



**article 1. General**

1. These conditions apply to every offer, quotation and agreement between Holland Aviation Consultancy and Engineering, hereinafter referred to as "Contractor", and the Client to which these terms and conditions apply. Any deviations to these terms and conditions should be agreed in writing by Contractor and Client.
2. These conditions also apply to contracts with the Contractor, for the execution of which third parties should be involved.
3. These general conditions are also written for the employees of the Contractor and its management.
4. The applicability of any purchase conditions or other conditions of the Client is explicitly rejected.
5. Should any provision of these terms and conditions at any time become wholly or partially invalid or void, the other or remaining terms and conditions will still fully apply. Contractor and the Client will enter into negotiations to agree new provisions to replace the invalid or void agreements, as much as possible with the purpose and intent to preserve the contents of the original provisions.
6. If uncertainty exists regarding the interpretation of one or more provisions of these terms and conditions, then the explanation must be found "in the spirit" of these provisions.
7. If there is a conflict between parties that is not covered by these conditions, this situation should be judged by the spirit of these terms and conditions.
8. If the Contractor does not always require strict compliance with these conditions, than this does not mean that its provisions do not apply, or that the Contractor in any degree would lose the right (in other cases) to desire the strict observance of the provisions of these terms and conditions.

**article 2 Quotations and offers**

1. All quotations and offers from Contractor are free from obligations, unless the offer holds a deadline for acceptance. If no acceptance period is prescribed, no rights can be claimed if the product or service on which the offer relates, in the meantime is no longer available.
2. Contractor is allowed not to comply with the offer or quotation, when the client can reasonably understand that the contents of the offer or quotation, or any part thereof, contains obvious mistakes or errors.
3. Prices in the quotation or offer are exclusive of VAT and other government levies and costs, including travel and subsistence, postage and administration costs, unless otherwise specified.
4. If the acceptance (whether or not to subordinate items) deviates from the offer or the quotation, the Contractor is not bound to this deviation. The agreement is then made in accordance with deviating acceptance, unless Contractor otherwise.
5. A compounded quotation shall not oblige the Contractor to execute a portion of the assignment against a corresponding part of the price. Offers do not automatically apply to future orders.

**article 3 Contract/agreement duration, risk transition, Execution and changes to the agreement; price increases**

1. The agreement between the Contractor and the Client is entered for a fixed period, unless the nature of the agreement dictates otherwise or if the parties expressly agree otherwise in writing.
2. When agreed work or supply of services or products is bound to a delivery period or deadline, than this can never be considered as a solid period or deadline. With the expiry of a period or deadline, the client must provide a written notice of default. Contractor shall designate a reasonable time to conclude the work or the delivery of the product as agreed.
3. Contractor shall execute the agreement to the best knowledge and ability and in accordance with the requirements of good craftsmanship. This based on the current state of scientific facts.
4. The Contractor has the right to engage third parties for certain work. The applicability of Article 7:404, 7:407 and 7:409 paragraph 2 shall be expressly excluded. If the Contractor or third parties engaged by the Contractor perform the work under contract agreements at the location of the Client or a location designated by the Client, the Client shall provide free care and reasonable facilities for the contractors to perform the work.
5. Delivery is made from location of the Contractor. The Client is obliged to take in products or services at the moment they are made available to him. If the client refuses or neglects to provide information and instructions necessary for the delivery, then the Contractor shall be entitled to store business expense at the risk of the Client. The risk of loss, damage or loss is transferred to the Client at the moment things are available to the Client.
6. Contractor has the right to perform the work in different phases and bill them separately.
7. If the agreement is implemented in phases, Contractor may postpone the activities belonging to a following stage, until the Client has approved the results of the preceding activities in writing.
8. The client makes sure that all data, which Contractor indicates that is necessary or which the Client reasonably understand that is necessary to perform the work, will be provided in time to the Contractor. When the required data to needed to perform the work is not provided in time, Contractor is entitled to suspend the work to be performed, or charge the Client additional costs using the applicable fees for any delays or extra work caused by missing, incorrect or wrong data from the Client. The implementation period shall begin no earlier than after the Client has made the appropriate data available. The contractor is not liable for damages of any kind, because the contractor performed the work on the basis of incorrect or incomplete information provided by the Client.
9. If it appears during execution of the agreement, that in order to achieve a proper implementation, the agreement needs to be modified or a supplement is required, than both parties shall negotiate and agree in writing any modifications or supplements to the initial agreement. When the context of the agreement, whether by request from the Client, competent authorities et cetera, is changed, and the agreement changes qualitatively and / or quantitatively, than this can impact the original agreement. This can result in an increase or decrease of the quotation or agreed price. Contractor will quote prices in advance as much as possible. By amending the agreement the initially specified period of implementation may also be subjected to change. The Client accepts the possibility of modifying the agreement, including changes in price.
10. If the agreement is changed, including a supplement, then the Contractor is entitled to first implement the change after an agreement is given by the agreed competent person of the Contractor and the Client has agreed with the execution, price and other conditions, including the time then determine which is executed. Failure or delay of implementation of the amended agreement does not breach the Contractor and the Client and is no reason to cancel the agreement. Without being in default, Contractor may refuse a request to amend the agreement, if this amendment has qualitatively and / or quantitatively consequences for the service or product to be delivered.
11. If the Client should be in default in the proper performance of which he is held against the Contractor, the Client is liable for all damages to the Contractor thereby directly or indirectly.
12. When the Contractor and the Client have agreed on a fixed fee or fixed price, the Contractor is always entitled to increase this fee or price without the Client being entitled to dissolve the agreement, when the increase of the fee or price results from a power or obligation by law or regulation, or from an increase in the price of raw materials, wages, etc. or on other grounds which were reasonably not foreseeable at the moment the agreement was made.
13. If the price other than as a result of an amendment to the agreement exceeds 10% within three months after the conclusion of the contract, the client who will appeal to Title Section 3 of Book 6 BW is entitled to terminate the agreement with a written statement, unless:
  - the Contractor is still prepared to carry out the contract on the basis of the original agreement;
  - the price increase resulting from an obligation on the Contractor power or duty under the Act; it is stipulated that the delivery will take place more than three months after the conclusion of the agreement;
  - in the case of delivery of an item, it is stipulated that the delivery will take place longer than three months after purchase.

