jet Aviation’s quotations and cost estimates are binding only when submitted in writing and explicitly designated in the text to be binding, and for the time period indicated.

2.2 Contracts shall be effective when confirmed in writing by Jet Aviation or upon initiation of the work quoted.

3. SCOPE OF ORDER

3.1 Each order authorizes Jet Aviation without additional approval by the Customer to carry out or cause to be carried out all such work as shall be necessary for testing the object to which the order refers, with the exception of test flights.

3.2 Any test flights (if required) shall be conducted by the authorized customer crew and/or their appointed representatives. Any and all expenses related to flight testing (fuel, landing – over flight fee, pre-flights checks, etc.) shall be paid by the Customer.

3.3 Unless specifically agreed, the work scope does not include any update of the aircraft related documentation (e.g. IPC, MM, handbooks etc.).

3.4 Work to rectify any defects reasonably required to allow for issuance of a Certificate of Release to Service will be carried out according to Jet Aviation Quality Assurance Procedures.

3.5 Jet Aviation shall be authorized to delegate/subcontract any work ordered by a Customer to an approved and authorized third party organization without previously notifying the Customer or obtaining specific consent of the same.

3.6 Unless specifically otherwise agreed, all equipment and furnishings removed and not reinstalled in accordance with the specification shall become the property of Jet Aviation.

4. ANCILLARY SERVICES

4.1 Customer representative(s) staying at a Jet Aviation facility during any portion of a maintenance input downtime can be supported by Jet Aviation at the respective Jet Aviation facility with ancillary services which are in direct connection to that maintenance input including accommodation and lodging, ground and air transport, telecommunication and other similar support services available in the course of reasonable customer care activities. In case of medical emergency situation also health care support for the Customer representative directly can be arranged for. The Customer hereby represents that his representative(s) is/are entitled to order such ancillary services on the Customer’s behalf. Such orders need to be in written form and be signed by the Customer representative. Cost for such ancillary services will then be paid directly to the provider by Jet Aviation and charged back to the Customer as separate line items in the invoice for the respective maintenance input.

5. PRICES

5.1 Prices are quoted for a standard aircraft, in average aircraft condition without consideration or research of aircraft history. Prices do not include additional work that may be required due to configuration of the aircraft, non-availability of documentation and drawings, discrepancies, corrosion and defects found during the performance of the work. If no fixed price is agreed upon, Jet Aviation shall apply the prices it charges at the time of performance for the type of work involved.

5.2 All prices shall be net ex-works unless specifically otherwise agreed. Subcontractor and spare parts price increases, foreign exchange rate fluctuations, and increases of customs charges, taxes or other dues augmenting Jet Aviation’s cost price shall be borne by the Customer if they occur after the confirmation of order.

5.3 Any payments due by the Customer to Jet Aviation are subject to VAT if provided so by the applicable legislation. The Customer will pay this VAT to Jet Aviation in addition and at the same time to those other payments due by the Customer to Jet Aviation under this and separate arrangements.

Upon request of Jet Aviation, the Customer will submit to Jet Aviation a valid VAT identification or registration number together with its VAT registration certificate as well as satisfy other applicable conditions, if any, for a possible VAT exemption, zero-rating or exception to the applicable VAT charge.
Jet Aviation is further allowed to request additional information required for purposes of defining the correct VAT treatment of its services to the Customer in accordance with the applicable VAT legislation. Such additional information may contain, but not be limited to, status of the flight, aircraft and/or passenger (e.g., commercial, business or private use, foreign aviation registration numbers, AOC or similar certificates, international or domestic transport).

5.4 If the Customer purchases components required for maintenance work by Jet Aviation directly and delivers these parts for installation, Jet Aviation is entitled to charge for handling plus applicable taxes, custom and import charges. The amount of such charge for handling shall be established as per the then current price list of Jet Aviation. Any Customer Furnished Material shall meet all requirements of Jet Aviation’s Part-145 MOE and associated company procedures and be accompanied by original certificates. Jet Aviation may order components required for maintenance work on behalf of the Customer through Customers OEM Spare Parts Program and charges shall be invoiced (incl. applicable taxes) to OEM or the Customer as per the program rules, and in case of doubt to the Customer.

6. PAYMENT TERMS
6.1 Jet Aviation shall be entitled to demand a reasonable advance payment prior to commencement of work or partial or full payment at any time for the agreed work scope. The Customer cannot claim any interest for any payments made in advance regardless of the timing of such payments. Payments, including any advance payments, shall be due on the dates fixed even in the event of delivery postponement by the Customer.

