

General Terms and Conditions for Component Maintenance Services

1. Company Information

- a) TÜRK HAVA YOLLARI TEKNİK A.Ş. (also known as TURKISH AIRLINES TECHNIC, INC.) a company incorporated and existing under laws of Turkey and having its registered office at Sabiha Gökçen Havaalanı - Sanayi Mah. Havaalanı İç Yolu Cad. E Kapısı No: 3, 34912, Pendik /İstanbul, Turkey, having unique company registration number TAX ID 876 057 8179 hereinafter referred as ("Turkish Technic"); and
- b) Customer, a company incorporated and existing under the laws of registered country whose address / registered office is stated in repair/purchase order/work request form hereinafter referred as ("Customer")
- c) each a "Party" and together the "Parties".

2. General

- a) If there is no GTA or any other applicable written agreement between Customer and Turkish Technic, this agreement sets forth the entire agreement between the Parties.
- b) These general terms and conditions for component maintenance services (GTC) is applicable to maintenance services of components, materials, equipment or tools to be performed at Turkish Technic shops, including test, repair, overhaul, modification, embodiment of service bulletins, and standard exchange of aircraft components, materials, equipment or tools.

3. Scope of Services

- a) Scope of services is required is defined in the repair/purchase order/work request form placed by Customer, quoted by Turkish Technic, and agreed between Parties in form of proposal or quotation.
- b) Approval of scope of services stated in a proposal or quotation is considered that Customer is deemed accepted this GTC.

4. Orders and Order Change

- a) The Services are subject to issuance of a written order by the Customer and acceptance by Turkish Technic.
- b) In the event of cancellation of the order by the Customer, Turkish Technic reserves the right to charge the Customer for all direct costs and expenses already incurred, totally or partially performed and/or for all material ordered related to the order, any modification of the order and consequences thereof that has been prior agreed between the Parties.

5. Prices, Taxes, Invoicing and Payment

- a) Fixed Prices and Flat Rate Prices only include works to rectify normal wear and tear. All works beyond normal wear and tear will be charged on time and material basis. Material prices are always based on OEM CLP. In case OEM CLP of material cannot be determined, it is accepted in advance by Customer that purchase price of Turkish Technic shall be applied.
- b) The Services' prices are exclusive of any taxes and duties.
- c) Unless otherwise specified in the proposal or quotation, the following payment conditions apply: All payments have to be made within 30 days from the invoice issuance date. If the Services exceed fifty thousand US Dollars (50000 USD), the Customer shall make a down payment of 100% of the estimated cost of the Services before the beginning of the Services.
- d) The payments have to be made in the currency mentioned in the proposal or quotation. Any claim has to be made in writing within 15 days from the date of the receipt of the invoice, without suspension of the payment lead-time. The payments due to Turkish Technic cannot be affected by any set-off or counterclaim of any kind.
- e) If the Customer fails to make payment within the due date, Turkish Technic will charge the Customer with one and half percent (%1,5) per month until receipt of the full payment by Turkish Technic.

6. Performance of Services

- a) The services carried out by Turkish Technic shall be performed according to Turkish Technic Maintenance Procedures approved by Turkish Technic Quality Assurance Directorate and approved by EASA and Turkish DGCA.
- b) Customer is responsible to provide all up-to-date technical documentation related to the scope of services for Turkish Technic.
- c) Turkish Technic's repair services are based on OEM's maintenance manuals and materials. Any DER repair request or acceptance of PMA/EPA usage shall be informed by Customer before the approval of quotation. Turkish Technic may use PMA/EPA material upon Customer approval.
- d) Customer is responsible to approve any material cost or additional service cost raised during the performance of repair services in 10 days. Else otherwise Turkish Technic may return the Component at Customer own cost and expense. Turkish Technic shall be entitled to charge evaluation fees (as-

is cost) as agreed with Customer if Customer's approval cannot be received on time.

- e) Turkish Technic issues a certificate of release to service as per approvals (i.e.EASA.145.0276). Any other authority release to service certificates may be provided upon Customer's advance request.
- f) Certificate of release to service is handed over to Customer with redelivery of the Component provided all payments made to Turkish Technic in full.

7. Delivery, Turnaround Time, Redelivery

- a) Any redelivery date is tentative and non-binding. It is served as general information only unless explicitly stated as binding. In case of major delay in redelivery of the part because of any force majeure or any other cause beyond Turkish Technic's reasonable control, Turkish Technic will not be liable and Customer is notified immediately.
- b) In case of Customer's urgency and request of part return before the given redelivery date, Turkish Technic will do the best in order to shorten given TAT.

