

GENERAL CONDITIONS OF BUSINESS

Standard Terms and Conditions of Sale

Whereas, Carmine Topics - Sociedade Unipessoal Ltd, also referred as CARMINE AVIATION (the “Seller”) is the owner or consignee of certain aircraft and engine assets, components and parts (individually, a “Part”, and collectively, the “Parts”), and subject to the Standard Terms and Conditions of Sale set forth herein (this “Agreement”), Seller has agreed to sell certain Parts to the buyer (the “Customer”), and the Customer has agreed to purchase such Parts from Seller.

Now therefore, in consideration of the foregoing and the mutual agreements herein contained, and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Seller and Customer agree as follows:

1. General Terms of the Sale Agreement

- (a) Upon the receipt of a Quotation by Customer, the terms and conditions of this Agreement will apply thereto as if incorporated directly therein.
- (b) This Agreement is entered into between Seller and Customer for the sale of Parts and is incorporated by reference in Seller’s documented quotation for the terms of purchase of such Parts (the “Quotation”).
- (c) Upon Customer’s acceptance of the terms of the Quotation (and by reference, this Agreement), Customer shall prepare and deliver to Seller a purchase order for such Parts specified in the Quotation (the “Purchase Order”).
- (d) Upon receipt and acceptance of the Purchase Order, Seller shall proceed to arrange for Delivery of the Parts to Customer.
- (e) This Agreement supersedes any and all prior contemporaneous agreements, negotiations, representations, warranties, and communications. The Quotation (and by reference, this Agreement) prevails over any of Customer’s general terms and conditions of purchase, whether or not submitted with Customer’s Purchase Order and shall apply to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. Acceptance of Customer’s Purchase Order does not constitute acceptance of any of Customer’s terms and conditions and does not serve to modify or amend this Agreement. Any special conditions relating to the purchase of any Parts and agreed between the Seller and the Customer shall be in writing and such special conditions shall specifically amend, supplement or restate the Quotation.

2. Pricing and Payment

- (a) Payment of the purchase price for the Part(s) specified in the Quotation and as detailed in an invoice (the “Purchase Price”) shall be made in immediately available funds by wire transfer of United States Dollars, free and clear of any deductions, withholdings, taxes or offset of any kind, to such bank account as may be specified by Seller to Customer.
- (b) Title to all goods listed in the Quotation shall remain with Seller until payment of the Purchase Price is received in full from Customer, at which point Seller shall transfer title to the Parts to Customer (“Delivery”).
- (c) Quoted prices are valid for thirty (30) days and, all Parts subject to prior sale.
- (d) All invoices and balances must be payable net thirty (30) days or as otherwise provided for in the Quotation.
- (e) The Purchase Price is exclusive of all sales, use, excise, stamp, transfer, import/export, value-added or any other kind of taxes whatsoever (“Taxes”), which shall be paid promptly by the Customer.
- (f) The Customer hereby undertakes to indemnify and hold harmless Seller on a full indemnity, after-tax basis from and against any Taxes (and all penalties, fines, additions to tax and interest thereon) in connection with the sale of the Parts as contemplated by this Agreement. Should the Seller be required to pay any such Taxes or duties on behalf of the Customer, the Customer shall reimburse the Seller forthwith upon demand.

GENERAL CONDITIONS OF BUSINESS

All past due amounts owed by Customer to Seller pursuant to this Agreement shall bear interest at a rate of one and two percent (2%) per month or the maximum amount permitted by law commencing on the due date until the date the invoice amount is paid in full.

- (g) Customer agrees to pay any and all costs of collection, including attorney's fees, in the event it becomes necessary to enforce the payment of Seller's invoices. Customer shall not have a right to set-off amounts due to Seller hereunder against any amount owed by Seller to Customer.
- (h) Customer agrees to execute or consent to any financing statement or other documentation requested by Seller to perfect its security interest in the goods. If Customer fails to take Delivery of the Parts on the date agreed, the Seller shall be entitled (without prejudice to any other rights or remedies which the Seller may have) to invoice the Customer for the Purchase Price thereof and payment shall be due as if Delivery of the Parts had been affected.

3. Order Confirmation

- (a) All purchase orders from Customer must be made in writing and are subject to approval and confirmation upon receipt by Seller.
- (b) No order is guaranteed until Seller issues an Invoice to Customer.
- (c) Cancellation of orders may not be made without the written consent of Seller and such orders are subject to a cancellation fee in the amount of 15% of the Purchase Price.
- (d) Customer's orders must be a minimum of \$500. The Customer shall be responsible for ensuring the accuracy of any order submitted to the Seller.