6.2 The Customer guarantees that all cost and expenses incurred or taxes applicable in connection with the execution of the order shall be paid without any deduction on the dates or within the payment term specified in the invoice. If no date or payment term is specified in the invoice the Customer agrees to pay in any case within thirty (30) days of issuing of invoice. In the event of Jet Aviation performing any work at any location other than one of its own facilities, the Customer shall also reimburse Jet Aviation for all costs, taxes and expenses incurred by or to be incurred by Jet Aviation on such activities, including but not limited to the following: travel, car rental, board and lodging expenses as well as fee for travelling time and living allowances, transportation costs, duties, handling fee, charges, taxes, fees and cost of material.

6.3 The Customer shall not be entitled, in particular due to alleged or actual deficiencies, to withhold payment or part-payment for work performed by Jet Aviation or offset any counterclaims, unless such counterclaims have been accepted by Jet Aviation. If the Customer disputes an invoice in good faith it shall provide Jet Aviation with written details of the disputed element within 10 days of receipt of the invoice and pay the undisputed part on time. Failure to comply with this Condition shall result in deemed acceptance by the Customer of the correctness of the invoice in question.

6.4 If the Customer fails to effect payment(s) at the dates due, Jet Aviation shall be entitled to charge interest from the day on which payments have been due. Unless otherwise agreed, such interest shall be at the rate of 1.5% each accumulating month of delayed payment up to a maximum rate of 15% per year. In addition, Jet Aviation may suspend the contract and stop work. In case the default is not remedied in 2 weeks after notifying the Customer of work stop, Jet Aviation may terminate the contract.

6.5 Payment by credit cards, cheques, bills of exchange or money orders shall not be considered to have been effected until the date of positive crediting to the applicable Jet Aviation bank account.

7. WORK DEADLINES
7.1 Any deadlines are binding only if it has been expressly confirmed in writing as such by Jet Aviation.

7.2 Observance of such binding deadlines shall be subject to the Customer having previously met all contractual obligations, in particular the due and timely delivery of the object of order including keys, aircraft papers, etc., any permits, approvals and clarifications, the settlement of technical questions, the remittance of advance payments demanded by Jet Aviation and the prompt fulfilment of the Customer’s all other duties under the contract. If this is not the case, appropriate deadline postponements shall be specified or work stoppage may occur. Deadlines shall also be postponed if compliance with defined deadline is not possible because of force majeure or unforeseeable events such as lack of spare parts, disruption of operations, strikes, lockouts, etc.

7.3 In the event of a slot and/or work scope cancellation by the Customer, Customer shall be liable to pay to Jet Aviation a cancellation fee equal to 5% of the total amount quoted for the project within 10 (ten) days of the cancellation notice. In addition, Jet Aviation reserves the right to invoice and Customer agrees to pay for any restock charges incurred and any materials and components ordered to support the project, as well as labour, planning or any other direct costs related to project preparation. For the sake of clarity, if materials or components cannot be returned to their respective vendor(s), Customer will be billed in full for these items.

7.4 The same applies in case that the aircraft replacement parts and ground support equipment or parts have to be delivered by a third party for the work and the party is delayed and purchase of the parts from a different source is not reasonably possible.

7.5 In case such extended deadline is not met for reasons which Jet Aviation is responsible for, the Customer shall have the right to withdraw from the contract by written statement after paying full compensation for the work already performed by Jet Aviation. The Customer shall have a claim for damages only in cases where the Customer’s losses, damages or expenses result directly from the wilful misconduct or gross negligence of Jet Aviation.

8. EXCHANGE AND LOANED PARTS
8.1 Exchange basis: If the Customer is supplied with exchange parts, he shall return the off-core parts to Jet Aviation within 10 days of the receipt of such exchange parts. The costs of exchange shall be determined in advance by the manufacturer of the parts or by Jet Aviation. If the expense of repairing the returned off-core parts exceeds the cost of the exchange, the Customer shall be charged with the difference. If for any reason whatsoever the Customer returns a part remitted to him by Jet Aviation without having used it, such part shall only be accepted if serviceable upon arrival at Jet Aviation. The Customer shall in addition be charged with a restocking and certification fee of 15% of the part’s current list price or such charges that a supplier or OEM applies and invoices to Jet Aviation, whichever is higher. If a returned part is found to be defective, the Customer shall be charged with the cost of repairing and recertification. If the part is not repairable, the Customer shall be debited with the full sales price.

