AIRLINE SUPPORT BALTIC SIA

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EASA Part-145 Approval No. LV.145.0020

GENERAL TERMS OF MAINTENANCE AND REPAIR

Version: 1.5 | October 2026

1. SCOPE OF APPLICATION

1.1 These General Terms of Maintenance and Repair (hereinafter the "Terms") apply to all agreements between Airline Support Baltic SIA (hereinafter "ASB" or the "Maintenance Facility") and the Customer with respect to the performance of aircraft maintenance and repair, the supply of aviation components and spare parts, and the provision of related services, unless the Parties have entered into a separate Aircraft Maintenance Agreement (AMA). Where a signed AMA is in force between the Parties, the provisions of that AMA shall prevail; these Terms shall apply on a subsidiary basis to the extent not otherwise regulated by the AMA.

1.2 ASB performs all work under EASA Part-145 Approval No. LV.145.0020 at its approved facility at Riga International Airport, Republic of Latvia, in accordance with its Maintenance Organisation Exposition (MOE) and quality assurance procedures. All work is documented and released in compliance with EASA Part-145 requirements.

1.3 These Terms shall take precedence over any differing general terms and conditions of the Customer unless otherwise expressly agreed in writing by duly authorised representatives of both Parties. The fact that ASB performs its obligations in the presence of differing Customer terms shall not be construed as ASB's acceptance of those terms.

1.4 These Terms shall also apply to all future agreements between the Parties within the scope of their existing business relationship, even where not explicitly referenced.

1.5 In the event of any conflict between these Terms and the provisions of a signed Quotation, the Quotation shall prevail.

2. DEFINITIONS

For the purposes of these Terms, the following definitions apply:

"ASB"	Airline Support Baltic SIA, a legal entity incorporated under the laws of the Republic of Latvia, holder of EASA Part-145 Approval No. LV.145.0020.
"Customer"	Any natural or legal person that has entered into an agreement with ASB for the performance of maintenance and repair work or the supply of goods under these Terms, including aircraft operators, owners, and their duly authorised representatives.

"Quotation"	A written commercial proposal prepared by ASB and accepted by the Customer by means of signature or other written confirmation.
"Agreement"	The Quotation and these Terms taken together, constituting a binding agreement between the Parties.
"Work Statement / Work Order"	A document issued by the Customer defining the scope of work for a specific aircraft input, signed by an authorised representative of the Customer. Constitutes the mandatory trigger for ASB to commence work.
"Aircraft"	An aircraft, or any component or assembly thereof, delivered by the Customer to ASB for the performance of work.
"Work Scope"	The list of technical tasks, services, and supplies agreed by the Parties in the Quotation.
"Routine Items"	Tasks expressly included in the agreed Work Statement or Quotation.
"Non-Routine Items" (NRC)	Defects, discrepancies, and technical findings identified during the performance of Routine Items that require additional work prior to the issuance of a CRS. Also referred to as "Findings".
"CRS"	Certificate of Release to Service — the certificate issued by ASB upon successful completion of maintenance confirming the Aircraft is released for operation.
"TAT"	Turnaround Time — the agreed duration of work from Delivery to Redelivery.
"AOG"	Aircraft on Ground — a situation in which an aircraft is unable to continue operation for technical reasons.
"Delivery"	The act of the Customer handing over the Aircraft to ASB for the performance of the agreed work.
"Redelivery"	The act of ASB returning the Aircraft to the Customer following completion of the agreed work.
"Preliminary Inspection"	The inbound inspection of the Aircraft upon Delivery, documenting its technical condition and completeness. Recorded in a bilateral acceptance report signed by both Parties.
"Delegated Representative"	The duly authorised technical representative of the Customer present at the ASB facility during the performance of work. In the absence of a specific appointment, the Customer's Director of Maintenance shall fulfil this role.
"GFE / CFE"	Customer/Contractor Furnished Equipment — components, materials, and equipment supplied by the Customer for installation.
"Consumables"	Materials consumed in variable quantities during maintenance (fluids, sealants, cleaning agents, lubricants, etc.).
"Expendables"	Single-use fasteners and standard hardware replaced in accordance with the AMM (rivets, bolts, nuts, gaskets, seals, filters, oil, etc.).

"CPCP"	Corrosion Prevention and Control Programme — a structured programme for the prevention and management of corrosion.
"Production Plan"	A detailed work schedule prepared by ASB and provided to the Customer no later than 7 Business Days prior to the commencement of work.
"Fixed Price"	A firm price for the performance of agreed Routine Items as stated in the Quotation.
"Time & Material" (T&M)	A pricing basis under which work is invoiced based on actual hours worked and actual material costs at ASB's prevailing rates.
"Business Day"	A day on which banks in the Republic of Latvia are open for business transactions of the relevant type.
"Cleared Funds"	Funds that have been finally and irrevocably credited to ASB's bank account.

3. QUOTATIONS AND FORMATION OF AGREEMENT

3.1 A Quotation is binding only upon signature by a duly authorised representative of ASB and acceptance by the Customer within the validity period stated in the Quotation (typically 15 calendar days from the date of issue, unless otherwise specified).

3.2 Cost estimates and "best estimate" figures are non-binding. They reflect the anticipated scope and cost at the time of preparation. The final invoice will be based on actual hours worked and actual material costs incurred.

3.3 A Quotation is prepared on the basis of a standard aircraft configuration and average technical condition, without reference to the aircraft's operational history. It does not cover additional work that may be required due to the aircraft's specific configuration, unavailability of documentation, identified NRC findings, or corrosion.

