



1. Travel & Accommodation Terms

1.a. Travel Arrangements: AEROAXIO will organize necessary travel for its personnel. Accommodation will be booked at four-star hotels or their equivalent.

1.b. Flight Bookings: For flights with a duration of less than 6 hours, economy class will be booked.

1.c. Travel Time Charges: Travel time will be billed at 50% of the standard hourly rates for the applicable personnel.

1.d. Expense Management: AEROAXIO is committed to minimizing expenses wherever possible.

2. General Terms

2.a. Applicability: These General Terms and Conditions, in the version applicable at the time of contract formation, are an integral part of any agreement with AEROAXIO Ltd ("AEROAXIO") regarding the supply of goods or services by AEROAXIO or its subsidiaries. Any deviations from these terms or conflicting conditions will not be accepted unless specifically confirmed in writing by AEROAXIO.

2.b. Customer Definition: These terms apply to both private and public individuals or legal entities ("Customer"), unless otherwise specified.

2.c. Non-binding Offers: All offers from AEROAXIO are non-binding. For an order to become binding, written confirmation from AEROAXIO is required. Changes or cancellations of confirmed orders will also require written approval from AEROAXIO.

2.d. Subcontracting: AEROAXIO is authorized to delegate or subcontract any services ordered by the Customer to a third party without prior notification to the Customer.

2.e. Order Cancellations: Cancellations or suspensions of orders require mutual consent. Any resulting expenses will be the responsibility of the Customer, and a cancellation fee of 15% of the order value will apply.

2.f. Termination of Contract: The contract can only be terminated if AEROAXIO has not started any fulfilment activities, including development, production, or procurement of materials required for the order.

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2.g. Acceptance of Terms: By accessing and using AEROAXIO's products or services, the Customer agrees to be bound by these Terms and Conditions.

2.h. Contract Formation & Scope of Delivery: A contract is effective once AEROAXIO confirms it in writing or initiates the quoted service.

2.i. Written Acceptance: All offers or agreements must be accepted in writing by AEROAXIO for them to be valid. This includes any amendments, changes, or additional agreements.

2.j. Scope of Delivery: AEROAXIO's written acceptance of an order or, in the absence of such acceptance, the details in AEROAXIO's offer, will define the scope of delivery and services provided.

2.k. Product Information: All product descriptions, including images, sizes, performance data, and technical specifications, are approximate. Tolerances in quantity, weight, pieces, and dimensions common to the industry are accepted.

2.l. Intellectual Property: All documents and data related to AEROAXIO's offer, such as technical drawings, descriptions, and specifications, are binding only if explicitly agreed upon in writing. AEROAXIO retains ownership of all intellectual property. These documents cannot be retained, copied, or shared with third parties without AEROAXIO's consent and must be returned upon request.

2.m. Assignment of Claims: The Customer is not allowed to assign any claims against AEROAXIO to third parties without prior written consent.

2.n. Suitability of Products: AEROAXIO is not responsible for ensuring that products made to the Customer's specifications are suitable for the Customer's intended use or compatible with existing components.

2.o. Customer Responsibility: The Customer is responsible for providing all necessary documents (such as drawings, models, or samples) and ensuring they do not infringe on third-party intellectual property rights. The Customer shall indemnify AEROAXIO against any third-party claims arising from this.

3. Prices

3.a. Quoted Prices: The prices stated in AEROAXIO's order confirmation are the only applicable prices. Additional services will be invoiced separately.

3.b. VAT: All prices are quoted excluding VAT, which will be charged separately at the applicable rate.

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3.c. Ex-Works Prices: Prices are ex-works, unless otherwise agreed. The Customer will bear any increases in costs due to subcontractor price changes, exchange rate fluctuations, or increases in customs duties, taxes, or other charges occurring after order confirmation. Both parties will cooperate to ensure compliance with applicable tax laws and regulations.

3.d. Payment and VAT: All payments due by the Customer are subject to VAT as per applicable law, and the Customer is required to pay the VAT amount in addition to the stated price.