8.2 Loan basis: The provisions of Jet Aviation standard loan agreement shall be applicable to loaned parts even in cases in which no such agreement is specifically concluded. Loaned parts shall be returned serviceable in any event. If such is not the case, the repair and recertification costs or, if repairs are not cost-effective, the replacement cost of loaned parts shall be charged to the Customer.
9. DELIVERY, REDELIVERY AND ACCEPTANCE
9.1 The Customer shall deliver at its own expenses the aircraft, part or equipment to be repaired or maintained ("Subject of Order") DDP (Incoterms 2010) Jet Aviation facility where such repair or maintenance shall take place.
9.2 The repaired and/or maintained aircraft, part or equipment shall be redelivered by Jet Aviation Ex Works (Incoterms 2010). Shipment of the Subject of Order to the Customer, including temporary storage of the same en route or at destination, shall be entirely at risk and expense of the Customer.
9.3 Acceptance of the Subject of Order will be approved in writing or earlier if the Customer utilizes it. Acceptance will be at the expense of the Customer. Acceptance is not permitted to be refused for flaws that do not interfere with the airworthiness or significantly interfere with the functional capability of the Subject of Order.
9.4 Once Jet Aviation has given the Customer written notice of completion of a repair or maintenance job, the Customer will pick up the Subject of Order and inspect the services within a period of no more than 3 working days from the date of notice, after which period the Customer will be in default and deemed to have accepted the Subject of Order and the aircraft or parts will be entirely at his risk, and Jet Aviation will only remain liable thereafter for destruction/damage to the aircraft arising directly from the wilful misconduct of Jet Aviation.
9.5 In case the aircraft or other Subject of Order remains at Jet Aviation because (i) formal redelivery and/or acceptance has not occurred due to work stoppage by Jet Aviation or (ii) the contract is terminated by either party, or (iii) acceptance deadline as stated in 9.4 has lapsed, and in consequence the aircraft remains parked at Jet Aviation, then it will be the sole responsibility of the Customer to define and formally order to Jet Aviation any preventive or preservative maintenance measures to be applied to the aircraft during such extended grounding period of the aircraft to ensure continuing airworthiness and fitness for use of the aircraft. Jet Aviation hereby expressively excludes any liability for dilapidation of the aircraft during any prolonged grounding period of the aircraft. The aircraft or Subject of Order will be entirely at Customer’s risk, and Jet Aviation will only be liable for destruction/damage to the aircraft arising directly from the wilful misconduct of Jet Aviation. Customer will be responsible for parking charges invoiced at the customary fee for the respective Jet Aviation location.
9.6 In case Customer fails to advise on performance of maintenance measures per article 9.5, or if Customer does not respond to Jet Aviation request on such measures and if Jet Aviation in its reasonable judgement concludes that certain preventive maintenance actions would be advisable, Customer agrees that Jet Aviation has the right, but not the obligation, to define and perform such actions. Customer will remain fully responsible for the cost of such actions.

10. PASSING OF TITLE
10.1 Title to goods supplied (whether on their own or as part of the performance of services and whether separate and identifiable or incorporated in or mixed with other goods) by Jet Aviation to the Customer ("Goods") shall remain with Jet Aviation until full payment for work has been received by Jet Aviation.
10.2 Any resale by the Customer of Goods in which title has not passed to the Customer shall (as between Jet Aviation and the Customer only) be made by the Customer as agent for Jet Aviation and the Customer shall be deemed to be holding any monies received from the resale of such Goods on trust for Jet Aviation.
10.3 Jet Aviation’s employees and agents shall be entitled to enter any land, buildings, vehicles or aircraft where the Goods or part of them are situated or are reasonably thought to be situated, and may take possession of them at any time, to the extent permissible under the Applicable Law. If the Goods have been fitted to or fixed to an engine or aircraft, the Customer explicitly grants Jet Aviation the right to take possession of them and Jet Aviation’s title in the Goods shall not be affected by any stipulation or rule of law that the Goods have become part of an engine or aircraft.

11. RIGHT OF LIEN
11.1 In respect of all claims, whether due or not, resulting from contractual relations with its Customers, including claims resulting from prior business relations with the Customer concerned, Jet Aviation shall have, in addition to its legal right of retention, a contractual right of lien on such objects in its possession, independently of the Customer’s proprietary rights. The Customer herewith gives its consent and approval to all measures reasonably taken by Jet Aviation to secure its right of lien. The Customer agrees that Jet Aviation has the right to retain the aircraft and/or to enforce such right of lien for the purpose of securing any of its claims against the Customer, including claims resulting from (i) prior business relations with the Customer concerned, and/or (ii) a business relationship between the Customer and any affiliate which is under the same ultimate control as Jet Aviation.