**article 4 Suspending, dissolution and provisional termination of the agreement**

1. Contractor is entitled to dissolve or suspend the agreement, when the Client does not, or not fully comply to the obligations of the agreement, when Contractor has reasonable grounds or evidence that the Client cannot comply to the obligations of the agreement. If the client at the conclusion of the agreement was requested to provide security for the fulfillment of his obligations, and this security is not provided or insufficient or with a delay, then Contractor is no longer bound to perform the agreement as originally agreed.
2. Furthermore, the Contractor is entitled to terminate the agreement if circumstances arise of such nature that fulfillment of the contract becomes impossible or if other circumstances arise of such a nature that the preservation of the agreement is not reasonable for the Contractor.
3. If the agreement is dissolved, the claims of the Contractor to the Client immediately become due and collectible. If the Contractor suspends the obligations, he shall retain the rights by law and the agreement.
4. If the Contractor to suspend or dissolve the agreement, he is in no way liable for damages and costs incurred in any way.
5. If the dissolution is attributable to the Client, the Contractor is entitled to compensation for damages, including costs, directly and indirectly.
6. If the Client does not follow obligations under the agreement, and it requires desolving the agreement, than Contractor is entitled to dissolve or cancel the agreement with immediate effect and without any obligation to pay any damages or compensation, while the Client, by virtue of default, is required to compensate for any damages.
7. If the agreement is terminated by Contractor, Contractor will, in consultation with the Client, arrange for transfer of the remaining work or activities to third parties. That unless the withdrawal is attributable to the Client. If the transfer of the Contractor for extra work involves costs, they will be charged to the Client. The Client shall pay such costs within the period specified, unless otherwise specified by the Contractor.
8. In the event of liquidation, (application of) receivership or bankruptcy or sequestration – if or as far as the sequestration has not been canceled within three months - at the expense of the Client, of debt repayment or other circumstance that the Client no longer freely has access to his capital, the Contractor is free to terminate or cancel the order or agreement with immediate effect, without any obligation to pay any damages or compensation. The claims of the Contractor in that case are immediately due and payable.
9. If the customer wholly or partially cancels a placed order, the work performed and already produced products and provided services, multiplied with any supply or transport costs and allocated labor hours, will be charged as integral cost to the Client.

