

I. PRODUCT DESCRIPTION

These terms and conditions apply to the following goods and services ("Products") ordered from Sikorsky Aircraft Australia Limited ABN 82 003 031 909 ("Seller"): Spare Parts, Repair and Overhaul Services, Ground Support Equipment, Publications, Training Courses, Technical Field Support, Component Exchange.

II. PAYMENT

A. Customers Billed From Australia

Buyer shall make payment by Electronic Funds Transfer (EFT):

- in Australian Dollars to BSB 424-000, Account No. 230293015, Citibank N.A. at 2 Park Street, Sydney NSW 2000, Swift Code CITIAU2X
- in United States Dollars to BSB 424-000, Account No. 230293007, Citibank N.A. at 2 Park Street, Sydney NSW 2000, Swift Code CITIAU2X
- in New Zealand Dollars to BSB 424-000, Account No. 230293023, Citibank N.A. at 2 Park Street, Sydney NSW 2000, Swift Code CITIAU2X

and provide a statement detailing payment amounts and invoice numbers by email saal_finance.gr-sik@lmco.com or fax +61 7 3260 1616. For Buyers without EFT, cheque payments are to be remitted to: Sikorsky Aircraft Australia Limited, PO Box 1374, Eagle Farm QLD 4009 Australia.

B. Terms of Payment

Payment to the Seller for product delivered and accepted is due within 30 calendar days of the end of the month in which the products are invoiced. If the Buyer fails to make payment in accordance with this clause, all amounts owing by the Buyer to the Seller shall immediately become due and payable. The Seller reserves the right to accrue interest on overdue amounts calculated daily at the rate of 1.5% per month. The Seller may, at its discretion, refuse to deliver product until all amounts owing are settled.

The total amount owing by the Buyer is not, at any time, to exceed the sum set as the credit limit, which will be advised by the Seller. If amounts owing by the Buyer exceed the said credit limit, the Seller may refuse to provide further product until the amounts owing by the Buyer are reduced, to the satisfaction of the Seller, below the credit limit.

III. DELIVERY & INSPECTION PROCEDURE

A. Products

All products shall be delivered EX WORKS [2000 INCOTERMS] Seller's premises. Products delivered hereunder will be packed for shipment in accordance with Seller's standard packing procedures for such products. If, upon receipt of the products by Buyer at destination, the same shall appear not to conform to this Agreement, Buyer shall, within ten (10) calendar days after receipt thereof, notify Seller of such condition and afford Seller a reasonable opportunity to inspect the products and make any appropriate adjustment or replacement. The same remedies afforded Buyer under "Warranties" shall be exclusive for defective products discovered upon inspection. Buyer shall not delay payment for the products pending their inspection. Buyer will furnish written shipping instructions for all products as promptly as possible. In the absence of such instructions Seller may, at any time beginning ten (10) days after forwarding notice to Buyer by mail, facsimile or otherwise that the products are ready for shipment, do either of the following for the account of and at the expense and risk of Buyer: (i) arrange for shipment of the products by a carrier of its own selection to Buyer's place of business or other destination reasonably believed to be suitable or (ii) warehouse the products.

B. Accelerated Delivery/Partial Shipment

Seller is authorized to advance the delivery date, or complete performance of any order, prior to the time set forth in such order. Unless otherwise agreed, Seller shall have the right to deliver the Products in partial shipments and invoice Buyer for that portion which was shipped.

IV. WARRANTIES

A. Spare Parts and Ground Support Equipment

1. Fabricated or Manufactured by Seller

Seller warrants to Buyer that, at the time of delivery, the spare parts and ground support equipment ("Equipment") sold hereunder will be free from defects in material and manufacture. Seller's liability and Buyer's remedy under this warranty are limited to the repair or replacement, at Seller's election, of the Equipment or components thereof which are shown to Seller's reasonable satisfaction to have been defective; provided that written notice of the defect is given by Buyer to Seller within one (1) year after the date of delivery of the part by Seller, and in no event later than sixty (60) days after Buyer's discovery of the defect within the warranty period. Transportation charges for the return of such defective Equipment to Seller and its reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with written shipping instructions from Seller. Replacement (newly manufactured or repaired) Equipment is warranted for the remainder of the applicable original warranty period, if any. This warranty shall not apply to any Equipment which in Seller's judgment (i) has been repaired otherwise than by Seller or pursuant to Seller's written permission (ii) has been repaired or altered otherwise than by Seller in any way so as to affect the safety, function or reliability of the aircraft or Equipment, or (iii) has been subject to misuse, negligence, accident or other abuse.