3.4 The Customer's acceptance of a Quotation constitutes agreement with these Terms and authorises ASB to perform all work within the agreed Work Scope and to procure the materials necessary for its execution.

3.5 A production slot is reserved only upon receipt by ASB of the advance payment in accordance with the terms of the Quotation. No slot shall be considered confirmed prior to receipt of such payment.

3.6 The Work Statement must be submitted to ASB no later than 45 calendar days prior to the agreed Delivery date. A Work Statement submitted after this deadline does not guarantee the preservation of the slot and may result in a revision of the TAT.

4. WORK SCOPE AND PERFORMANCE

4.1 ASB is authorised to perform, without requiring additional Customer approval, all work necessary for the proper ground testing of the Aircraft, with the exception of test flights. Any test flights required shall be conducted by the Customer's crew at the Customer's expense.

4.2 Subcontractors listed in ASB's MOE are considered pre-approved and may be engaged without prior notification to the Customer. The engagement of any subcontractor not listed in the MOE requires the Customer's prior written approval. ASB's liability to the Customer is not diminished in any way by the engagement of subcontractors.

4.3 Where the Customer requests an acceleration of the work following commencement, all additional costs incurred as a result (including overtime and expedited logistics) shall be borne by the Customer.

4.4 The Work Scope does not include updates to aircraft documentation (IPC, AMM, manuals, etc.) unless expressly provided for in the Quotation.

4.5 Equipment and interior furnishings removed in the course of work and not reinstalled in accordance with the Work Scope shall become the property of ASB, unless otherwise agreed in writing prior to commencement.

4.6 NRC Identification and Approval Process

4.6.1 ASB shall notify the Customer in writing of each NRC identified in the course of maintenance work. A Defect Report shall be issued no less than once per week; where a finding affects the TAT or airworthiness, ASB shall notify the Customer immediately. Each Defect Report shall include a description of the finding, an estimate of the labour hours required, and the materials needed.

4.6.2 The Customer shall provide written approval or rejection of each Defect Report within 2 (two) Business Days of receipt. Failure to respond within this period shall be deemed unconditional approval of the relevant Defect Report.

4.6.3 ASB may proceed with NRC work on individual line items valued at no more than EUR 750 per item (excluding ASB's handling mark-up) without separate Customer approval. Such items shall be reported to the Customer in the next Defect Report.

4.6.4 Work required to maintain airworthiness in compliance with regulatory requirements shall be completed prior to the issuance of the CRS, regardless of the status of any pending Customer approval.

4.6.5 Where the Aircraft is grounded as a result of the Customer's failure to approve a Defect Report within 3 (three) Business Days of its submission, ASB shall be entitled to charge a ground time compensation of EUR 7,500 per commenced calendar day of standstill, commencing from the 4th Business Day following submission. This compensation does not limit any other rights available to ASB under these Terms or applicable law.

4.6.6 ASB shall bear no liability for any delay to the TAT attributable to the Customer's failure to approve or reject NRC findings in a timely manner.

4.7 Documentation

4.7.1 All maintenance documentation shall be prepared in the English language.

4.7.2 ASB shall provide the Customer with maintenance documentation in digital format (PDF) no later than 7 Business Days following issuance of the CRS. Original documents shall be handed over no later than 25 Business Days following issuance of the CRS.

4.7.3 The Customer has the right to conduct quality monitoring of the work in progress, including audits. The findings of any such audit shall be discussed at mutually agreed review meetings.

5. PRICES

5.1 Unless a Fixed Price is expressly stated in the Quotation, work shall be performed on a Time & Material basis at ASB's prevailing rates applicable at the time the work is carried out. Cost estimates and best-estimate figures do not constitute a cap on the final invoiced amount.

5.2 All prices are expressed in euros (EUR) exclusive of VAT and any other applicable taxes, customs duties, and governmental charges. All such taxes and charges are payable by the Customer in addition to the quoted price.

5.3 Prices do not include the following items, which will be invoiced separately or included in the final invoice:

- freight and delivery costs for spare parts and components (at cost); special freight services (AOG courier, dangerous goods) will be charged at actual cost;
- Consumables and Expendables required by the AMM;
- work performed to rectify NRC findings identified during the performance of Routine Items;
- Aircraft storage costs beyond the agreed TAT;
- airport charges, customs duties, and applicable taxes;
- rental of special tooling and test equipment (where not included in the applicable labour rate).

5.4 Where, following confirmation of the Quotation, significant changes occur in exchange rates (exceeding 3%), component prices, or the introduction of new customs or export restrictions, ASB reserves the right to adjust the price accordingly. ASB shall notify the Customer of any such adjustment without delay.

5.5 ASB Standard Mark-Up Schedule

Category	Mark-Up	Cap per Line Item
Materials procured by ASB from the market	unit net price: x1.25	—
Materials supplied from ASB inventory	Same scale as above	—
Materials procured directly from OEM	+12% (flat)	EUR 1,500
Customer-furnished materials (GFE/CFE / CSP)	+5% of net price	EUR 1,500
Freight and delivery	+10% of supplier's invoice amount	—
Subcontracted work	+10% of subcontractor's invoice	—
Special tooling rental	+10% of rental charge	—

5.6 For components valued in excess of EUR 5,000 (before mark-up), ASB reserves the right to require prepayment from the Customer prior to placing the order with the supplier.