8. Transportation and Shipment

- a) Both parties have the responsibility to ensure that shipments are delivered using appropriate shipping containers in compliance with ATA 300 specification.
- b) Turkish Technic may charge shipping container cost to Customer if the part is received without proper packaging.
- c) Transportation of the product to Turkish Technic's facility is DDP and at Customer's risk and expenses. Redelivery of the product to Customer shall be EXW in accordance with Incoterms 2010.

9. Risks of Loss

- a) Risk of loss of and/or damage to the Equipment remains with the Customer at all times.

10. Liability and Indemnification

- a) Customer shall indemnify and hold harmless Turkish Technic, the Indemnitees and Subcontractors against and from any and all claims, demands, suits, judgments, or causes of action including costs and expenses incidental thereto in favour of whomsoever (including Customer), relating to injury to or death of persons (including employees, servants and agents of Customer) or loss of or damage to property (including the Customer Property).

11. Insurance

- a) Customer agrees to effect and maintain at its own cost and expense the following insurances: i) Hull "all risks" insurance and spares "all risks" insurance (including war and allied perils to the extent available from the leading international aviation insurance markets) covering the Aircraft, Engines and other Components and spares as well as Parts. Such insurance shall include a waiver of right of subrogation in favour of Turkish Technic, its directors, officers, agents, representatives, shareholders, employees, assigns and its Subcontractors, ii) Comprehensive general liability insurance, iii) Aircraft third party legal liability insurance (including war and allied perils to the fullest extent available from the leading international aviation insurance markets), including passenger, baggage, cargo and mail one accident or occurrence.

12. Warranty

- a) If not otherwise is stated in any other agreement between the Parties, warranty period for the repair or overhaul services workmanship is 12 months after performance of the service and delivery of the part. Such warranty applies provided that: a) defects did not result from conditions of normal wear and tear, FOD, misuse or improper servicing b) defective part has not been altered, repaired or overhauled by a party other than Turkish Technic c) parts are not stored, handled or operated by Customer in accordance with manufacturer's recommendations. The Customer sends its claim to Turkish Technic with a written report at the earliest practicable time after the defect is discovered by Customer within the applicable warranty period. The defective part is delivered to Turkish Technic facilities within thirty (30) days following the claim notification.
- b) Customer's remedy for a defect will be limited to Turkish Technic's responsibility to repair or replacement, at Turkish Technic's option, of the defective part.
- c) Turkish Technic's liability and Customer's remedy under this agreement depends on the return of the defective part, with all shipping costs paid by Customer, to Turkish Technic's location. If warranty is accepted by Turkish Technic, Customer's reasonable incoming shipping charges are reimbursed and return of repaired or replacement part will be at Turkish Technic's expenses.

- d) TO THE EXTENT PERMITTED BY LAW, THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF TURKISH TECHNIC AND THE REMEDIES OF THE CUSTOMER SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE CUSTOMER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER CONDITIONS, WARRANTIES, DUTIES, OBLIGATIONS AND LIABILITIES OF TURKISH TECHNIC AND ALL OTHER RIGHTS, CLAIMS AND REMEDIES OF CUSTOMER (INCLUDING FOR OR IN RESPECT OF ANY DEATH OR PERSONAL INJURY OR FOR OR IN RESPECT OF LOSS OF OR DAMAGE TO CUSTOMER PROPERTY OR ANY PORTION THEREOF OR ANY OTHER PROPERTY OF CUSTOMER AND ALSO INCLUDING PROPERTY OF ANY THIRD PARTY) AGAINST TURKISH TECHNIC AND INDEMNITEES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE IN CONNECTION WITH OR AS A RESULT OF THE PERFORMANCE AND DISCHARGE OF OBLIGATIONS (OR FAILURE TO DO SO) UNDER THIS AGREEMENT OR ANY NON-CONTRACTUAL OBLIGATIONS OR DUTIES IN CONNECTION WITH THE SAME OR ANY ORDER (INCLUDING WORK ORDER) INCLUDING THAT LIMITATION WITH RESPECT TO ANY NON-CONFORMANCE OR DEFECT IN ANY MATERIALS, GOODS, PARTS, INFORMATION, SERVICES (INCLUDING TO FLIGHT SERVICES, TECHNICAL CONSULTATION, REPAIRS, MODIFICATIONS AND TRAINING), OR ANY OTHER THINGS PROVIDED UNDER ANY ORDER (INCLUDING WORK ORDER) AND INFORMATION PROVIDED TO CUSTOMER BY ANY THIRD PARTY AND INCLUDING:
- e) ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS;
 - f) ANY IMPLIED WARRANTY OR CONDITION ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OR TRADE;
 - g) ANY OBLIGATION, DUTY, LIABILITY, RIGHT CLAIM OR REMEDY IN TORT, WHETHER OR NOT ARISING FROM THE NEGLIGENCE OF TURKISH TECHNIC;
 - h) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY WHETHER IN RESPECT OF A BREACH OF DUTY OR OBLIGATION OF EMBAILMENT OR OTHERWISE.
 - i) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY WHETHER IN RESPECT OF A BREACH OF DUTY OR OBLIGATION OF EMBAILMENT OR OTHERWISE.

