

General Terms and Conditions of Business of HPH Ltd.

HPH Ltd. Čáslavská 234 28401 Kutná Hora Czech Republic

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N 49°56'47.9" E 15°17'7.87"

I) Offers and Contracts

- 1. These conditions apply to all goods or services supplied, including those supplied in the future. The buyer's terms of business are applicable only if we have accepted them in writing for the transaction in question. Accepting delivery of goods or services implies acceptance of our terms of business.
- 2. Our quotations are not binding. They are valid for a maximum of four weeks. Agreements become legally binding only with our written acknowledgement.
- 3. Any transfer of rights and obligations arising under the contract of sale to a third party requires the previous written consent of the seller and may be subject to conditions.

II) Prices and Payments

- 1. Prices are the prices in force on the day of shipment plus the applicable value added tax.
- 2. All prices are quoted strictly net ex works Kutná Hora, Czech Republic. The buyer will be billed separately for packing, postage and other transport costs.
- 3. All payments should be made by transfer to our bank account.

III) Delivery Time

- 1. The delivery dates in our quotations and contracts are estimated to the best of our knowledge and experience, but they are not binding.
- 2. Deliveries are on time if the goods have left our works or store within the period specified as the delivery time.
- 3. The buyer is entitled to inspect the goods (the aircraft) or services within 8 days after the notified date of availability at the agreed place of delivery. The buyer is obliged to accept delivery within this period.
- 4. In circumstances beyond our control, e.g. transport disruptions or manufacturing problems, shortages of raw material, power failures or cuts, industrial action, war, civil war or disturbances of a similar nature make deliveries impossible or unreasonably difficult, also if our suppliers encounter such problems, we are released from our obligation to supply goods or services for the duration of the disruption and for a reasonable period thereafter while manufacturing is being resumed.



IV) Delivery and Risk

- 1. All risks, including obligation to pay contract-price in full, notwithstanding any loss or damage of the goods, pass to the buyer on delivery of the goods or services.
- 2. If free delivery terms were agreed, this risk passes to the buyer at the time of dispatch or collection of the consignment. Dispatch will be effected by the supplier's in accordance with their best judgement and endeavor.
- 3. The goods are always dispatched at the buyer's risk and expense.
- 4. Our risk ends when the goods are handed over to the shipping agent or collected by the buyer. From that point onwards the transport is at the buyer's risk. This applies also to goods which are prepaid. The goods will be insured only at the buyer's request and at his expense.
- 5. Immediately on receipt of the goods, the buyer must inspect them for completeness and obvious damage. In the event of loss or damage he must inform both the shipping agent and HPH without delay.

V) Retention of Ownership

1. All goods supplied remain our property (reserved title goods) until such time as all our claims have been met in full, even if specifically designated debt has been paid. For current invoices, the right of title secures the balance of any debt.

VI) Liability and Limitation of Liability

- 1. Our liability is limited to the conditions set out in these Terms of Business. Any claims not expressly admitted herein including claims for damages arising from any legal grounds whatsoever are excluded insofar as this is good in law, unless they are based on a grossly negligent breach of contract by us, or by our lawful representative or agent.
- 2. All claims against us expire by limitation after one year except where the statutory period of limitation is shorter or these Terms of Business specify a different period.

VII) Warranty

- 1. The seller warrants the goods or services supplied to be free from defect affecting suitability for their purpose.
- 2. The buyer must notify the seller in writing of any defects or complains without delay as soon as they become apparent, or give him an opportunity of assessing them.
- 3. In the first instance, the buyer is entitled only to the repair of defects free of charge.
- The seller may, however, opt to provide replacement of defective parts instead of repair, at his discretion.
- 4. Warranty claims are void if the cause of a defect is materially contributed to by:
- a) failure on the part of the buyer to notify a defect in accordance with clause 2 above and to furnish an opportunity for repair; or
- b) improper use of, or overstressing the goods, or not providing reasonable care; or
- c) failure to perform regular and mandatory maintenance; or improper or inadequate maintenance; or
- d) repairs carried out by unauthorized third parties; or
- d) incorporating components in the goods which are not approved by the makers.
- 5. Normal wear and tear is not covered by the warranty.
- 6. Any other claims against HPH Ltd., its employees or agents are excluded, and in particular any claims for indemnity arising from defects not inherent in the goods or services supplied.



VIII) Claim procedure

- 1. The aircraft owner or person authorized by him delivers the goods (the aircraft) including all technical and aircraft documentation to the manufacturer at HPH seat, address Čáslavská 234. 284 01 Kutná Hora, Czech Republic.
- 2. The aircraft owner provides a description of the claimed defects, eventually completed with a detailed oral explanation.
- 3. The manufacturer makes decision on recognition or refusal of the claim, usually within 30 days. In complicated cases, a statement on the claim is made in a longer time, usually within 180 days. The manufacturer shall submit a preliminary time and work schedule.
- 4. Subsequently, the manufacturer performs at HPH seat a warranty repair free of charge or by agreement with the customer a paid repair.
- 5. The costs for transport of the aircraft to HPH seat are covered by the customer unless otherwise agreed.

IX) Final Conditions

- 1. Orders by telephone or other oral agreements become legally binding only with our written confirmation.
- 2. All oral and written information about suitability and uses of our products, is given to the best of our knowledge and belief. This information is nevertheless based on empirical values only, which by definition are not guaranteed; and cannot be the basis for any claim against us.
- 3. The agreement as a whole shall remain binding even in the event of individual items being legally invalid. By placing an order the customer declares himself in agreement with the above conditions.
- 4. The right is reserved to introduce technical modifications prior to delivery, provided that the goods or services are not substantially modified and that they may reasonably be considered to be acceptable to the buyer.
- 5. Information about our goods (technical data, dimensions, etc.) are only approximate. They are not guaranteed, unless the guarantee is expressed and written. Plans and drawings in the context of custom-made products remain our property. The buyer acquires no rights to these plans and drawings.
- 6. This translation has been made to the best of our knowledge and belief but in case of uncertainty the Czech version is authoritative.

X) Place of Settlement and Jurisdiction

- 1. All contractual relations are governed by the Czech law.
- 2. Place of settlement for all our products and other services is CZ-28401 Kutná Hora, insofar as this is good in law. Any disputes arising from an agreement shall be submitted to a Czech law court.

Kutná Hora, 04.01.2017