5.7 For large assemblies supplied by the Customer (landing gear, engines, etc.), the applicable handling fee shall be agreed separately. No warranty is extended by ASB in respect of GFE/CFE.

5.8 The Customer shall have no right to request ASB to provide supplier catalogue price lists, supplier invoices, or any other documentation evidencing ASB's actual procurement costs for components and materials.

Prices for work and Services have been established in consideration of specifications and standards in force and effect at the signature of the present Agreement. All prices given in the present Agreement, and Work Scopes associated, exclude taxes and VAT.

6. Airframe Base Maintenance

6.1. FIX PRICE INCLUDES

- Docking / Undocking
- Maintenance Moves (one aircraft towing in and out of the hangar)
- Incoming Checks (Incoming Inspection)
- Outgoing Checks (Outgoing Inspection)
- Standard tooling and equipment necessary for the performance of works.
- Engineering Services required to perform the Work Scope
- Painting (only if paint has been removed due to inspection or modification requirement, cost of paint not included)
- NDT inspections work for routine task cards only
- Full preparation for structure inspection linked with task cards and SB-AD-EO.
- Opening-up/De-panelling and Closing-up/assembly after check (routine works only).
- Stripping/sanding/painting (only for routine structure inspection purposes, cost of paint not included)
- Test Flight preparations and engines run-up if necessary (routine works only)
- Inspections including duplicate inspections/Tests/System Tests/Functional Tests
- Issuing of CRS after work completion under relevant approval

6.2. FIX PRICE EXCLUDES

- Airport and ground handling fees
- Hangar space rent above agreed TAT, in case of a delay in work performance caused by the lack response or wilful misconduct of the Customer.
- Shipping charges, import taxes and duties are not included
- Incoming defects & defects found during inspections, defects arising from any supplemental package and/or any additional work requested.
- Deferred items repair and pilot reports. The list of deferred items available at the time will be provided by the Customer at least one week before the beginning of the check
- Material for deferred items
- Repair of non-routine items generated by the Work Scope routine job cards

- Rectification of defects found on any Work Scope routine job cards/AD/SB/EO performance
- Repairs of any FOD items and lightning strikes to the airframe.
- Repairs carried out on external elements of airframe (fuselage, nacelles, wings including slats/flaps, stabilizers).
- Rectification of defects found by Structural Inspection (SI) and CPCP task cards that are rectified by structure reinforcement or replacement.
- Any third-party works and services, unless costs exceptionally provided within the Quotation
- The use of special tools (borescope, NDT etc) which are not standard tools will be charged with final invoice unless costs exceptionally provided within the Work Scope.
- Parts fabrication in accordance with OEM instructions
- Materials used for rectification of defects found on AD/SB/EO performance.
- Materials used for repairs of any FOD items and lightning strikes to the airframe.
- Materials used for rectification of defects found by SI and CPCP task cards that are rectified by structure reinforcement or replacement.
- Materials for the defects rectification of the aircraft systems installed under Supplemental Type Certificate (STC).
- Costs to repair discrepancies, damages, troubleshooting on and replacement of parts will be charged additionally

7. LANDING GEAR MAINTENANCE

7.1. Standard repair and overhaul

7.1.1 FIXED PRICE INCLUDES THE FOLLOWING

- Incoming inspection and documentation review (Purchase Order, Certificates, Log Cards, Non-Incident Statement)
- Outgoing inspection
- Disposition/ Shop Report
- Dimensional Inspection
- Work Order Estimate
- Polishing
- Stress Relief
- Minor Corrosion removal
- Brush Cadmium plating (CAD)
- Shot Peen
- Surface Temper Etch Inspection
- Chemical conversion
- Replacement of ALL mandatory consumables and materials
- Labour for test/inspection of "On-condition" components
- Assembly and Test
- Service Bulletin Log

- Life-limited parts log
- Standard tooling and equipment necessary for the performance of works
- Engineering Services required to perform the WP
- Cleaning
- Issuing of CRS after work completion under EASA Form1 approval

7.1.2 FIXED PRICE EXCLUDES THE FOLLOWING

- All consumables, materials for additional and non-routine works not included
- Replacement of Bushings (Standard & Oversize) & Bearings
- Shipping charges, import taxes and duties are not included
- Rectification of defects found on any work scope routine job cards/AD/SB/EO performance.
- Costs to repair discrepancies, damages, troubleshooting on and replacement of parts will be charged additionally.
- Missing parts and parts that require replacement due to damage, accident, incident, misuse, abuse, or improper previous maintenance and environment conditions.
- NDT inspections for additional and non-routine works not included in this proposal.

7.2. Not To Exceed price (NTE Price)

7.2.1. NTE PRICE INCLUDES THE FOLLOWING

- Incoming inspection and documentation review (Purchase Order, Certificates, Log Cards, Non-Incident Statement)
- Cleaning and disassembly
- Paint stripping and polishing
- Stress relief and dimensional inspection
- Corrosion repair within limits prescribed in the applicable Component Maintenance Manual (CMM)
- Replacement of mandatory bushings (standard & oversize) and bearings where applicable
- Replacement of all mandatory parts and consumables
- Non-Destructive Testing (NDT) inspection where applicable
- Cadmium plating (CAD), shot peen, surface temper etch inspection
- Chemical conversion coating
- Implementation of Airworthiness Directives (ADs) and Service Bulletins — labor and material
- Labour for test and inspection of 'on-condition' components
- Painting and assembly
- Service Bulletin and Life-Limited Parts documentation logs
- Standard tooling and equipment necessary for work performance
- Engineering services required to perform the work package
- Outgoing inspection and disposition/shop report
- Work Order Estimate issuance
- Issuance of CRS EASA Form 1 or Dual Release after work completion