4. Returns

- (a) All returns for credit must be requested within thirty (30) days from invoice date. Any requests after such thirty (30) days will be denied. All returns shall be affected by Customer as its sole cost and expense and are subject to a restocking fee in the amount of 25% of the Purchase Price.
- (b) Parts returned without written authorization will be subject to a restocking fee in the amount of 75% of the Purchase Price. Parts must be returned in the original condition (including all documents and certificates) in which such Parts were tendered to Customer.

5. Delivery Terms

- (a) Delivery terms are ExWorks at Seller's facility located in Portugal and dully stated at the Quotation (EXW, Incoterms 2020), or such other facility as Seller may designate, unless otherwise agreed to by the parties in writing.
- (b) All Parts delivered shall be packaged in accordance with Seller's standard packing procedures for such Parts.
- (c) Customer shall, within thirty (30) calendar days after receipt of the Parts, notify Seller of any nonconforming Parts, return such nonconforming Parts to Seller at Customer's cost, and permit Seller a reasonable opportunity to replace such nonconforming Parts.

6. Delay in Delivery

- (a) Seller will not be liable for any delay in performance due to causes beyond Seller's control including, but not limited to, embargoes, blockages, delays or refusals to grant export or import licenses or the suspension or revocation thereof, or any other acts or omissions of government, fires, floods, severe weather, or any other acts of God, quarantines, labor strikes, riots, insurrection, pandemics/epidemics, acts of criminals or terrorists, war, material, shortages or delays in delivery by third parties. In the event of such delay the

GENERAL CONDITIONS OF BUSINESS

Delivery date shall be extended for a period of time as may be reasonably necessary to compensate for such delay.

- (b) Seller will not be liable for lost profits, loss of business or other incidental, consequential, special, exemplary, indirect or punitive damages of any kind or nature, including but not limited to lost profits, loss of revenue or opportunity, cost of capital, cost of down time, cost of substitute equipment.
- (c) Customer agrees that, for any liability arising out of delay, Seller is not liable or responsible for any amount of damage above the aggregate Purchase Price paid by Customer for the purchase of the Parts under this Agreement.

7. Title and Risk of Loss

- (a) Seller represents that it shall have full legal and beneficial title to the Parts sold to Customer on the date of Delivery.
- (b) Risk of loss, damage or destruction of the Parts shall pass to the Customer upon Delivery. Notwithstanding the foregoing, title to the Parts shall remain with the Seller until the Purchase Price has been received in full for such Parts, together with any other monies due and owing from the Customer to the Seller on any account (whether in respect of the subject Parts or any other Parts delivered to Seller).
- (c) Any resale by the Customer of Parts in which title has not passed to the Customer shall be made by the Customer as agent for the Seller. The proceeds of any resale by the Customer shall be held in trust by the Customer for the benefit of the Seller and placed in a separate account until remitted to the Seller. At any time before title to the Parts passes to the Customer (whether or not any payment to the Seller is then overdue or the Customer is otherwise in breach of any obligation to the Seller), the Seller may (without prejudice to any other of its rights):
 - i. retake possession of all or any portion of the Parts;
 - ii. enter any premises for such purpose of repossession or recovery (or authorize others to do so) which the Customer hereby authorizes; or
 - iii. require redelivery of such Parts by Customer to Seller.

Any such actions taken pursuant to the foregoing sentence shall be at Customer's sole cost and expense and reimbursed to Seller upon demand therefor.

8. Customer's Insurance

- (a) Quotations do not include insurance coverage for any Parts delivered pursuant to this Agreement. Customer shall, at its sole cost and expense, carry and maintain (or cause to be carried and maintained) insurances in respect of aircraft hull (or spares) coverage and aviation general legal liability insurance (including contractual liability) in respect of the Parts. Such insurances shall be in full force and effect at the time of Delivery and in types and amounts as would be carried by other companies engaged in the Customer's industry. Such policies of insurance shall be primary with respect to the indemnities of Customer set forth herein and shall contain waivers of subrogation of the insurers in favor of the Seller Indemnitees.
- (b) Customer shall provide to Seller certificates of insurance on or prior to the date of Delivery of any Parts pursuant to this Agreement in such amounts and on such terms as may be specified by Seller in the Quotation.

