

NZ Operations Quotation – Standard Terms and Conditions

These terms and conditions form part of the quotation. By accepting this quotation, the Customer is deemed to accept these terms and conditions (as amended from time to time). Any Customer terms and conditions that may accompany such notification of acceptance or any other communication will not apply.

1. Validity

This quotation remains firm for 30 days unless otherwise advised in writing.

2. Payment Terms

All rates and charges are exclusive of GST. Payment terms are full settlement on the 20th of the month following the invoice date unless otherwise specified herein. Airbus New Zealand Limited (Airbus NZ) reserves the right to charge interest at the rate of 2% per month on all accounts outstanding beyond above terms. Title to all Materials supplied by Airbus NZ under or in relation to these terms and conditions will remain with Airbus NZ until complete payment of all amounts due has been received.

3. Taxes

Any taxes (other than taxes on the net income of Airbus NZ by the New Zealand Government) levied in respect of payments due to Airbus NZ by the Customer shall be for the account of the Customer and Customer shall indemnify Airbus NZ to ensure that Airbus NZ receives and retains a net sum, on the normal due date for payment, equal to the sum it would have received and retained under this Quotation had no taxes been levied. Taxes in this instance include interest and penalties arising from late payment of any tax liability. The Customer will pay all taxes, charges and duties imposed by or on behalf of any government or country other than the Government of New Zealand.

4. Freight & Storage

Unless agreed otherwise in writing, the terms of this quote are DAP Woodbourne Incoterms © 2020, for all inbound to Airbus NZ and EXW Woodbourne Incoterms © 2020, for all returns to the Customer. Airbus NZ reserves the right to charge storage fees for all Customer goods while in its possession.

5. Currency

Unless specified, the currency quoted is New Zealand Dollars (NZD).

6. Cancellation

The Customer cancelling after acceptance of a quotation may incur costs associated with specifically purchased spares, for which the Customer agrees to be fully liable.

7. Scrap

Parts assessed as "scrap" (assessed at a repair cost in excess of 65% of the current list price), or property which is not retrieved by the Customer within:

- a) three (3) months of Airbus NZ ceasing work on that property; and or
- b) fourteen (14) days of Airbus NZ sending notice to the last known address of the Customer,

will be disposed of by Airbus NZ at the Customer's cost, unless in respect of parts assessed as "scrap" the Customer has specifically requested otherwise in writing.

The Customer indemnifies Airbus NZ against all costs, expenses and liabilities incurred by Airbus NZ arising from any exercise of Airbus NZ's rights under this clause.

8. Exchange Goods

Exchange goods may be offered when available. All exchange costs are based on the Customer's goods being repairable. If it is found during rework that the item is not repairable the Customer will be charged the difference between the exchange price and replacement at current list price.

9. Lien

Airbus NZ will have a general lien on all property of the Customer in Airbus NZ's possession or control, together with any property belonging to a third party supplied by or at the direction of the Customer, for all sums due to Airbus NZ by the Customer. If such sums are in excess of three (3) months' overdue, Airbus NZ will have the right to sell any such property to the extent necessary to recover payment of all amounts due, including (without limitation) storage costs, interest and expenses, provided that such sale may not take place until at least one (1) month after the date Airbus NZ sent notice of sale to the last known address of the Customer. This lien will survive if the property is from time to time removed from Airbus NZ's possession. Airbus NZ will endeavour to obtain a fair market price, but will not be obliged to adopt any particular sale procedure. Customer warrants that it is the legal and beneficial owner of all property placed in Airbus NZ's possession, or that it is otherwise entitled to place the property with Airbus NZ subject to these terms, and the Customer indemnifies Airbus NZ against all costs, losses, expenses and liabilities arising from any exercise of Airbus NZ's rights under these terms. Customer warrants that all such property will be free of encumbrances at all times.

10. Exchange Rate Variation

Airbus NZ reserves the right to vary a quote at any time to reflect any significant variations in exchange rate.