3.e. VAT Exemption: If applicable, the Customer must provide AEROAXIO with a valid VAT ID or registration certificate and meet any other necessary conditions for VAT exemption or zero-rating.

3.f. Price Adjustments: If delivery is delayed by more than two (2) weeks for reasons beyond AEROAXIO's control, AEROAXIO reserves the right to adjust the prices at the time of delivery.

4. Delivery, Service Execution, and Deadlines

4.a. Delivery Terms: Unless otherwise agreed, delivery will be ex-works (Incoterms 2020) according to AEROAXIO's Terms and Conditions.

4.b. Delivery Deadlines: Delivery deadlines are only binding if confirmed in writing. Deadlines begin on the date AEROAXIO confirms the order, but not before all details, including necessary certifications, are settled. AEROAXIO will meet the delivery deadline if notification of readiness to ship occurs on time, even if the goods cannot be shipped on time due to reasons beyond AEROAXIO's control.

4.c. Grace Periods: If a delivery deadline or date is not specifically agreed upon, the Customer can set a reasonable grace period two weeks after the initial deadline. AEROAXIO will be considered in default only after the grace period expires.

4.d. Delays Due to Customer Default: Delivery deadlines will be extended by the duration of any delays caused by the Customer's failure to meet their obligations. AEROAXIO's liability for damages in such cases is governed by Section 9 of these Terms.

4.e. Delivery Organization: AEROAXIO reserves the right to manage delivery through its own logistics organization.

4.f. Partial Deliveries: AEROAXIO may deliver before the scheduled delivery date or in partial deliveries unless otherwise agreed in writing.

4.g. Contract Rescission: The Customer can rescind the contract after two unsuccessful grace periods, unless the delay is temporary and does not significantly affect the Customer.

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4.h. Failure to Rescind: If the Customer does not exercise their right to rescind the contract within a reasonable period set by AEROAXIO, the right to do so will be forfeited.

4.i. Force Majeure: Delivery or service deadlines will be extended if AEROAXIO or its suppliers face unforeseen obstacles such as strikes, fires, embargoes, or regulatory actions, which affect AEROAXIO's ability to meet its contractual obligations. If the delivery period is extended, the Customer may withdraw from the contract after the extended period.

4.j. Late Delivery: If AEROAXIO is delayed in delivery and the Customer has set a reasonable grace period, the Customer may rescind the entire contract or the unfulfilled portion, provided that partial performance is not of interest. Claims for damages due to delays or poor performance are excluded, except as specified in Section 9. If AEROAXIO is liable for damages due to delays, the Customer can claim compensation of 0.5% of the contract price for each full week of delay, up to a maximum of 5%.

4.k. Binding Work Deadlines: Work deadlines are binding only if expressly confirmed in writing by AEROAXIO.

4.l. Delay Due to Customer Failure: If the Customer has not fulfilled their obligations, the agreed work deadlines may be extended, or work may be suspended. Delays can also result from force majeure or other unforeseen events like parts shortages.

5. Shipment and Transfer of Risk

5.a. Unless otherwise agreed in writing, shipment shall be at the Customer's risk. Risk is transferred to the Customer as soon as the goods are handed over to the shipping carrier.

5.b. If the shipment is delayed due to the Customer's actions, the risk of loss, damage, or deterioration of the goods passes to the Customer once Aeroaxio notifies the Customer that the goods are ready for shipment. Any storage costs incurred after the transfer of risk will be borne by the Customer. This does not affect any other claims Aeroaxio may have.

5.c. If the Customer fails to accept delivery, Aeroaxio has the right to recover any costs incurred, and the risk of loss, deterioration, or destruction of the goods will transfer to the Customer.

6. Payment

6.a. The Customer is responsible for any exchange rate fluctuations and transfer fees related to payments.

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6.b. Unless otherwise agreed, the contract price must be paid in advance.