9. Indemnity

- (a) Customer hereby agrees to release, Indemnify, defend and hold Seller, its subsidiaries, affiliates and shareholders, and all of their respective officers, directors, members, managers, employees, agents, successors and assigns (collectively referred to as the "Seller Indemnitees") harmless against any and all losses, liabilities, damages, costs, expenses, judgments, actions, proceedings, claims, damages,

GENERAL CONDITIONS OF BUSINESS

compensation, penalties or other liabilities (including reasonable attorneys' fees) ("Claims") resulting or arising (directly or indirectly) from:

- i. property damage or injury to or death of any person and any other direct, indirect, incidental, consequential, economic, or statutory civil damages any of which arise out of or are in any way related to the provision of services or the sale of any Parts by the Seller Indemnitees, and/or
- ii. the use, operation, repair, maintenance, or disposition of Parts provided under any Purchase Order, whether or not arising from breach of contract, strict liability, or tort (including negligence), and/or
- iii. as a result of the breach by Customer of any of its obligations, representations, warranties or covenants made in connection with the transactions contemplated by this Agreement; provided however, Customer shall not be required to indemnify the Seller Indemnitees for claims or liabilities arising from the gross negligence or willful misconduct of any Seller Indemnitee. This indemnity shall survive and continue in full notwithstanding the termination of this Agreement.

10. Limitation of Liability

Seller's liability on any claim of any kind including negligence, for any loss (including death) or damage arising out of or connected with, or resulting from this Agreement or the Quotation, for breach of statutory obligation or otherwise for any loss of profits (direct or indirect), business interruption, loss of sales, loss of use, loss of opportunity, loss of goodwill and loss of turnover and whether arising directly or indirectly out of or in consequence of any act, default or omission of the Seller, and the Seller shall not in any circumstances be liable for any Claims (whether direct, indirect or consequential), and any other remedy which would otherwise be available in law to the Customer is hereby excluded except to the extent that such exclusion is prohibited by law (in which event such Claim shall not exceed the Purchase Price received by Seller for such Part).

11. Export Compliance

- (a) The export and re-export of goods and related technical information under this Agreement are subject to the export laws of the Portugal.
- (b) Customer shall be responsible for applying for, obtaining and maintaining all required export licenses and approvals and complying with all applicable export reporting requirements.
- (c) Seller does not guarantee the issuance of such licenses or their continuation in effect once issued.
- (d) Customer covenants that it will not, directly or indirectly, export or re-export any goods or technical information received from Seller to any destination if such export or re-export would violate the laws of Portugal.
- (e) Furthermore, Customer covenants that it will comply in all respects with all applicable laws, ordinances, rules, regulations and orders of all governmental authorities relating to the ownership, installation, operation, movement, marketing and maintenance of the Parts.
- (f) To this effect, Customer acknowledges that the Parts are subject to Portuguese Trade Control Laws and Customer shall not sell, transfer or lease the Parts to any person that is:
 - i. a target of Portugal, the European Union, United Kingdom, or other economic, financial or trade sanctions in force from time to time;
 - ii. named, identified or described on any blocked persons list, specially designated nationals list, prohibited persons list, or other official list of restricted persons with whom European Union or United Kingdom persons, or persons otherwise subject to the jurisdiction of the Portugal, the European Union or the United Kingdom may not conduct business.
- (g) Moreover, it shall be a condition precedent to Seller's obligations under this Agreement that:
 - i. all necessary export licenses and approvals required in respect of Customer's business or the Delivery of any Parts hereunder shall be timely granted and continue in effect during the term of

GENERAL CONDITIONS OF BUSINESS

- this Agreement; and (b) Customer shall upon request execute and deliver to Seller a copy of the form titled “Export Compliance / End Use / End User Certification / Statement”; and
- ii. Customer shall upon request execute and deliver to Seller a copy of the form titled “Know Your Client Questionnaire”. Seller reserves the right to withhold Delivery of any Parts pursuant to this Agreement until such conditions have been satisfied to Seller’s satisfaction.
- (h) Customer agrees to indemnify and hold Seller harmless against any liability arising from any breach of Customer’s obligations under this Section.

12. Entire Agreement

This Agreement constitutes the entire agreement between the Seller and Customer and, taken together with the Quotation, supersedes all previous oral and written agreements and commitments. Seller rejects any of Customer’s inconsistent conditions in purchase orders or however stated and such shall not be part of this Agreement, unless specific and explicit references to changes to this Agreement are made in writing by an authorized representative of Seller.