11. Export Control

The Customer will comply with all applicable Export (including Sanctions) Laws and Regulations and acknowledges that acts contrary to such laws and regulations are prohibited. The Customer warrants that, at the time of acceptance of this quote, they, and their clients are not subject to any Sanctions activity. On acceptance of this quote, the Customer will inform Airbus NZ of the Export Classification of all items to be delivered and provide a copy of any required Export Authorisations. The Customer acknowledges that acceptance of any items and performance of any work by Airbus NZ is subject to the provision and terms of such authorisations. Airbus NZ shall not be held liable for any delay associated with the issuing of any permission required by the Export Laws and Regulations. The Customer shall indemnify Airbus NZ for all losses as a result of the Customer's failure to adhere to the requirements of this clause.

12. Insurance

The Customer shall arrange and maintain the following policies of insurance:

- a) an All Risks Aviation Spares Policy or All Risks Property Insurance Policy covering Property (Engines/Propellers etc) while at Airbus NZ's facility and whilst in transit to and from Airbus NZ's facility. Airbus NZ will only be liable for damage to Customer's Property as a result of Airbus NZ's gross negligence or wilful misconduct whilst in Airbus NZ's care, custody and control;
- b) Aviation Legal Liability policy covering liability for third party property damage, death and bodily injury. Airbus NZ is to be named as an additional insured party and the policy must contain a cross liability condition to the effect that despite Airbus NZ being named as additional insured, the insurance shall operate in all respects as if a separate policy had been issued covering each insured party.

The insurance policies referred to in (a) and (b) above must be primary and without right of contribution from Airbus NZ or any insurance effected by Airbus NZ, and the Customer shall require its insurers to waive any rights of contribution against Airbus NZ.

13. Warranty

- a) Airbus NZ warrants that all items will be free from defects or failures due to faulty workmanship by Airbus NZ for 1,000 operating hours or six (6) months from re-delivery of the goods, whichever expires first, unless otherwise agreed in writing.
- b) The Customer must notify Airbus NZ in writing within thirty (30) days of any such failure becoming apparent and shall allow Airbus NZ a reasonable opportunity for inspection and any adjustment or replacement as Airbus NZ so decides.
- c) To the fullest extent permitted by law, Airbus NZ's obligations and liability and the Customer's remedy for defects or failures due to faulty workmanship are solely and exclusively limited to correction of the defect or failure by Airbus NZ at its own expense including all transportation charges incurred in connection therewith, provided that:
 - i) subsequent to the completion of work by Airbus NZ the goods were operated and maintained by the Customer in accordance with the manufacturer's and/or Airbus's (written) instructions;
 - ii) the goods were used in normal operations for its intended purpose, were not subject to misuse and were not repaired or altered by anyone other than Airbus NZ; and
 - iii) any faulty goods under this clause will be repaired or replaced as Airbus NZ decides in its sole discretion.
- d) Any goods that are the subject of a warranty claim under this provision must be accompanied by a copy of the Release Certificate and be returned to Airbus NZ, Blenheim Airport, Blenheim, using Airbus NZ's designated freight forwarder.

14. Liability

- a) To the fullest extent permitted by law, the above warranty is exclusive and no other warranty either expressed or implied whether statutory or otherwise, including warranties of merchantability or fitness for purpose, nor any affirmation of fact or promise is given with respect to the performance of work on any component or part supplied hereunder. Airbus NZ shall not be liable to the Customer for any indirect loss or damage, or for any consequential losses, loss of revenues or profits, or loss of use whatsoever and howsoever caused or arising. Airbus NZ's total liability to the Customer is limited to the amount paid by the Customer to Airbus NZ in respect of the relevant work order.
- b) The Customer hereby indemnifies and holds harmless Airbus NZ, its related companies, its and their officers, agents, subcontractors and employees from and against any and all claims, proceedings, costs, expenses, damages and losses arising out of or in any way connected with the goods provided (or to be provided) or the work performed (or to be performed) and which relates to any loss of, or damage to, property (whether real or personal); injury to any person including injury resulting in death; or any defect in the goods or work performed, except to the extent caused by the gross negligence or willful misconduct of Airbus NZ, its related companies and its and their officers, agents, subcontractors or employees.
- c) This agreement will be construed in accordance with, and will be governed by, the laws of New Zealand.