6.c. For spare parts and custom-made goods, the following payment terms apply:

6.c.a. Payment of 100% of the net price is due before delivery. For custom products, a deposit, as instructed by Aeroaxio, is required. Payments are considered settled when Aeroaxio's account is credited with the full amount.

6.c.b. If the Customer fails to pay the deposit within two (2) weeks after receiving the invoice, Aeroaxio has the right to cancel the order and charge a 20% cancellation fee based on the net price of the goods. If the Customer still wishes to purchase the goods, a new order must be placed.

6.c.c. Incorrectly ordered spare parts must be returned within five (5) calendar days after delivery, with prior written approval from Aeroaxio. A 20% restocking fee will apply, and the return must include the original certificates, delivery note, invoice, and Aeroaxio's authorization.

6.c.d. The Customer is not permitted to withhold or reduce any payments due to alleged claims against Aeroaxio.

6.c.e. Ownership of the products supplied remains with Aeroaxio until the Customer has settled all financial obligations. The Customer is prohibited from reselling, pledging, or otherwise disposing of the goods. If the goods are resold or otherwise disposed of, the Customer agrees to assign any claims against third parties to Aeroaxio.

6.c.f. If Aeroaxio agrees to a partial payment plan before shipment, the Customer may not modify or resell the product until full payment is made.

6.c.g. The Customer is required to comply with all legal requirements to protect Aeroaxio's property or security interest. In the event of attachment or other legal seizure, the Customer must notify Aeroaxio immediately and provide proof of Aeroaxio's title.

6.c.h. Aeroaxio may charge reminder fees of EUR 50.00 after the second reminder for overdue payments.

6.c.i. If payment is not received after the third reminder, the Customer's account will be locked. A EUR 150.00 fee will be charged to unlock the account upon successful payment of the outstanding balance, including reminder fees and interest.

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6.c.j. Aeroaxio may withdraw from the contract if payments are not made despite repeated reminders, if the Customer's financial situation appears to be deteriorating, or if the Customer refuses to provide a bank guarantee for contractual obligations. In case of withdrawal, the Customer will be liable for costs incurred up to that point, with a minimum cancellation fee of 20% of the net contract value.

6.c.k. Aeroaxio may refuse to perform further services if it becomes evident after the contract has been concluded that there are reasonable doubts regarding the Customer's ability to fulfill the contract unless sufficient security is provided.

6.c.l. In the event of payment delay, Aeroaxio may withhold further deliveries or services until the outstanding payment is settled. Default interest of 8.5% per annum, plus any applicable fees, will be charged for overdue payments.

7. Retention of Title

7.a. Goods supplied remain the property of Aeroaxio until all invoices, for whatever reason, have been fully paid.

7.b. If the Customer processes, combines, or mixes goods subject to retention of title with other goods, Aeroaxio shall retain co-ownership of the new property in proportion to the invoiced value of the goods under retention of title. If the co-ownership rights are void due to processing, combining, or mixing, the Customer assigns to Aeroaxio any ownership rights in the new property equivalent to the value of the goods originally supplied by Aeroaxio.

7.c. The Customer may resell or use goods subject to retention of title in the ordinary course of business as long as no payment defaults occur. The Customer must notify Aeroaxio immediately if the goods are seized or subject to any third-party claims. All associated intervention costs will be charged to the Customer if they cannot be collected from the third party. The Customer is prohibited from reselling goods under retention of title on terms different from those originally agreed with Aeroaxio.

7.d. The Customer must assign any receivables arising from the resale of goods under retention of title to Aeroaxio as collateral. The Customer is only authorized to resell these goods if the receivables are assigned to Aeroaxio.

7.e. If the Customer resells goods under retention of title together with goods from other suppliers at a total price, the Customer will assign to Aeroaxio the portion of the receivable corresponding to the net value of the goods initially supplied by Aeroaxio.

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7.f. If the receivable is part of a current account, the Customer immediately assigns the portion of the balance equivalent to the receivable to Aeroaxio.