- Packing and preparation for return shipment
- Warranty – 12 months on workmanship and parts replaced

7.2.2.NTE PRICE DOES NOT INCLUDES THE FOLLOWING

A. PARTS – MISSING, DEFECTIVE, OR BEYOND REPAIR

- Missing parts, bogus parts, or PMA (Parts Manufacturer Approval) parts requiring replacement
- Parts that are scrap and exceed EUR 12,000 according to manufacturer's suggested retail price (MSRP) per line-item. If MSRP is not available (older or discontinued parts), the threshold shall be determined by ASB's documented research of current market price for equivalent serviceable or overhauled parts. ASB shall provide evidence of market price research upon request.
- Parts deemed beyond economical repair (BER), where repair cost exceeds 70% of MSRP for the respective line item. If MSRP is unavailable, BER is determined as repair cost exceeding 70% of documented current market price.
- Life-Limited Parts (LLP) that do not have documented flight cycles since new or last overhaul

B. DAMAGE – ENVIRONMENTAL, CUSTOMER-INDUCED, OR THIRD-PARTY

- Corrosion/damage/cracks found beyond the limits prescribed in the applicable CMM. Any such corrosion/damage/cracks requiring part replacement shall be identified during the inspection phase, documented with photographs, and quoted separately for Customer approval (see Section 3 below).
- Foreign Object Damage (FOD) — damage from runway debris, hangar equipment, cargo handling, or external objects discovered during overhaul
- Customer-Induced Damage (CID) — damage resulting from improper handling, storage in corrosive or humid environments, operation outside Aircraft Flight Manual (AFM) limits, or inadequate maintenance between services
- Equipment damaged by third parties, mishandling, accident, incident, or misuse
- Equipment restoration due to unapproved repairs performed by other facilities

C. CUSTOMER-SPECIFIC REQUIREMENTS & ENGINEERING

- Customer specifications not included in the standard overhaul workscope
- Special investigations (e.g., geometrical checks, fatigue assessments, crack detection) and engineering services required to perform repairs outside the scope of the CMM
- Modification to later build standard or retrofit of landing gear to newer configuration
- Parts for the implementation of Airworthiness Directives (ADs) and Service Bulletins (material cost only; labor is included)

D. LOGISTICS & EXTERNAL COSTS

- Shipping charges, import taxes, duties, and customs fees
- Shipping and handling fees for additional materials to correct findings or repair and replace accessories

8. INVOICING AND PAYMENT

8.1 ASB is entitled to require an advance payment prior to commencement of work, as well as interim payments during the course of work. The advance payment schedule shall be set out in the Quotation. ASB shall have no obligation to commence work and shall bear no liability for any slot delay until the advance payment has been received as Cleared Funds.

8.1.1 Standard payment structure (Fixed Price): 15% upon signature of the Quotation; 50% one month prior to commencement of works; 35% at commencement of works. Where works are scheduled to commence less than 3 (three) weeks (21 calendar days) from the date of Quotation signature, 100% advance payment is due upon signature.

8.2 Unless otherwise provided in the Quotation, each invoice shall be due and payable within 5 (five) Business Days of the date of invoice. All known additional charges (NRC work, spare parts) shall be settled in full prior to issuance of the CRS and Aircraft departure.

8.3 The Customer must raise any objection to an invoice in writing within 14 (fourteen) calendar days of receipt, providing a detailed statement of the disputed line items. Upon expiry of this period without written objection, the invoice shall be deemed unconditionally accepted by the Customer. Disputing part of an invoice does not release the Customer from the obligation to pay the undisputed portion within the agreed payment term.

8.4 In the event of late payment, ASB shall be entitled to charge interest at the rate of 1.5% per month on the overdue amount, subject to a maximum rate of 15% per annum. Interest shall accrue automatically from the next Business Day following the payment due date, without any requirement for a separate notice or demand.

8.5 Where the Customer is in default on any invoice, all other outstanding invoices shall become immediately due and payable. ASB shall be entitled to suspend work if the Customer has not remedied the payment default within 10 (ten) Business Days of written demand. All costs of storage and any other expenses incurred during the suspension period shall be charged to the Customer.

8.6 ASB shall be entitled to withhold the CRS until all amounts due have been received in full as Cleared Funds.

8.7 All costs of debt recovery, including court costs and legal representation fees, shall be borne by the Customer.

8.8 Payment shall only be deemed to have been made upon the relevant amount being credited to ASB's bank account as Cleared Funds.

8.9. ASB has the right to retention of all Customer property in its possession until the Customer has fully settled all outstanding obligations to ASB, including late payment interest, contractual penalties, storage costs, etc.

8.10 All invoices are issued in euro (EUR). All amounts due shall be paid in full, without set-off, withholding, deduction, counterclaim, or condition. Taxes and duties are addressed in the Duties and Taxes Section of this Agreement.

9. WORK DEADLINES

9.1 The TAT is indicative unless it is expressly designated as binding in the Quotation. Compliance with any binding TAT is conditional upon the Customer having fulfilled all of its obligations under the Agreement in a timely manner.

9.2 ASB shall provide the Customer with a Production Plan no later than 7 Business Days prior to the agreed Delivery date.