15. Intellectual Property

- a) For the purposes of clause 15, '**Intellectual Property**' means any intellectual and industrial property rights including but not limited to patents, copyright, trade marks (registered or unregistered), trade names, logos, domain names, designs (registered or unregistered), circuit layout rights, technical or commercial know how, and any technical data, prototypes, processes, methods, algorithms and other documentation.
- b) Ownership of all Intellectual Property created in connection with a quotation or work order vests on its creation automatically and exclusively in Airbus NZ. The Customer will do whatever is necessary to give effect to that vesting.
- c) Nothing in the quotation or these terms and conditions affects the ownership of any pre-existing Intellectual Property, or is intended to transfer any Intellectual Property rights to the Customer.

- d) Airbus NZ does not grant any licence to the Customer to use any of Airbus NZ's Intellectual Property for any purpose whatsoever, unless otherwise agreed in writing.
- e) For the avoidance of doubt, Airbus NZ's pricing, design information, data and Intellectual Property must not be reproduced, used or disclosed to any third parties without Airbus NZ's prior written consent, and must be treated as Confidential Information strictly in accordance with clause 16.

16. Material Identification and Liability

- a) It is the sole responsibility of the customer to accurately identify and fully disclose the precise nature, composition and properties of all materials provided prior to any work commencing. In instances where the material(s) are unknown or the customer is unable to confirm their precise nature, Airbus accepts no risk or liability whatsoever for the outcome, performance, or any consequences arising from the processing, handling, or use of such materials. All risks, including but not limited to, material damage, processing failures, adverse reactions or any other unforeseen outcomes directly or indirectly attributable to the unknown or unconfirmed nature of the material(s), shall transfer entirely to the customer. The customer agrees to indemnify and hold Airbus harmless from any and all related claims, damages, losses, costs or expenses.

17. Confidentiality

- a) For the purposes of clause 17, '**Confidential Information**' means all information, whether or not in material form, disclosed by Airbus NZ to the Customer in connection with this quotation, Airbus NZ's goods, services, its business and products, its suppliers, contractors and customers. It does not include information that is:
 - i) in the public domain at the time of the disclosure, or subsequently made available to the public, other than through a breach of these terms and conditions; or
 - ii) was lawfully obtained without restriction by the Customer from a third party; or
 - iii) independently developed by the Customer as evidenced by the Customer's written records without making use of the Confidential Information; or
 - iv) disclosed or used with the prior written approval of Airbus NZ.
- b) The Customer must:
 - i) keep the Confidential Information confidential and protect the Confidential Information in the same manner and with the same degree of care and protection as the Customer uses to protect its own confidential information (but with no less than reasonable care);
 - ii) only use Confidential Information strictly for the purpose of obtaining goods or services from Airbus NZ and not use the Confidential Information, in whole or in part, directly or indirectly, for any other purpose without the prior written agreement of Airbus NZ;
 - iii) only disclose Confidential Information to its officers, employees, contractors, professional advisors or related bodies corporate who have a direct need to know the Confidential Information in order for the Customer to receive goods or services under these terms and conditions, who have been made aware of the confidential nature of the Confidential Information, and will use it subject to the provisions of these terms and conditions; and
 - iv) subject to clause 17c), where Confidential Information is required to be disclosed to any court or any competent judicial, governmental, banking, taxation or other regulatory authority, the rules of any relevant stock exchange or pursuant to any applicable law or regulation, only disclose such Confidential Information to the extent required by such court, judicial, government, bank, taxation, or other regulatory authority. The Customer must inform Airbus NZ in writing prior to making any such disclosure;
 - v) not disclose the Confidential Information, directly or indirectly, to any third party or any persons other than those

mentioned in clause 17b)iii) without the prior written agreement of Airbus NZ, and provided that such third party undertakes in writing to comply with the same confidentiality obligations as provided herein; and

- vi) not reverse engineer, disassemble or de-compile the Confidential Information.
- c) Subject to any laws requiring retention of the Confidential Information, when requested by Airbus NZ, the Customer will return all Confidential Information to Airbus NZ or destroy and certify such destruction in writing.