12. WARRANTY
12.1 Jet Aviation warrants that maintenance and repair works carried out by it shall be free from any defects in workmanship for a period of (i) for avionic systems new installations one (1) year but in no event longer than one thousand (1000) flight hours, (ii) cabin interior refurbishment two (2) years but in no event longer than twelve hundred (1200) flight hours (not to extend to interior component repair or cosmetic treatment and to the exclusion of normal wear and tear) (iii) exterior repaint (excluding pearl and mica paint) two (2) years but in no event longer than twelve hundred (1200) flight hours (not to extend to normal paint erosion or wear caused by forces of nature) and (iv) for all other maintenance and/or repair work one (1) year but in no event longer than one thousand (1000) flight hours after the completion of maintenance and/or repair work on the aircraft.
12.2 The warranty of Jet Aviation shall be voided if (i) the Customer does not inform Jet Aviation in writing within ten (10) days from the discovery of the defect, (ii) the Customer does not give Jet Aviation immediate access to the aircraft in order to inspect the defects, (iii) the Customer or a third party appointed by the Customer have tried to repair the defect without the prior inspection and/or authorization by Jet Aviation, (iv) the Customer has not taken all precautions to prevent an aggravation of the damage, or (v) the Customer does not comply with operating instructions given by Jet Aviation or the Aircraft Manufacturer.
12.3 In case that any defect results from faulty workmanship of maintenance and/or repair work performed by Jet Aviation, the sole remedy available to the Customer shall be the immediate remedy of such defect by Jet Aviation by repairing and/or replacing, at Jet Aviation’s sole discretion, any defective parts and/or workmanship up to a maximum amount not exceeding the total sum of the relevant work order. Jet Aviation is not responsible for any other costs or expenses including but not limited to transporting the aircraft or warranted items to any repair facility.

12.4 As long as the Customer is in default of payment, no warranty claims whatsoever shall be considered.

12.5 No warranty claims will be considered for used parts or makeshift repairs installed or performed at the request of the Customer. If the Customer demands that equipment, spare parts, material, etc. supplied by himself are used, Jet Aviation bears no responsibility as to the function of the said equipment and installation and refuses any warranty for the same.

12.6 In case of work performed by third parties, Jet Aviation’s warranty shall be limited to the extent to which Jet Aviation is entitled to claims against third parties and can successfully enforce such claims.

12.7 For equipment and spare parts, the respective third party manufacturer’s and/or supplier’s warranty shall be applicable and Jet Aviation does not assume any additional warranty for such equipment and spare parts.

12.8 Jet Aviation will, so far as it is able, pass on to the Customer the benefit of any warranty given by any third party (whether manufacturer, sub-contractor or otherwise) in respect of equipment and spare parts and/or services. Except as specified above, all Goods and services are sold without any warranty whatsoever.

13. LIMITATION OF LIABILITY AND INSURANCE

13.1 Jet Aviation shall maintain at all times ground hangar keeper’s liability including product liability insurance.

13.2 Any liability by Jet Aviation shall be precluded unless the Customer’s losses, damages or expenses result directly from the negligence or wilful misconduct of Jet Aviation.

13.3 In no event will Jet Aviation be liable for any incidental damages (except damages which are a direct consequence of physical damage to the Aircraft in Jet Aviation’s care and custody caused by Jet Aviation’s negligence or wilful misconduct). To the fullest extent permitted under the applicable law, Jet Aviation shall in no circumstances be liable for any consequential loss nor for special damages, indirect damages, loss of profits, loss of revenue or loss of use, even if informed of the possibility of such damages.

13.4 To the extent permitted under applicable law, these limitations will apply regardless of whether liability arises from breach of contract, warranty, tort (including but not limited to negligence), by operation of law, or otherwise.

13.5 The Customer shall be liable to Jet Aviation for any damage he, his representative or his vicarious agents may cause to the subject of order and for damage caused by negligence or intention to Jet Aviation, its representatives or its vicarious agents.