9.3 The TAT shall be automatically extended in the following circumstances:

- identification of NRC findings requiring additional work;
- delay in the delivery of spare parts or components for reasons beyond ASB's control;
- failure by the Customer to provide required documentation, permits, or approvals in a timely manner (including delays in approving NRC findings);
- Delivery of the Aircraft occurring after the agreed Delivery date;
- force majeure events;
- suspension of work due to the Customer's payment default.
- 9.4 Where a binding TAT has been expressly agreed in the Quotation and ASB fails to meet it for reasons attributable to ASB, ASB shall pay the Customer a delay charge of nine thousand five hundred euro (EUR 9,500) for each day of delay, up to a maximum aggregate of one hundred and twenty thousand euro (EUR 120,000). The first chargeable day of delay shall be the fourth (4th) Business Day following the expiry of the agreed binding TAT.
- *This delay charge is the Customer's sole and exclusive financial remedy for delay and is accepted by both Parties as a genuine pre-estimate of loss, not a penalty.*
- 9.4.1 No delay charge shall accrue, and ASB shall not be considered in breach, where the delay arises from any of the following circumstances, provided such delay is supported by documented evidence:
- unavailability in the market or from manufacturers of the spare parts, specialised tools, or equipment required to rectify defects;
- major defects on the Aircraft which were unforeseen and could not reasonably have been expected;
- additional or last-minute works carried out by ASB at the Customer's request;
- a force majeure event as defined in this Agreement;
- late delivery or non-delivery of spare parts, materials, or documentation that are the Customer's responsibility;
- any act or omission of the Customer, including delays in providing data, instructions, consents, or approvals (including approval of NRC findings);
- non-payment or late payment by the Customer;
- delays caused by external suppliers, except where ASB failed to take timely action to place the order;
- changes in applicable laws or regulations affecting performance of the Services.
- 9.4.2 The Parties shall jointly use all reasonable efforts to minimise any potential delay and shall promptly inform each other of any circumstance likely to affect timely performance.

9.4 In the event of cancellation of a confirmed production slot by the Customer, the following cancellation charges shall apply:

Notice Period Prior to Planned Delivery Date	Cancellation Charge
More than 8 weeks	5% of Quotation value + actual costs incurred
4 to 8 weeks	20% of Quotation value + actual costs incurred
2 to 4 weeks	35% of Quotation value + actual costs incurred
Less than 2 weeks	50% of Quotation value + actual costs incurred

Notice Period Prior to Planned Delivery Date	Cancellation Charge
Less than 5 Business Days	75% of Quotation value + actual costs incurred
On the Delivery date or thereafter	100% of Quotation value

9.5 In addition to the applicable cancellation charge, the Customer shall reimburse ASB for all actual costs incurred, including the cost of ordered parts and materials that cannot be returned, as well as planning, labour, and production preparation costs.

10. DELIVERY AND REDELIVERY OF THE AIRCRAFT

10.1 The Customer shall deliver the Aircraft to ASB's facility at Riga International Airport on DDP terms (Incoterms 2020) on the agreed Delivery date. All costs associated with Delivery shall be borne by the Customer.

10.2 Upon Delivery, ASB shall conduct a Preliminary Inspection, assessing the technical condition and completeness of the Aircraft and preparing a bilateral acceptance report recording on-board equipment and removable items. The signed acceptance report shall serve as the baseline for any subsequent claims relating to the condition of the Aircraft.

10.3 The Customer shall provide the technical documentation required for the agreed work (AMM, AMP, IPC, CMM, SBs, ADs, logbooks, and component cards) no later than 7 Business Days prior to the agreed Delivery date. Work shall not commence until the complete documentation package has been received.

10.4 Fuel storage facilities for defuelled aircraft are not available at Riga International Airport. ASB bears no responsibility for fuel drained from the Aircraft's tanks in the course of maintenance work and shall not compensate the Customer for the value of any such fuel. The Customer is advised to arrange for the Aircraft to arrive with the minimum fuel load practicable.

10.5 If the Aircraft arrives after the agreed Delivery date, ASB reserves the right to reschedule the TAT by a corresponding number of days and/or to recover from the Customer any additional costs arising from rescheduling.

10.6 Following completion of work and issuance of the CRS, the Customer shall take Redelivery of the Aircraft within 3 (three) Business Days of receiving notice of completion. Responsibility for maintaining the airworthiness of the Aircraft transfers to the Customer upon issuance of such notice.

10.7 If the Aircraft is not collected within the prescribed period, ASB shall be entitled to charge a storage fee at its prevailing published rates from the 4th Business Day onwards. During any such storage period, ASB's liability shall be limited to damage caused by its own wilful misconduct.

10.8 Redelivery of the Aircraft is made on EXW terms (Incoterms 2020) from ASB's facility. All further transportation costs and risks shall be borne by the Customer.

11. EXCHANGE AND LOAN PARTS

11.1 Where the Customer is supplied with exchange parts, the removed serviceable unit (core unit) must be returned to the address specified by ASB within 10 (ten) calendar days of receipt of the exchange component, together with all required documentation as specified by

the supplier. The Customer's acceptance of ASB's offer for an exchange component shall constitute a transfer of title in the core unit to ASB.

11.2 In the event of a delay in returning the core unit, ASB shall be entitled to pass on to the Customer all penalty charges levied by the relevant supplier, plus an ASB administrative surcharge of 15% of the supplier's penalty amount.

11.3 If the core unit has not been returned within 25 (twenty-five) calendar days, ASB shall be entitled to invoice the Customer for the full OEM list price of the replacement part, without applying any core credit.

