



## **General Terms of Line Maintenance performed by 5-Star Aviation AG**

### **1. Area of Application**

The General Terms of Line Maintenance performed by 5-Star Aviation AG (herein called 5-Star) shall apply, unless otherwise agreed in writing or contracted, to all work performed / subcontracted upon aircraft or equipment or parts thereof which 5-Star shall carry out to third parties.

### **2. The order of a customer**

The order of a customer shall be effective when confirmed in writing by 5-Star and customer agrees with the present General Terms of 5-Star. The official customer purchase order (PO/WO/WA etc.) shall contain Document Shipping-, Invoice-, Invoice Shipping address with email and post mail coordinates. Primary contact name, email address and direct phone number of the customer representative for the ordered maintenance work package, or for the update and in case the scope of an order cannot be complete. 5-Star shall inform to the customer, by phone or in writing, of all the necessary or additional work/material/components, if required to carry out the ordered work. Such information-'s shall be binding for the customer. If complementary works or materials/components are needed with extensive costs (over US-\$ 1000.-) the customer must confirm/agree those by writing.

### **3. Scope of Work**

The scope of work will be covered within the customer PO/WO/WA etc, and is applicable to Airframe, Engines, APU & Equipment (for engines/APU/Equipment whether Installed or Removed) and the capability list of the Maintenance Organization. It will consist of the following functions: Scheduled Maintenance checks, Rectification of flight defects as reported within Aircraft Technical Log, CAMO or Crew, Special Inspection requirements checks, Unscheduled Maintenance checks, Rectification of any defects and maintenance arising from the scheduled and unscheduled inspections, Management of third-party sub-contractors. Customer/Operator/CAMO is responsible for planning all scheduled / unscheduled maintenance and required modifications on the aircraft.

### **4. Locations**

The locations of the maintenance organisation will be as follows:

Main support at Zurich-Airport, Line Maintenance Facility

Occasional at any other station/location if necessary and requested by the Customer/Operator/CAMO.

### **5. Subcontracting**

5-Star may subcontract task to a Part-145 approved/accepted organisation within their Part-145 approval scope and outlined within the MOE.

### **6. Maintenance Program**

Customer/Operator/CAMO will submit, if necessary, the current Maintenance Program or references to 5-Star.

Maintenance Program shall be maintained by the Customer/Operator/CAMO and must be approved by the Competent Authority.

Maintenance planning and activities will be carried out by the Customer/Operator/CAMO. They will be responsible for ensuring compliance with any service requirements and then will issue a PO/WO/WA etc to the Maintenance Organisation in this regard.

### **7. Airworthiness Data**

The Airworthiness Data to be used during the maintenance input on the affected aircraft will be as specified by the aircraft/engine/equipment manufacturer. The responsibility for the integrity of this data will rest with the Customer/Operator/CAMO. The Data and its Revision will be made available to 5-Star by the Customer/Operator/CAMO and include the following for Airframe/Engine/APU and Equipment.

- Maintenance Program, Continuing Airworthiness Management Exposition
- Airframe, Engine, APU Maintenance Manuals, Major Repair/Modification Data
- Aircraft/Engine/APU SB, WDM, IPC or other Interior Manuals if listed in the MP
- MEL, AFM
- Airworthiness Directives
- Major Repair/Modification Data, STC-Data
- Aircraft Service Bulletins
- Engine / APU Service Bulletins

### **8. Airworthiness Directives and Service Bulletin/Modifications**

Customer/Operator/CAMO will be responsible for maintaining a current AD/SB subscription/control for the aircraft and assessing the contents before determining whether to embody or not. 5-Star is not responsible for assessing any AD/SB to the aircraft/engine/apu. 5-Star may not embody an AD/SB or Modifications to the aircraft unless in the Customer/Operator/CAMO receipt and signed PO/WO/WA etc. 5-Star will check and assess capability according to MOE.



**9. Hours and Cycle control**

Customer/Operator/CAMO will be responsible for controlling the actual airframe hours and cycles, engine hours and cycles. They will be responsible for the integrity of this data and will timely forwarding all this figures to 5-Star at maintenance start.

**10. Life Limited Parts**

Customer/Operator/CAMO will be responsible for controlling the life limited parts fitted to the aircraft. Maintenance Organisation will provide a Part 145-50b CRS/Form 1 Certificate upon removal/installation of life limited parts to enable Customer/Operator to update the Aircraft Maintenance System.

