

**Achzakot 2000 - Bedek Aircraft (98) Ltd.- General Terms & Conditions  
for Aircraft Maintenance Services**

**Definitions:**

"The Customer"	The entity that owns or holds the Aircraft for which services are being requested.
"Aircraft"	The Aircraft and/or its parts.
"Service Provider"	Achzakot 2000 - Bedek Aircraft (98) Ltd., Company No. 512633397.
"The Parties"	The Service Provider and the Customer together.
"CAAI"	The Israeli Civil Aviation Authority.
"Services"	Maintenance services for the Aircraft or its parts, which may include "Inspection Operations" and/or "Maintenance Operations" as defined in the Aviation Law, 2011 and the Aviation Regulations (Maintenance Institutes), 2013 (hereinafter collectively: the "Aviation Law"), all according to the description and scope of services as agreed upon between the parties.

**1. Introduction**

- 1.1 These General Terms & Conditions shall apply to all supply of services by the Service Provider to the Customer, unless otherwise expressly agreed in writing between the parties.
- 1.2 Unless explicitly agreed in writing by the Service Provider, any additional or different terms proposed by the Customer or included in the order confirmation by the Customer shall be rejected by the Customer and shall have no validity.
- 1.3 The sections headings are for convenience only and should not be used to interpret these General Terms & Conditions.

**2. Engagement**

- 2.1 Any order from the Customer for services to be provided by the Service Provider must be in writing.
- 2.2 The Service Provider shall have no obligation to perform a service order unless confirmation is provided for the order as mentioned. Such confirmation shall be valid only if issued by an authorized representative of the Service Provider in writing.
- 2.3 The services shall be provided by the Service Provider at one of the Service Provider's sites, unless otherwise agreed in writing in the order.
- 2.4 Provision and Return of Aircraft to the Service Provider's Site:
  - 2.4.1 The Customer is responsible for delivering the Aircraft to the Service Provider's site, including all associated costs.
  - 2.4.2 Upon completion of the services, the return of the Aircraft to the Customer shall take place at the Service Provider's site.
- 2.5 The Customer shall pay the Service Provider the agreed compensation for performing the services, in the amount agreed upon between the parties, in writing, in the order.
- 2.6 Payment Terms: Unless otherwise expressly agreed between the parties in writing in the order, the payment terms shall be as follows:

- 2.6.1 The payment shall be made to the Service Provider within 30 days of the Customer's confirmation of the invoice.
- 2.6.2 The payment shall be made with VAT as required by law, and against a duly prepared tax invoice.

**3. Service Provider's Commitments and Declarations**

The Service Provider declares and undertakes as follows:

- 3.1 It holds a valid "Maintenance Institute License", as defined in the Aviation Law, issued by CAAI, and that the license is in accordance with the Service Provider's obligations in relation to providing services for the Aircraft.
- 3.2 It meets the definition of a "Maintenance Institute" and provides "Inspection Operations", as defined in the Aviation Law.
- 3.3 It has the means to meet its obligations, inter alia, under the Aviation Law, including appropriate facilities, suitable and sufficient equipment, maintenance procedures, updated and available maintenance information, work card registration, appropriate personnel, required insurance, etc.
- 3.4 It shall report to the Customer any malfunctions or actions required for the maintenance of the Aircraft and will manage the maintenance system in connection with the Aircraft according to CAAI instructions and the Aircraft manufacturer's instructions.
- 3.5 It will comply diligently with all laws, including the Aviation Law and regulations enacted thereunder.

**4. Customer's Commitments and Declarations** The Customer declares and undertakes as follows:

- 4.1 It is the registered owner/legally in possession of the Aircraft.
- 4.2 It possesses all necessary licenses and approvals under the law to operate the Aircraft.
- 4.3 It will make the Aircraft available to the Service Provider for the performance of services under this agreement.
- 4.4 It undertakes to provide the Service Provider with all updated records concerning the Aircraft, including regarding malfunctions, flight hours, Aircraft logs.
- 4.5 It undertakes to provide the Service Provider with all documents, records, and materials required to perform the services, including access to necessary sources such as manufacturer's instructions, updated literature, and maintenance programs approved by CAAI.
- 4.6 There is no impediment on its part to enter into this agreement.
- 4.7 It will comply diligently with all laws, including the Aviation Law and regulations enacted thereunder.

**5. Safety**

- 5.1 In providing the services, the Service Provider will comply with safety regulations applicable under the law.
- 5.2 The Service Provider's employees will undergo the necessary safety training as required by law for the performance of the defined services.
- 5.3 The Customer's employees and/or agents shall be responsible for receiving a safety briefing and conduct around the Aircraft from the Service Provider's safety officer, as required by law.

**6. Subcontracting**

- 6.1 The Service Provider reserves the right to fully or partially perform the services through a subcontractor.
- 6.2 The extent of services to be subcontracted shall be at the sole discretion of the Service Provider.

- 6.3 The Service Provider remains responsible for all services under this agreement, including those performed by subcontractors.

## 7. Force Majeure

- 7.1 **"Force Majeure"**: Any event that may affect the provision of services, resulting from or attributable to acts, events, omissions, or accidents beyond the reasonable control of the Service Provider, including, but not limited to, weather, floods, lightning, storms, fire, explosions, structural damage, pandemics, natural physical disaster, power shortages, war, riots, rebellion, strikes, curfews, or any act of terrorism (or threat of terrorism) and civil unrest.
- 7.2 It is agreed that in the event of Force Majeure, as defined above, which prevents the Service Provider from delivering the services, it shall not be considered a breach of this agreement, and the parties shall work to preserve the contractual relationship and provide the services to the extent possible.