11.4 Loan parts are provided under the terms of ASB's standard loan agreement. The Customer shall return loaned parts in a fully serviceable condition. If a loaned part cannot be returned in a serviceable condition, the Customer shall bear all repair and recertification costs or, where repair is not cost-effective, the full replacement cost.

11.5 Title to components removed from the Aircraft (OFF parts) in the course of maintenance shall vest in ASB, unless otherwise agreed in writing prior to commencement of work.

12. WARRANTY

12.1 ASB warrants that maintenance and repair work carried out by it shall be free from workmanship defects for the following periods:

Type of Work	Warranty Period
All categories of maintenance and repair (base, periodic, and other)	12 months or 1,000 flight hours, whichever occurs first
Avionics — new system installations	12 months or 1,000 flight hours, whichever occurs first
Avionics — repairs	3 months
Cabin interior work / refurbishment	24 months or 1,200 flight hours, whichever occurs first
Component repairs	6 months or 300 flight hours, whichever occurs first

12.2 The warranty shall be voided in any of the following circumstances:

- the Customer fails to notify ASB of the defect in writing within 10 Business Days of discovery;
- the Customer fails to provide ASB with immediate access to the Aircraft for inspection;
- the Customer or any third party attempts to remedy the defect without ASB's prior written authorisation;
- the defect arises from improper operation, storage, or maintenance of the Aircraft following issuance of the CRS;
- the relevant work or components have been modified, improperly installed, or replaced by a third party;
- the Customer has any overdue payment outstanding to ASB.

12.3 Where a workmanship defect is confirmed, the Customer's sole remedy shall be the rectification of that defect by ASB, at ASB's discretion either by repair or replacement of the defective work or components. ASB's maximum liability under the warranty shall not exceed the total amount of the relevant work order. ASB shall bear no liability for transportation costs or ferry flights in connection with warranty repairs.

12.4 The warranty does not extend to components and equipment supplied by third-party manufacturers and installed by ASB. Any manufacturer's or supplier's warranties applicable to such items are assigned to the Customer to the extent permitted by applicable law.

12.5 The warranty does not apply to GFE/CFE, nor to work performed at the Customer's request using used parts or non-standard solutions.

13. LIABILITY AND LIMITATIONS

13.1 ASB shall be liable for direct loss or damage, that have been clearly proven by verifiable and documented evidence, caused to the Customer by ASB's wilful misconduct or gross negligence, including that of its employees or authorised agents. In cases of simple negligence, ASB's liability shall be limited to breaches of material contractual obligations and shall not exceed the total value of the relevant work order.

13.2 Under no circumstances shall ASB be liable for:

- loss of profit, loss of revenue, or loss of anticipated savings;
- costs associated with replacement flights (charter or alternative transport);
- financial losses arising from the Aircraft being out of service;
- loss of reputation, goodwill, or business opportunities;
- indirect, incidental, or consequential losses or damages of any nature.

13.3 Any claim by the Customer in respect of non-performance or defective performance must be submitted to ASB in writing no later than 30 (thirty) days from the date on which the loss or damage was discovered or reasonably ought to have been discovered, failing which the claim shall be time-barred.

13.4 Neither Party shall be liable for failure or delay in performing its obligations where caused by a force majeure event, as set out in the Force Majeure Section of this Agreement.

13.5 ASB shall indemnify, defend, and hold harmless the Customer from and against all liabilities, losses, damages, costs, and expenses (including reasonable legal fees) arising from death of or injury to any person, or loss of or damage to any property, to the extent caused by ASB's proven gross negligence or wilful misconduct, or occurring while the Aircraft or any part of it is in the possession of ASB or its subcontractors at the Facility.

13.6 The Customer shall indemnify, defend, and hold harmless ASB from and against all liabilities, losses, damages, costs, and expenses (including reasonable legal fees) in respect of death of or injury to the Customer's personnel, and loss of or damage to the Customer's property, arising in connection with the performance or non-performance of the Services, except to the extent caused by ASB's proven gross negligence or wilful misconduct.

13.7 Save in respect of items furnished by the Customer, ASB shall indemnify and hold harmless the Customer against any claim that a part or product furnished by ASB under this Agreement infringes a patent issued or recognised in the European Union. Where such infringement is established, ASB shall, at its own expense and option, either procure for the Customer the right to continue using the item, replace it with a non-infringing equivalent, or modify it so that it becomes non-infringing.

13.8 The liabilities and indemnities under this Section operate together with the insurance arrangements set out in the Insurance Section of this Agreement. Each Party's insurers shall

waive rights of subrogation against the other Party to the extent of the liability and indemnity obligations assumed herein.

13.9 Nothing in this Agreement excludes or limits either Party's liability for (a) fraud or fraudulent misrepresentation, or (b) any liability that cannot be limited or excluded by applicable law. The provisions of this Section shall survive termination or expiry of this Agreement.

14. FORCE MAJEURE

14.1 Neither Party shall be liable for, or be deemed to be in default by reason of, any failure or delay in performing its obligations under this Agreement where such failure or delay is caused by a force majeure event. A force majeure event means any cause beyond the reasonable control of the affected Party, including but not limited to acts of God, natural disasters, fire, flood, earthquake, volcanic activity, epidemic or pandemic, war, armed conflict, terrorism, riot or civil commotion, acts or orders of governmental authorities, sanctions or embargoes, general strikes or labour disputes (other than those confined to the affected Party's own workforce), and general interruptions to transport or supply.