7.g. Until Aeroaxio revokes the right to collect assigned receivables, the Customer is authorized to do so. However, Aeroaxio may revoke this right if the Customer fails to meet payment obligations. The Customer must notify Aeroaxio immediately of any assigned receivables and cooperate in their collection.

7.h. If the value of Aeroaxio's collateral exceeds the amount of secured claims by more than 50%, the Customer may request that Aeroaxio release some of the securities.

7.i. If Aeroaxio enforces retention of title, this does not automatically constitute a rescission of the contract unless explicitly stated in writing. The Customer loses the right to possess goods under retention of title if they fail to meet their contractual obligations.

8. Warranty

8.a. Aeroaxio is responsible for defects in workmanship and title according to the provisions outlined below.

8.b. If Aeroaxio intentionally conceals a defect or provides a warranty, the Customer's rights will be governed by applicable statutory provisions.

8.c. Specifications regarding Aeroaxio's goods, such as pictures, measurements, weight, and capacity in offers or brochures, are approximate and do not constitute a quality warranty.

8.d. Certain characteristics are only considered warranties if explicitly confirmed in writing as such.

8.e. Any claims for damages or compensation are subject to the provisions of Section 9.

8.f. The Customer must inspect the goods immediately upon receipt and notify Aeroaxio in writing of any obvious defects, discrepancies, or incorrect deliveries within three (3) days, and before any installation, processing, or mixing. Failure to do so will result in the goods being considered approved, except in cases of fraudulent concealment by Aeroaxio. Hidden defects must be reported within three (3) days of discovery.

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8.g. The Customer must allow Aeroaxio to assess any complaints and be present for any withdrawal or inspection of goods.

8.h. Claims for defects are subject to the limitation periods specified in the quotation, except for claims related to personal injury or damage caused by Aeroaxio's gross negligence or intent.

8.i. Aeroaxio's warranty for defects of quality or title is limited to providing a remedy (repair or replacement). If such remedies fail after a reasonable period, the Customer may reduce the purchase price or withdraw from the contract, except where the defect is minor or where partial deliveries have been made.

8.j. The Customer must return defective goods to Aeroaxio for repair or replacement at their own expense, unless reshipping is not possible due to the nature of the delivery. Aeroaxio will cover transport costs for repairs or replacement, but only up to the original purchase price and from the place of delivery.

8.k. The Customer must allow Aeroaxio reasonable time and opportunity for repairs or replacements. In urgent cases of risk to safety or to prevent unreasonable damage, the Customer may repair the defect independently after notifying Aeroaxio and claim reimbursement of necessary costs.

8.l. Installation or processing of goods is considered acceptance of the goods, provided any defects were apparent.

8.m. If legitimate defects are reported, the Customer may withhold payment proportionally to the value of the defective goods. For unjustified defect claims, Aeroaxio may charge the Customer for any costs incurred.

8.n. Claims based on defects are excluded for minor deviations from agreed or typical characteristics.

8.o. Defects must be reported in writing.

8.p. Warranty will be void if operating or maintenance instructions are not followed, if the goods are altered, or if non-original parts or materials are used unless the Customer can prove that the defect was caused by another factor.

8.q. Improper use, wear and tear, careless treatment, improper maintenance, and use of unsuitable materials are not covered by warranty.

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8.r. If Aeroaxio's liability for defects is due to third-party materials, the Customer must pursue claims against the third-party supplier. Aeroaxio will assign any claims it has against the supplier to the Customer.

9. Exchange Sale, Core Policy and Return of Unused Parts

9.a. Standard Exchange: The prices for Standard Exchange are based on typical repair or overhaul costs. Non-standard replacement parts (such as pistons, housings, armatures, etc.) are not included in the standard repair/overhaul price and will incur additional charges. Core units may be rejected or billed extra if they require more than the standard labor to complete the repair/overhaul, or if they do not meet the conditions outlined in Section 10 (Core Return Policy). Additional charges will be applied at cost.