**article 5 Force majeure**

1. Contractor is not obliged to perform any obligation to the client if he is being hampered due to a circumstance that is not due to negligence, and by virtue of law, a legal action or generally accepted to be borne.
2. Force majeure is in these terms and conditions, apart from what the law and jurisprudence states, all external causes, foreseen or unforeseen, which the Contractor's has no control off, and which makes the Contractor unable to fulfill the obligations from the agreement. Strikes in the company of the Contractor or third parties included. Contractor has the right to invoke force majeure if the circumstance rendering (further) performance of the contract occurs after the Contractor had to honor his commitment.
3. Contractor may, during the period of force majeure, suspend its obligations. If this period lasts longer than two months, then each party is entitled to terminate the agreement without any obligation to pay damages to the other party.
4. Insofar Contractor at the time of the force majeure has partially fulfilled or will fulfill its obligations under the agreement, and the fulfillment has an independent value, the Contractor shall be entitled to already separately bill the fulfilled work or services. The Client is obliged to pay this invoice as if it were a separate agreement.

**article 6 Payment and collection costs**

1. Payment must always be made within 14 days after the invoice date, in a manner to be specified by the Contractor in the currency of the invoice, unless otherwise indicated by the Contractor. Contractor is entitled to periodic billing.
2. If the Client defaults in the timely payment of an invoice, then the client is legally in default. The client shall owe an interest of 1% per month, unless the statutory interest rate is higher, in which case the statutory interest will lead. The interest on the due amount will be calculated from the time the Client is in default, until the moment of payment of the complete bill.
3. Contractor has the right, to stretch payments made by Client firstly in reduction of costs, then deducting the interest still due and finally to reduce the principal and accrued interest. Contractor may, without being in default, refuse an offer of payment if the Client offers a different order for the allocation of his payment. Contractor may refuse full payment of Client, if not also the cases and accrued interest and collection costs are included.
4. The client is never entitled to set settle the bill to the contractor. Objections to the amount of a bill does not suspend the payment obligation, reason.
5. If the Client is in default or omission in the (timely) performance of its obligations, all reasonable costs incurred in obtaining settlement outside court will be on behalf of the Client. The extra costs are calculated on the basis of what the Dutch collection practice is currently under the Report calculation method II. If the Contractor has made higher costs for collection than reasonably necessary, the actual costs are recoverable. Any judicial and execution costs will also be recovered by the Client. The Contractor is beside the collection costs also identified to include interest. Clients not appealing to Section 6.5.3 (Articles 231 to 247 book 6 BW) are not entitled to suspension of payment of an invoice for any other

**article 7 Property reservation**

1. By the Contractor under the contract delivered service or product, remains the property of the Contractor until the Contractor has properly fulfilled all obligations under the agreement (s).

2. The by Contractor provided service or product, under paragraph 1. under the retention of secrecy may not be resold and must never be used as payment. By property rights, the Client is not entitled to pledge or otherwise encumber.
3. The Client must always do what was reasonably expected of him to secure the property rights of the Contractor. If third parties seize the property to be delivered or rights to establish or exercise, then the Client is obliged to immediately notify the Contractor. It also obliges the Client to insure the under property rights delivered products or services and keep it insured against fire, explosion, water damage and theft, and make the policy of this insurance on first request the Contractor available to inspect. Contractor is entitled to any payment of insurances. Insofar as necessary, the Client undertakes towards the Contractor full cooperation with all that the framework of the agreement requires necessary or (seems to be) desirable.
4. In the event the Contractor wants to exercise the in this article referred designated property rights, the Client in advance unconditional and irrevocable consent to the Contractor and the by the Contractor designated third parties to enter all the places where property of the Contractor is located and to take this back.