14.2 The affected Party shall notify the other Party in writing, by any available means, of the existence of the force majeure event as soon as reasonably practicable, and shall similarly notify the other Party of its cessation. The Parties shall meet as soon as reasonably practicable to assess the situation, its expected impact, and any extension of the time for performance reasonably required.

14.3 The affected Party shall use all reasonable efforts to avoid or remove the cause of the force majeure event and to resume performance with all reasonable dispatch once the cause and its effects are sufficiently reduced or removed.

14.4 Where a force majeure event continues for a period of thirty (30) consecutive days following the other Party's receipt of the notice referred to in FM.2, and the Parties have not agreed a revised basis for continuing the Services (including any adjustment of price or schedule), the Customer may, on thirty (30) days' prior written notice to ASB, terminate the performance of the affected Services. In such case, the Customer shall pay ASB any outstanding balance for Services satisfactorily completed up to the date of such termination.

14.5 Nothing in this Section shall require either Party to act contrary to any applicable law, regulation, order, licence, permit, or authorisation to which it is subject.

15. DUTIES AND TAXES

15.1 All prices are exclusive of Latvian Value Added Tax (VAT). Where the Services or charges are subject to VAT, the Customer shall be liable for and shall pay such VAT to ASB at the prescribed rate. Where the Customer holds a valid Air Operator Certificate (AOC) and provides evidence thereof, the applicable VAT treatment for qualifying maintenance work shall be applied in accordance with Latvian law.

15.2 ASB shall be responsible for all taxes, duties, levies, charges, and contributions (and any interest or penalties thereon) imposed on ASB by any competent authority in Latvia or elsewhere in respect of its own income, profits, turnover, payroll, and employment obligations arising from this Agreement.

15.3 Where equipment or materials are supplied to the Customer under this Agreement, ASB shall, on request, provide full documentation certifying the origin, customs status, and customs commodity codes of the items, as reasonably required by the Customer to fulfil its customs obligations, and shall make available the data reasonably necessary for the Customer to obtain any available reliefs.

15.4 Subject to DT.2 and DT.3, all duties, customs fees, import taxes, and other taxes payable in respect of equipment, materials, and Services supplied to the Customer shall be at the Customer's expense and responsibility, except where incurred as a result of ASB's gross

negligence, wilful misconduct, or breach of this Agreement, in which case they shall be borne by ASB.

15.5 All amounts due under this Agreement shall be paid free and clear of any tax deduction or withholding, save as required by law. Where any deduction or withholding is required by law, the Customer shall pay such additional amount as ensures ASB receives the sum it would have received absent the deduction or withholding.

16. OTHER PROVISIONS

- The Customer understand that it shall be responsible for compliance with all applicable import and export customs regulations and formalities, including payment of fees, duties, taxes and levies incurred and/or payable according to an/or under the laws of Latvia and the application to the relevant authorities for any required licences and any authorisations and shall indemnify and hold harmless ASB from and against any claims, costs or liabilities with regard thereto
- Overtime: The Fixed Price does not include overtime. Where overtime is requested by the Customer or is necessary to expedite the schedule and approved by the Customer, a surcharge applies to the quoted labour: +50% on Monday to Friday outside normal hours, and +100% on Saturdays, Sundays, and Latvian public holidays. Normal working hours of ASB: Monday to Friday, 07:30–16:30.
- The Customer shall at all times and under all circumstances and for all purposes be solely responsible for the current and continuing airworthiness of the Aircraft.

17. RIGHT OF LIEN

17.1 ASB shall have a contractual right of lien over the Aircraft and any other property in its possession in respect of all claims arising from the current Agreement and any prior agreements with the Customer, regardless of the Customer's proprietary rights in such property. The right of lien arises upon Delivery.

17.2 ASB shall be entitled to enforce its right of lien by means of public sale no earlier than 1 (one) month after serving written notice on the Customer of its intention to do so.

17.3 The Customer warrants that it has full authority to deliver the Aircraft and that the Aircraft is not encumbered by any third-party rights that have not been disclosed to ASB in writing prior to Delivery. Where the Aircraft is not owned by the Customer, the Customer warrants that the registered owner has provided written consent to Delivery and to the creation of a lien in favour of ASB.

18. INSURANCE

18.1 ASB is under no obligation to insure the Aircraft while it is located on ASB's premises.

Prior to the Delivery date, the Customer shall procure and maintain in full force and effect the following insurance cover:

(a) Aircraft Hull All Risk insurance (including War & Allied Perils) for the full replacement value of the Aircraft, naming ASB as an additional insured, and including a waiver of subrogation in favour of ASB and its directors, officers, employees, agents and servants;

(b) Third Party Liability insurance, covering ground and airborne risks, in an aggregate limit appropriate to the type of Aircraft, naming ASB as an additional insured, and including a waiver of subrogation in favour of ASB and its directors, officers, employees, agents and servants.

During the performance of the present Agreement, including Test Flight if any, CUSTOMER agrees to maintain aviation hull and liability insurance, and before the beginning of the Services, will provide AIRLINE SUPPORT BALTIC with a certificate of insurance showing the underwriters have accepted the provisions of this Agreement and will waive any right of subrogation or recourse against AIRLINE SUPPORT BALTIC and its directors, officers, employees, agents and servants. The certificate of insurance will mention the limits of coverage.