13.6 Jet Aviation is under no obligation to take insurance coverage for the Aircraft, its components or parts or equipment, which are located on its premises, in its workshops or on its parking areas. The Customer undertakes to take out insurance coverage for property (Hull All Risk Insurance including Hull War and Allied Perils coverage on aircraft and aircraft spare parts, including improvements installed thereon as the work progresses). The Customer furthermore undertakes to take out a respective third-party liability coverage (including flight risks, Aircraft Combined Single Limit/Third Party & Passenger Liability Insurance) with a combined single limit for the duration of this Agreement. It is moreover understood that the customer and it’s insurers/reinsurers waive all rights of recourse and/or subrogation against Jet Aviation under the Hull All Risk, Hull War and Allied Perils and Aircraft Third Party Insurance and include Jet Aviation its divisions, subsidiaries, affiliates, the assignees of each and their respective directors, officers, employees and vicarious agents as additional insured if the Customer has ordered services from Jet Aviation on behalf of a third party, the Customer guarantees that such third party effects and maintains insurances in the same way. The Customer will upon Jet Aviation’s request produce copies of the respective insurance certificates for the insurances mentioned in this clause.

14. INDEMNITY

14.1 The Customer shall undertake to discharge Jet Aviation from any third party claims that may be advanced against Jet Aviation for any legal reason whatsoever in connection with any work carried out by Jet Aviation to the Customer’s order and to assume any and all expenses and costs that may be incurred by Jet Aviation due to such claims.

14.2 The Customer assumes the risk of and agrees to indemnify and hold harmless Jet Aviation (including its officers, agents and employees) from and against any and all liability, damage, loss, cost and expense, including attorney’s fees, on account of any claim, suit or action made or brought against Jet Aviation for the death of or injury to employees, agents, representatives and subcontractors of Customer, or damage or destruction of property of Customer, its employees, agents, representatives or subcontractors sustained in connection with Customer’s presence on Jet Aviation facilities (including its hangars and ramps but excluding Jet Aviation’s customer lobby and customer offices) during the course of the agreement, except due to the gross negligence or wilful misconduct of Jet Aviation or its employees (acting within the scope of their employment). This indemnification does not apply to damage or destruction of the aircraft upon which work is performed, which is addressed elsewhere under these General Terms.

15. COMPLIANCE WITH LAWS

15.1 The parties agree, that in pursuing any agreement, and in performing under their business relations, they will fully comply with all laws, regulations, and policies of their respective countries, including applicable anti-bribery laws.

15.2 The Customer acknowledges that goods, services, technical data and/or other information received under these General Terms of Maintenance and Repair and any related Purchase Order may be subject to U.S. export control laws and the US “International Traffic In Arms Regulations” ("ITAR"), and Customer agrees to comply fully with such laws and regulations. The Customer confirms that it will not re-export such goods, services, technical data and/or information to other countries or parties in violation of the U.S. laws and regulations.

The Customer agrees to provide any information reasonably required by Jet Aviation to ensure compliance by Jet Aviation under any applicable laws and regulations (including U.S.) including providing goods or services under these General Terms of Maintenance and Repair and any related Purchase Order.
15.3 Customer hereby confirms that, as of the date of execution of the Agreement, and in performing its obligations under this Agreement, except as otherwise disclosed in writing to Jet Aviation: none of registered owners, contractual owners, beneficial owners, and operators of the aircraft (or any of their representatives, agents, or persons/entities that own or control any of the foregoing), is (i) subject to sanctions imposed by the Swiss Government, (ii) is a person or entity designated by the European Union for purposes of asset freeze, sectoral sanctions, or restrictions on the receipt of any goods or technology, (iii) is a person or entity designated by the US Government as a Specially Designated National or Blocked Person (SDN), Foreign Sanctions Evader (FSE), or on the Sectoral Sanctions Identification List (SSIL) or included on any of the US Government’s Entity List, Denied Persons List, Debarred List, and Unverified List, (iv) is owned or controlled by an SDN, FSE, SSIL or a person/entity on the European Union’s or the US Government’s restricted party lists identified in (ii) and (iii) above, or (v) is organized, established, domiciled or resident in Cuba, Iran, North Korea, Sudan, Syria or in the Crimea Region.

16. APPLICABLE LAW / PLACE OF JURISDICTION

16.1 The parties agree that these General Terms of Maintenance and Repair are part of an international contractual relationship and each party (a) agrees that such relationship (and each part of it including the maintenance and repair order) shall be exclusively governed by and construed in accordance with Swiss law, to the exclusion of the Swiss conflict of law rules and further to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods, and (b) irrevocably submits to the exclusive jurisdiction of the Zurich courts to settle any dispute which may arise under or in connection with this contractual relationship (or any part thereof).