**article 8 Warranty, research and advertisement, statutory limitation terms**

1. The by the contractor delivered services or products meet the usual requirements and standards that at the time of delivery could be made reasonably and in which they are normally intended for use in the Netherlands. The warranty mentioned in this article shall apply to matters that are intended for use within the Netherlands. When outside the Netherlands, the client itself is to verify that its use is suitable over there and meets the required conditions. Contractor may then raise other guarantees and other conditions in respect of the supplied business or activity to be undertaken.
2. The in paragraph 1 of this article described warranty is valid for a period of one year after delivery, unless the nature of the provided service or product requires otherwise, or the parties agree otherwise. If warranty is provided by the Contractor for third party services or products, then the warranty is provided limited to those services or products provided by third party manufacturer unless otherwise indicated.
3. Any kind of guarantee will be disposed if a defect is caused as a result of improper or inappropriate use or use after the expiry date, improper storage or maintenance by the Client and / or third party when, without the written permission of Contractor, the Client or third parties have made changes or have tried to bring changes in effect, were confirmed modified otherwise than as prescribed. The Client is not entitled to warranty if the defect is caused by or arising from circumstances in which Contractor may exercise any influence, including weather conditions (such as but not limited to, extreme temperatures or rainfall), et cetera.
4. The Client is obliged to investigate the delivered service or product, immediately at the moment that things are made available and the relevant activities are carried out. It belongs to the Client to investigate whether the quality and / or quantity of delivered corresponds with what was agreed and meets the requirements of which the parties thereto have agreed. Any visible defects needs to be reported within seven days after delivery in writing to the Contractor. Any defects not being visible immediately, but in any event within fourteen days from the moment of discovery shall be reported in writing to the Contractor. The report, must have a detailed description of the defect, so that the Contractor is able to respond adequately. The Contractor should have the opportunity from the Client to perform research on the defects.
5. If the Client objects in a timely manner, it will not suspend its payment obligation. The client is in that case also required to accept delivery and pay for the otherwise ordered services or products as agreed between both parties.
6. If a defect is reported not in a timely manner, then the Client is not entitled to repair, replacement or compensation.
7. If it is determined that a service or product is flawed and written objection has been made in a timely manner, then the Contractor will substitute the service or replace or repair the defective goods within a reasonable time after the return receipt or, if return is not reasonably possible, provide written notification to the lack of delivery towards the Client. In case of replacement, the Client is entitled to return the goods to the Contractor or handover property ownership, unless otherwise specified by the Contractor.
8. If it transpires that a complaint is unfounded, then the costs involved, including the research costs for the Contractor, will entirely be borne by the Client.
9. After the warranty period, any repair or replacement costs, including administration, postage and transaction costs, will be billed to the Client.
10. Notwithstanding the Legal statutory limitation periods, the limitation period of all claims and defenses against the Contractor and the by the Contractor in the performance included third party, is one year.

**article 9 Liability**

1. If the Contractor is liable, this liability is limited to what is covered by this provision.
2. The contractor is not liable for damage of whatever nature, caused by the Contractor working for or on behalf of the Client with provided incorrect or incomplete information.
3. If the Contractor should be liable for any damage, then the liability of the Contractor is limited to a maximum of twice the invoice value of the order, at least for that part of the order which the liability relates.
4. Contractor's liability is always limited to the amount of the benefit of its insurer, as appropriate
5. Contractor will be liable for demonstrable direct damage as a result of a shortcoming on the part of the contractor.
6. Direct damage is only the reasonable costs incurred to establish the cause and extent of the damage, as far as it relates to damage under these conditions, any reasonable costs incurred by the poor performance of the Contractor meeting the agreement, as far as this can be held accountable to the Contractor, and reasonable costs incurred to prevent or minimize damage, as far as the Client demonstrates that previous defined costs have led to the limitation of direct damage as referred to in these conditions. Contractor shall not be liable for indirect damages, including consequential damages, lost profits, lost savings and damage due to business stagnation.
7. Direct damage needs to be notified to the Contractor in writing.
8. The limitations of liability in this article, do not apply if the damage is due to poor performance on purpose or gross negligence of the Contractor or his senior subordinates.

**article 10 Safeguarding**

1. The Client shall indemnify the Contractor for any claims by third parties in connection with the execution of the suffered damage and those are caused by others than the Contractor. If the Contractor accordingly by third parties should be addressed, then the Client in entitled to assist and support the Contractor both outside and in law to assist and immediately do what ever is and can reasonably be expected in that case. Should the Client fail to take adequate action, than the Contractor, without notice, is entitled to do so themselves. All costs and damages to the Contractor and others that are created, are for the account and risk of the Client.

**article 11 Intellectual property**

1. The contractor retains the copyright and intellectual property rights for all goods and services delivered. The contractor is entitled by the execution of an agreement to use his the obtained knowledge for other purposes, provided that this is knowledge not strictly confidential information from the Client to the attention of third parties.

**article 12 Legal applicable rights and litigations**

1. I legal relationships with the Contractor's party, only Dutch law applies even if a contract wholly or partly is to be given abroad or if the legal relationship concerned party is domiciled there. The applicability of the CISG is excluded.
2. The judge in the place of the Contractor shall have exclusive jurisdiction over disputes, unless the law requires otherwise. Nevertheless, the Contractor shall have the right to submit the dispute to the competent court according to law.
3. The parties only appeal to the courts after their effort of solving the dispute with the utmost effort by mutual consultations fails.

**article 13 Location and changes Terms and conditions**

1. These conditions have been filed at the Chamber of Commerce on March 7<sup>th</sup> 2014 under number 34359559.
2. These conditions are also published on the back of each quote and invoice and on the website www.hace-online.com.
3. The last registered version or the version valid at the time of conclusion of the legal relationship with the Contractor always applies.
4. The Dutch text of the Terms and Conditions is the determining factor in its interpretation.