9.b. Flat Exchange: The exchange price is set at a fixed rate, with no additional charges unless the condition of the core unit warrants it. Parts like pistons, shafts, armatures, and end bells are included in the flat-rate price. Core units may be rejected or charged additional fees if they fail to meet the Core Return Policy. Additional costs will be billed at actual cost.

9.c. Exchange Plus Cost (EX): The Customer agrees to pay an exchange fee in addition to the cost of repair or overhaul. Repair/Overhaul charges will be invoiced based on the workshop quotation/estimate and will include a 15% processing fee, plus shipping costs. Aeroaxio reserves the right to convert the transaction into a straight sale if the Customer does not approve the quotation within 7 days. All workshop and transport costs will be added to the final invoice.

9.d. Loan Transactions: The loan period begins when the loan unit is dispatched to the Customer. The loan is considered complete when Aeroaxio receives the loan unit back in serviceable condition, with all required documentation. If the loan unit is returned in unserviceable condition, with a different serial number, or with incomplete or incorrect paperwork, Aeroaxio reserves the right to repair, overhaul, or recertify the unit at the Customer's expense.

9.e. Core Charge: When a standard or flat exchange sale is agreed upon, the Customer will be informed of and billed for a core charge. This charge represents the amount the Customer will owe if the core is not returned or is deemed unacceptable. The core charge will be credited back to the Customer once the core is received and accepted.

9.f. Core Return Deadlines: Core units must be returned within 10 days domestically and 15 days internationally from the date the exchange unit was shipped. Late returns will incur a penalty of 15% of the exchange sale price per day, starting from the 11th or 16th day

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(domestic/international). If the core unit is not returned within 30 days of shipment, the sale is considered final, and the core charge will not be refunded.

9.g. Conditions for Core Returns: No additional charges will be applied for exchange transactions, provided the core unit:

- Has the same part number and modification status as the original part unless otherwise approved by Aeroaxio.
- Is economically repairable.
- Is complete, with no missing or unauthorized parts.
- Has intact identification or data tags.
- Has not been previously disassembled or evaluated by a repair facility.
- Has not been subject to abnormal use, mechanical damage, excessive wear, or corrosion.
- Has not been involved in an incident (e.g., fire or water damage).

9.h. Beyond Economical Repair (B.E.R.): A core unit will be classified as B.E.R. if the cost of repair/overhaul exceeds 70% of its agreed outright value. Such cores will be rejected.

9.i. Core Overhaul at Customer's Expense: If a core unit is returned with less remaining life than the exchange unit, the Customer agrees that the core will be overhauled at their expense.

9.j. Proof of Shipment and Delivery: It is the Customer's responsibility to provide proof of shipment and delivery for all outstanding core units.

9.k. Shipping Requirements: All core units containing liquids must be fully drained and sealed to prevent leakage during shipment, and must comply with regulations for hazardous materials, if applicable. Core units should be cleaned of external oils, grease, and dirt, and properly packaged and secured.

9.l. Inspection and Notification: Upon receipt, the Customer must inspect parts and notify Aeroaxio in writing of any non-conformities. Aeroaxio must be given reasonable time to correct any actual issues. Parts must be returned in the same packaging as originally received or as required by law, whichever is stricter. A defect claim must be made within 5 days of receipt before returning a part. Otherwise, the part will be processed as a standard core unit, and the Customer will be responsible for any re-certification, modifications, or overhaul costs.

9.m. Restocking Fee: A 15% restocking fee will be charged for each unused part returned. The maximum restocking fee is EUR 2,500. Parts returned for credit without original documentation will not be accepted, and the Customer will bear any associated costs. If the tamper-proof seal of the

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unused part is broken, recertification and/or transportation fees may apply. Parts will not be accepted for return after 30 days.

9.n. Used Parts: If Aeroaxio determines that a returned unused part has been used, the Customer will be charged for the necessary restoration to return the part to its original condition.