**11. Supply of Parts**

All parts used on the aircraft will be procured by 5-Star or by their approved contractor's and will be subjected to the Quality Procedure as detailed in the MOE

5-Star does not hold Pooled Parts for the Customer/Operator/CAMO. Parts supplied by the customer will be handled according 5-Star internal QS system and will not be installed if no proper documents are attached and its traceability is guaranteed.

**12. Deferred / Deviation of Tasks**

The Customer/Operator/CAMO MEL will be used to determine whether a defect can be deferred and will be accessible to 5-Star if necessary. The Customer/Operator/CAMO will be responsible for applying to the Competent Authority / OEM for a waiver, any time a deviation from the maintenance schedule or maintenance task is required.

**13. Prices**

- 5-Star shall apply the prices it charges at the time of performance for the type of work involved and the current Labour Rates of 5-Star.
- Customer agrees if the aircraft is under any aircraft program or warranty and 5-Star will do the claim to the MRO, 5-Star will charge the delta between the 5-Star Labour rate and the program rate to customer.
- Prices are exclusive VAT, Customs and other local taxes may apply.
- Directly delivered parts or components from customer will be subjected with a charge for handling and if applicable to customs/taxes. Handling fees apply to serialized/lot parts, delivered by customer and/or ordered Parts by 5-Star, shipping/customs/insurance will be charged additionally. Directly delivered parts or components, imported/exported must be handled with local logistic companies as instructed by 5-Star to obey customs declaration and rules. 5-Star will not be liable if not followed and under their control.
- The customer must pay all expenses costs for materials/components required for line maintenance work by 5-Star including import charges, customs, additional renting of equipment or hangar space (customer approval needed), restocking and recertification fee if customer delivers parts and expertise, and excise duties. If requested, the customer must pay expenses for travelling and fees for travelling time in accordance with the current rates.

**4. Payment terms**

- The customer guarantees that all costs and expenses incurred in connection with the execution of the order shall be paid without any deduction on the dates agreed and in any case within twenty (20) days of issuing of the invoice.
- In the event 5-Star performs any maintenance and/or repair work at another location than Zurich, the customer shall also reimburse 5-Star for all costs and expenses incurred by 5-Star due to such activities. Costs shall include but not be limited to the following if reasonable and justified: travel / car rental / lodging expenses / travelling time / living allowances / transportation costs / duties / 3<sup>rd</sup> party handling fee / charges / taxes / fees and cost of material if applicable.
- 5-Star shall be entitled to demand an advance payment prior to commencement of work for all materials/components costs which are higher than US-\$ 5'000.-.
- 5-Star shall be entitled to charge interest at the rate of 5% from the day on which payments have been due.
- No payment by Credit Card, Cheques, Bill of exchange, money order will be accepted.
- Special services as: MSP / ESP / MFG / MRO. Care Program will normally be handled by Customer/Operator/CAMO

**5. Work deadlines**

- A binding completion of the work only exists if it has been expressly confirmed in writing by 5-Star.
- Deadlines shall be postponed adequately if compliance is not possible because of force majeure or unforeseeable events such as impossibility to get the necessary materials or components.

**6. Warranty**

- 5-Star warrants the line maintenance and repair works carried out by it shall be free from any defects in workmanship and in accordance with the work order for a period of 30 days or 10 FH whichever occurs first.



- With reference to equipment and spare parts used in the maintenance or repairs of the aircraft, the respective third-party manufacturer's and/or supplier's warranty shall be applicable. Additional labour to correct Manufacture Warranty items will be charged according 5-Star current Labour Rates.
- The customer shall inform 5-Star **immediately** in the event that the aircraft is not operable or works unsatisfactorily after maintenance and repair work have been carried out.
- Operator warrants immediate access to the aircraft to inspect the defect.
- Warranty by 5-Star shall expire if third parties have tried to repair the specific defect without prior approval by 5-Star.
- 5-Star grants no warranty on parts or components supplied by customer unless otherwise agreed.

7. **Liability and Insurance**

- 5-Star shall only be liable for all damages resulting from negligence or wilful misconduct.
- 5-Star shall always maintain a liability insurance for damages that are caused by the work of 5-Star.

8. **Applicable Law**

The parties agree that these general terms shall be exclusively governed by and construed in accordance with Swiss Law.

9. **Place of Jurisdiction**

All disputes which may arise between the parties out of or in relation to or in connection with these general terms, or breach thereof, shall be exclusively and finally settled by the Commercial Court of the Kanton Zurich, Switzerland.

The **5-Star General Terms (Rev. January 2023)** after acceptance, must be signed and returned to 5-Star before commencing work or must be stated on each Work Order Purchase Order by the customer.

Work Project or Purchase Number: .....

Date: .....

Place: .....

Name: .....

Signature: .....