## 8. Liability, Indemnification, and Insurance

- 8.1 The Service Provider shall not be liable for the quality of the parts and/or materials installed on the Aircraft, whether purchased by the Service Provider or the Customer, as long as they are approved by an authorized body as replacement parts for the Aircraft.
- 8.2 In the course of providing the services, the Service Provider's liability, as well as that of its affiliates, subsidiaries, directors, officers, subcontractors, agents, and employees (the "Indemnified Parties"), for direct damage and/or loss of the Aircraft, its components, parts, or equipment, is limited to damages and/or loss that occurred during the Aircraft's time at the Service Provider's maintenance institute and for the purpose of providing the services, provided the damage and/or loss is a result of gross negligence or willful misconduct on the part of the Service Provider.
- 8.3 Without prejudice the provisions of Sections 8.1 and 8.2 above, the Customer hereby releases and discharges the Indemnified Parties from any and all damages, losses, or liabilities of whatsoever kind or nature, which may be suffered or incurred by the Customer, or anyone acting on its behalf, or the Customer's property, or the property of anyone acting on its behalf, if and when such damages and/or losses and/or liabilities accrued after the Aircraft have left the Service Provider's facility. The Customer agrees to indemnify, defend, and hold harmless the Indemnified Parties from and against any and all claims, demands, damages, liabilities, costs, expenses, and attorneys' fees arising out of or in connection with, directly or indirectly, any services provided to the service provider, whether based on any theory of negligence, contract, express or implied warranty, strict liability, product liability, or otherwise, including, but not limited to, any loss of profits, loss of use, personal injury, death, infringement of intellectual property rights, or any special, incidental, consequential, or economic damages.
- 8.4 In no event shall the Service Provider be liable for any indirect, special, consequential, or incidental damages, including but not limited to, loss of profits, data loss, loss of use of products or services, or business interruptions arising from or related in any way to the provision of services. In any event, the total liability of the Service Provider for any direct damages incurred by the Customer due to the provision of services shall be limited to the lower of the following: [1] the amount paid by the Customer to the Service Provider under the service order during which the damage occurred or [2] USD 150,000.
- 8.5 Without limiting the provisions above, the Customer shall obtain and maintain, at its own expense, insurance policies

with insurers satisfactory to the Service Provider, covering the Service Provider, its employees, affiliates, subcontractors, agents, and others as additional insured parties, with coverage as follows:

- 8.5.1 All-risks insurance (including war, confiscation, hijacking risks) for the Aircraft, with an agreed insurance value not less than the cost of replacing the Aircraft with an identical new one. The policy will cover the Aircraft while on the ground, during transport, and in the air.
- 8.5.2 Legal liability insurance for third-party aviation, covering bodily injury and property damage (standard terms), including liability towards aircrew, technical crew, and passengers, with a combined single limit of no less than USD 1,000,000 or CAAI's requirement.
- 8.5.3 If the Customer employs workers – third-party liability insurance, employer's liability, contractual liability, bodily injury, and property damage (standard terms), with a single combined limit of no less than USD 5,000,000.
- 8.5.4 The insurance policies will include, inter alia:
- 8.5.4.1 That the Service Provider's interests will not be affected by any breach by the Customer of any provision of the policies;
- 8.5.4.2 Cross-liability coverage;
- 8.5.4.3 The coverage will be primary, and any similar coverage carried by the Service Provider will be excess or non-contributory;
- 8.5.4.4 A waiver by the insurers of any subrogation rights against the Service Provider or its representatives.
- 8.6 The Service Provider shall receive a thirty (30) business day advance written notice from the Customer's insurers (seven (7) business days for war risks) if the insurers or the Customer request to cancel or modify the policies in a way that materially reduces the coverage.
- 8.7 The provision of insurance certificates is a condition for the Aircraft entering the Service Provider's site and/or for the provision of services.

## 9. Confidentiality and Data Security

- 9.1 Each party undertakes that it and its representatives will maintain in strict confidence, without time limitation, all information (whether written or oral), documents, data, systems, plans, procedures, methodologies, business relationships, and any other proprietary information concerning the company or any related companies, including, but not limited to, information obtained during the execution of this agreement.
- 9.2 Each party undertakes, on behalf of itself and its representatives, not to disclose, transfer, or use any such information other than for the purpose of fulfilling its obligations under this agreement.
- 9.3 The obligations above shall not apply to information that is publicly available at the time of signing the agreement or becomes publicly available thereafter, provided it does not become public through the action of one of the parties.
- 9.4 The parties will comply with applicable laws relating to personal and sensitive information, including the Israeli Privacy Protection Law, 1981 and related regulations.
- 9.5 Each party shall take all necessary legal measures to safeguard and secure the information from unauthorized third-party access.

## 10. Miscellaneous

- 10.1 Jurisdiction over any dispute between the parties that the parties have not been able to resolve shall be vested in the competent courts in the Tel Aviv-Yafo District. This Agreement and the relationship between the parties shall be governed solely by the laws of the State of Israel.
- 10.2 The relationship between the parties shall be considered in all respects as a relationship between an independent contractor and a service provider. It is agreed and declared that there shall be no employer-employee relationship between the Customer and/or its representatives and the Service Provider and/or its representatives.
- 10.3 No change, amendment, or addition to these General Terms & Conditions shall be valid and shall be deemed not to have been made unless made in writing and signed by all parties.
- 10.4 No conduct of any Party shall be deemed to be a waiver of any of its rights under these General Terms & Conditions or under any law.
- 10.5 Any notice from one party to any other party in connection with the provision of the services shall be sent to the addressee by email, personal delivery, or registered mail and shall be deemed to have been delivered to the addressee on the first business day following the day of dispatch, or on the day of personal delivery, or at the end of 4 days following the day of dispatch by registered mail, as the case may be