10. Limited Liability and Copyright

10.a Liability for Breach of Contract: In cases of breach of contract, defective deliveries, or tortious acts, Aeroaxio is only liable for damages if the breach occurred intentionally or as a result of gross negligence.

10.b. Exceptions to Liability Limitations: The limitations of liability do not apply in cases of quality warranty, failure to disclose a defect maliciously, or claims involving death, bodily injury, or health damage. They also do not apply if the law on product liability imposes mandatory obligations.

10.c. Limitation Period: The limitation period for claims against Aeroaxio is 12 months from the date of delivery, or, for tort claims, 12 months from the date the Customer becomes aware (or should have become aware) of the grounds for the claim and the responsible party. This does not apply in cases of intentional or grossly negligent breaches.

10.d. Exclusion of Indirect Damages: Aeroaxio and its employees are not liable for indirect or consequential damages unless the Customer proves that the damage was caused by gross negligence or willful misconduct. Aeroaxio is not liable for any indirect or consequential loss.

10.e. Infringement Claims: If a third party claims that the use of Aeroaxio's products infringes on their industrial property rights or copyrights, Aeroaxio will be responsible for securing the right for the Customer to continue using the product. If it becomes impossible to continue use under reasonable conditions, Aeroaxio may modify, replace, or take back the product and refund its reasonable value, less depreciation for age.

10.f. Limitations on Liability for Infringement: The Customer has no further claims for infringement if Aeroaxio has not breached essential contractual duties or acted with gross negligence. Aeroaxio is not liable for infringement caused by improper use of the product or by combining it with products from other suppliers.

10.g. Manuals and Handbooks: Manuals and handbooks provided by Aeroaxio are loaned to the Customer and may not be reproduced, stored, or transmitted without prior written consent from Aeroaxio.

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10.h. Transfer of Manuals: In the event of the transfer or termination of the contract, the Customer must return the manuals to Aeroaxio, and ensure that all electronic versions are deleted from data storage.

10.i. Loss or Damage to Manuals: The Customer is responsible for any loss or damage to the manuals and will be charged for replacements or repairs.

11. Termination

11.a. Grounds for Termination by Either Party: Both parties may terminate the contract by written notice if:

- Bankruptcy proceedings are initiated against either party's assets, or if proceedings are not initiated due to insufficient assets.
- The other party materially breaches the contract and fails to remedy the breach within two months of written notice.

11.b. Grounds for Termination by Aeroaxio: Aeroaxio may terminate the contract if:

- Delivery becomes impossible due to reasons attributable to the Customer.
- The Customer's financial situation deteriorates significantly, and the Customer cannot or will not provide adequate security for payment.
- Payments are not made within 60 days of the due date, despite Aeroaxio fulfilling its obligations.
- There is a significant change in the Customer's ownership or management that impacts Aeroaxio's interests.

12. Confidentiality

12.a. Confidentiality of Information: Unless otherwise stated in writing, any information provided to Aeroaxio in connection with orders will not be considered confidential, unless its confidential nature is clear.

12.b. Personal Data: Aeroaxio may store and transfer personal data related to the contractual relationship, including to companies associated with Aeroaxio.

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13. Applicable Law and Jurisdiction

13.a. Arbitration: All disputes arising from this contract shall be finally settled through arbitration, in accordance with the Rules of the International Chamber of Commerce, by one arbitrator appointed per those rules.

13.b. Place of Arbitration: The arbitration will take place in Malta, and Maltese procedural law will apply where the rules are silent.

13.c. Arbitration Award: The arbitral award shall be substantiated in writing, and the arbitrator will determine the costs of the arbitration.

13.d. Language of Arbitration: The proceedings will be conducted in Maltese or English. Any documents in other languages must be translated into English.

14. Miscellaneous

14.a. Severability: If any provision of these Terms and Conditions is found to be invalid or void, the remaining provisions will not be affected. The parties agree to replace the invalid provision with a valid one that closely aligns with its original intent.