13. Severability

If any term, clause or provision contained herein is declared or held invalid or enforceable by any court of competent jurisdiction, such declaration shall not affect the validity or enforceability of any of the term, clause or provision hereof.

14. Survivability

If this Agreement expires, is completed, or is terminated, Customer shall not be relieved of those obligations contained herein. All the provisions will survive the termination.

15. Assignment

This Agreement (or any Quotation) may not be assigned by either Seller or Customer without the prior written consent of the other party.

16. Brokers

Customer represents that it has not engaged any agent or broker entitled to any compensation as a result of the transactions contemplated by this Agreement, and Customer agrees to indemnify the Seller Indemnitees from and against all Claims which arise or are attributable with respect to agents or brokers.

17. Expenses

Except as otherwise provided herein or in a Quotation, each of Seller and Customer shall be responsible for the costs and expenses incurred by it in connection with the negotiating of the Quotation and the consummation of the transactions contemplated hereby, including attorneys’ fees and technical and/or appraisal costs.

18. Waivers

The waiver of performance of any term of this Agreement in a particular instance shall not constitute a waiver of any subsequent breach or preclude either party from thereafter demanding performance thereof according to the provisions hereof.

GENERAL CONDITIONS OF BUSINESS

19. Unenforceability

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

20. Confidentiality

- (a) Information contained in Carmine Aviation offers and/or contracts is intended for the exclusive use to the Customer.
- (b) Any distribution, copying, publicizing or other disclosure to third parties without prior written consent of Carmine Aviation is prohibited.

21. Language

These GCB may be made available in a number of languages. However, in the case of any question of interpretation or difference in translation, the English version shall prevail.

22. Applicable Law and Jurisdiction

- (a) The governing law of the contract shall be the law of Portugal.
- (b) In the event of any dispute arising out of this Contract, the parties hereto agree to submit to the jurisdiction of the courts of Portugal.

23. General Data Protection Regulation ‘GDPR’

- (a) Carmine Aviation is a compliant with the General Data Protection Regulation (GDPR) and the Data Protection.
- (b) Carmine Aviation have a data protection policy which demonstrates our commitment and understanding of data protection law.
- (c) We only process personal data where necessary and always uphold the rights and freedoms of those subjects that can be identified. By entering into a contract with Carmine Aviation Limited a legal obligation to process the data of your staff and other representatives of your organization may be created and we therefore will process the data in our legitimate business interest.

Approved by Carmine’s Managing Partner on the 1st March, 2023.

GENERAL CONDITIONS OF BUSINESS

DISCLAIMER OF WARRANTIES

OTHER THAN THE WARRANTY OF TITLE GRANTED HEREIN, NO WARRANTY SHALL BE PROVIDED BY SELLER WITH RESPECT TO PARTS SOLD HEREUNDER, AND EACH PART SOLD TO CUSTOMER IS DELIVERED IN “AS-IS, WHERE-IS”, WITH ALL FAULTS CONDITION, AND THE OBLIGATIONS AND LIABILITY OF SELLER HEREUNDER ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, AND CUSTOMER HEREBY WAIVES AND RELEASES SELLER (AND ANY REPRESENTATIVES OF SELLER) FROM ANY AND ALL OTHER WARRANTIES, AGREEMENTS, GUARANTEES, CONDITIONS, OBLIGATIONS, DUTIES, REPRESENTATIONS, REMEDIES OR LIABILITIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PARTS, ARISING IN CONTRACT OR IN TORT, WHETHER UNDER THEORIES OF NEGLIGENCE, STRICT NEGLIGENCE, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO:

- (1) ANY WARRANTY AS TO AIRWORTHINESS, VALUE, QUALITY, CONDITION, OPERATION,
- (2) MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR AS TO THE ABSENCE OF LATENT, INHERENT OR OTHER DEFECTS,
- (3) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE,
- (4) ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, COPYRIGHT, DESIGN OR OTHER PROPRIETARY RIGHTS, AND
- (5) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, FOR LOSS OF USE OR DAMAGE TO ANY ENGINE OR AIRCRAFT OR ANY OTHER PROPERTY OR BODILY INJURY, FOR LOSS OF REVENUE OR PROFIT WITH RESPECT TO ANY SUCH PROPERTY, OR FOR LIABILITY OF CUSTOMER TO ANY THIRD PARTY OR FOR ANY OTHER DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHATSOEVER WITH RESPECT TO ANY PART SOLD HEREUNDER, EXCEPT IN THE CASE OF SELLER’S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

Approved by Carmine’s Managing Partner on the 1st March, 2023.