18.2 ASB shall maintain Hangarkeeper's Liability insurance at a level consistent with industry standards.

19. EXPORT CONTROL AND SANCTIONS

19.1 The Customer shall comply with all applicable sanction and export control requirements, including ITAR, EAR, EU and Latvian export control legislation, and shall provide ASB with all required licences and authorisations in a timely manner.

19.2 The Customer represents and warrants to ASB that neither the Customer, nor the registered owner, beneficial owner, nor the operator of the Aircraft is, or will become, a person or entity included on the sanctions lists of the EU, the USA (including the SDN List, Entity List, or any other restricted-party lists), the United Kingdom, the Republic of Latvia, or Switzerland, and that no sanctions or restrictions apply to the Aircraft. These representations and warranties are made as of the date of the Agreement and must remain accurate throughout the period of its performance.

19.3 In the event of any change in circumstances that causes or is likely to cause a breach of the representations in clause 19.2, the Customer shall notify ASB immediately. ASB shall be entitled to terminate the Agreement with immediate effect; the Customer shall indemnify ASB for all costs and losses incurred as a result.

19.4 The Customer confirms that the Aircraft is not, directly or indirectly, associated with any natural or legal persons located in or operating the Aircraft from the territory of Russia, and undertakes not to transfer the Aircraft to any person included on any applicable sanctions list.

20. ANTI-CORRUPTION

20.1 The Customer shall comply with all applicable anti-corruption laws and conventions, including the UN Convention Against Corruption (UNCAC), the laws of the Republic of Latvia, the UK Bribery Act, the US Foreign Corrupt Practices Act (FCPA), and all other applicable anti-bribery legislation.

20.2 Neither Party shall offer, give, solicit, or accept any unlawful payment, gift, or other benefit in connection with the performance of the Agreement.

21. CONFIDENTIALITY AND DATA PROTECTION

21.1 Each Party shall maintain the confidentiality of all information received from the other Party in connection with the Agreement and shall not disclose such information to any third party without the prior written consent of the disclosing Party. This obligation shall survive the termination of the Agreement and remain in force for 5 (five) years thereafter.

21.2 The Customer's personal data shall be processed by ASB in accordance with the EU General Data Protection Regulation (GDPR — Regulation 2016/679) and applicable Latvian law, solely for the purposes of performing the Agreement and fulfilling related obligations.

21.3 ASB shall be entitled to take photographs and videos of the Aircraft, including its interior, for the purposes of performing the agreed work, subject to the confidentiality obligations set out in clause 21.1.

22. INTELLECTUAL PROPERTY

22.1 All intellectual property rights in technical solutions, documentation, drawings, and other work product created by ASB in the course of performing the Agreement shall remain the property of ASB or the respective rights holders. The Customer may use documentation provided by ASB solely for the purposes of operating the specific Aircraft to which the work relates.

23. ASSIGNMENT

23.1 The Customer may not assign or transfer any of its rights or obligations under the Agreement to any third party without ASB's prior written consent. Any purported assignment made without such consent shall be null and void.

23.2 ASB may assign or transfer its rights and obligations under the Agreement upon prior written notice to the Customer.

24. GOVERNING LAW AND DISPUTE RESOLUTION

24.1 These Terms and any agreement entered into on the basis of them shall be governed by and construed in accordance with the laws of the Republic of Latvia, excluding its conflict of laws rules and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

24.2 Any dispute, controversy, or claim arising out of or in connection with these Terms or any related agreement — including disputes concerning their existence, validity, or termination — shall be finally resolved by arbitration administered by the Arbitration Institute of the Latvian Chamber of Commerce and Industry (LCCI) in Riga, in accordance with its Arbitration Rules

in force at the time of the submission of the request for arbitration. The language of the proceedings shall be English. The arbitral award shall be final and binding on both Parties.

24.3 Prior to initiating arbitration, the Parties shall make good-faith efforts to resolve any dispute through direct negotiation within 30 (thirty) calendar days of one Party's written notice of the existence of a dispute.

25. CUSTOMER'S COOPERATION OBLIGATIONS

25.1 The Customer shall provide ASB with the following in a timely manner:

- technical documentation (AMM, CMM, IPC, SBs, ADs, logbooks, and component records) — no later than 7 Business Days prior to Delivery;
- current information on the beneficial owner and operator of the Aircraft, and immediate notification of any changes to such information;
- all required permits, licences, and authorisations, provided within timeframes that allow ASB to meet the agreed TAT;
- responses to urgent queries from ASB within 24 hours, and to routine queries within 48 hours;
- details of the Delegated Representative (full name, contact information, and authority) prior to the commencement of work.

25.2 ASB shall bear no liability for any delay to the TAT or increase in the cost of work attributable to the Customer's failure to provide documentation, authorisations, or decisions in a timely manner.

26. GENERAL PROVISIONS

26.1 Should any provision of these Terms be held to be invalid, illegal, or unenforceable for any reason, the remaining provisions shall not be affected. The invalid provision shall be replaced by a valid and enforceable provision that, to the greatest extent possible, gives effect to the economic intent of the original.

26.2 All notices and communications under the Agreement shall be made in writing, delivered by email (with confirmation of receipt), registered post, or courier, to the address specified in the Quotation. A notice shall be deemed received on the date of actual receipt by the addressee.

26.3 ASB's failure to exercise any right under these Terms on any particular occasion shall not constitute a waiver of that right and shall not prejudice ASB's ability to exercise it in the future.

26.4 ASB may amend these Terms upon no less than 30 (thirty) days' prior written notice to the Customer. Agreements already concluded shall continue to be governed by the version of the Terms in force at the time they were entered into.