13. Confidentiality:

- a) This Agreement and all information including proprietary information becoming available or coming into the possession or knowledge of either Party by virtue of this Agreement or its performance shall at all times be treated by the Parties as confidential and shall not be published, disclosed or circulated except (and only insofar as is necessary) as required by law, any governmental or regulatory authority (including, without limitation, any relevant securities exchange), any court or other authority of competent jurisdiction.

14. Undertaking on Protection of The Personal Data

In accordance with the purposes of this Undertaking; the below listed terms shall have the following meanings:

- (a) "Personal Data"; any information relating to an identified or identifiable person transferred by the Transferring Company to the Transferred Company or processed by the Transferred Company on behalf of the Transferring Company,
- (b) "Special Categories of Personal Data"; data relating to an individual's racial or ethnic origin, political opinions, philosophical beliefs, religion, sect or other beliefs, dress and appearance, memberships to association, foundation or union, health, sexual life, criminal conviction and security measures, as well as biometric and genetic data, (herein this Undertaking, the term of "Personal Data" shall include "Special Categories of Personal Data" inasmuch as applicable),
- (c) "Transferred Company" means a Party to this Undertaking that receives Personal Data from the Transferring Company or obtains Personal Data on behalf of the Transferring Company,
- (d) "Transferring Company" means a Party to this Undertaking that transfers Personal Data to the Transferred Company or on whose behalf the Transferred Company obtains Personal Data,
- (e) "Processing of Personal Data"; any operation performed upon personal data wholly or partly by automatic means or by manual means which are covered by any registration system, including collecting, recording, storing, altering, re-organizing, disclosing, transferring, retrieving, making available, classifying, prevention of use and more,
- (f) "Law"; the Law on the Protection of Personal Data.

1. The Transferred Company accepts, declares and undertakes that it shall not use, process or archive the Personal Data or transfer them to the

third parties within the country or abroad, other than any purposes which are determined in accordance with the Agreement.

2. The Transferred Company accepts, declares and undertakes that it shall act in compliance with the principles and procedures specified under the Law, the relevant regulatory procedures, the provisions concerning the protection of Personal Data and the decisions of the Personal Data Protection Board (Board).

3. Unless obligations regarding the retention of the Personal Data are envisaged under the relevant legislation, the Transferred Company is under the obligation to return all media or environment on which the Personal Data transferred to or obtained by the Transferred Company on behalf of the Transferring Company are recorded, by signature following the expiration of the period necessitating the retention of the Personal Data and shall delete and destroy all the records retained within the company. The Transferred Company shall immediately conclude requests conveyed by the Transferring Company in accordance with the Law, such as requests relating to the deletion, destruction, anonymization or rectification of Personal Data.

15. Governing Law and Jurisdiction

- a) The laws of English and Wales shall govern this Agreement and any non-contractual rights or obligations connected with this Agreement. Any dispute arising from this Agreement shall be resolved by the High Court of Justice in London.
- b)
- c) [In the event that the Parties fail to reach consensus within thirty (30) days from the service of the notice, the Dispute shall be referred to and finally resolved by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference into this Clause. The number of arbitrators shall be one. The seat, or legal place of arbitration shall be London, England. The language to be used in the arbitral proceedings shall be English. Each Party shall bear its own legal costs. The costs of the arbitration proceedings shall be borne as allocated by the arbitrator, or if no such allocation is made, by the Party that does not prevail in the proceedings. Each Party retains the right to seek judicial assistance and in particular, without limitation, to compel arbitration, to obtain interim measures of protection pending arbitration and to enforce any decision of the arbitral tribunal, including the final award. For the purposes of this Clause, the Parties irrevocably submit to the non-exclusive jurisdiction of the Courts of England and Wales. The arbitration and all proceedings, submissions, pleadings, argument and award shall be strictly confidential (save to the extent necessary for the conduct of the arbitration and the enforcement of any order, direction or award issued by the arbitrator).]

16. Miscellaneous

- a) For the conditions which are not stated in this agreement, and for the customers who do not have a general terms agreement (GTA) or other agreement in place with Turkish Technic, the current version of the Turkish Technic General Terms Agreement V7 (see www.turkishtechnic.com/GTA) will apply.

17. Authorized Signatories

- a) Parties ensure that each and every approval and signature under or in connection with this agreement shall be an authorized signatory (by a director of the issuer or another person who has been authorized to sign documents and has notified the trustee that they've been given the power to do so such as a representative or officer given the power to sign by the organization to an agreement that's binding).