2. Parts Manufactured by Sikorsky Aircraft Corporation

Seller warrants to Buyer that, at the time of delivery, the spare parts and ground support equipment ("Equipment") sold hereunder will be free from defects in material and manufacture. Seller's liability and Buyer's remedy under this warranty are limited to the repair or replacement, at Seller's election, of the Equipment or components thereof which are shown to Seller's reasonable satisfaction to have been thus defective; provided that written notice of the defect is given by Buyer to Seller within one (1) year after the date of delivery of the part by Seller, but in no event later than sixty (60) days after Buyer's discovery of the defect within the warranty period. Transportation charges for the return of such defective Equipment to Seller and its reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with written shipping instructions from Seller. Replacement (newly manufactured or repaired) Equipment is warranted for the remainder of the applicable original warranty period, if any. This warranty shall not apply to any part which in Seller's judgment (i) has been repaired or altered outside the facilities of Sikorsky Aircraft Corporation in any way so as to affect the safety, function or reliability of the aircraft or Equipment, or (ii) has been subject to misuse, negligence, accident or other abuse.

3. Parts Manufactured by Other Manufacturers incl. Bell Helicopter Textron Inc.

Inasmuch as these products are warranted separately by their respective manufacturers, Seller does not make any warranty whatsoever with respect to such products. However, any warranty claim in connection with such products supplied by Seller may be made directly to Seller who, as a matter of accommodation, will process the claim on behalf of Buyer to the appropriate manufacturer. Transportation charges for the return of such defective parts to Seller and its reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with written shipping instructions from Seller.

B. Overhaul/Repair Services

1. Overhaul/Repair Services Performed by Seller

Seller warrants to Buyer that services performed by Seller will have been performed in a workmanlike manner. Seller's liability and Buyer's remedy under this warranty are limited to the correction of such services, at the Sikorsky Australia facility as are shown to Seller's reasonable satisfaction to have been defective; provided that written notice of the defect shall have been given by Buyer to Seller within one (1) year or 1,000 flight hours after the date of delivery, whichever first occurs, but in no event later than sixty (60) days after Buyer's discovery of the defect within the warranty period; and provided further that the Buyer shall be charged for such repair or replacement which charge shall be calculated as follows: 1. Within the first 300 flight hours, parts will be repaired or replaced at no charge to Buyer or 2. After the first 300 flight hours, Price charged to the Buyer = Price x (Flight Time - 300 hours)/Y [Where Price = Net selling price of the repair or replacement of the defective part per Seller's price list at the time of the occurrence of the defect and Y = The lower of (a) component T.B.O. or retirement life as shown in the then current Maintenance Manual for such helicopter or (b) 3,000 hours]. Transportation charges (excluding related import and export charges) for the return of defectively serviced goods to Seller and their reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned

in accordance with Seller's written shipping instructions. Any parts provided in the performance of services hereunder and sold hereunder shall be subject to the warranty set forth in paragraph A above.

2. *Overhaul/Repair Services Performed by Sikorsky Aircraft Corporation*

Seller warrants to Buyer that services performed by Seller will have been performed in a workmanlike manner. Seller's liability and Buyer's remedy under this warranty are limited to the correction of such services, at a factory of manufacturer and/or on site at the Buyer's facility, as are shown to Seller's reasonable satisfaction to have been defective; provided that written notice of the defect shall have been given by Buyer to Seller within one (1) year after the date of performance of such services by Seller, but in no event later than sixty (60) days after Buyer's discovery of a defect within the warranty period. Transportation charges (excluding related import and export charges) for the return of defectively serviced goods to Seller and their reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with Seller's written shipping instructions. Any parts provided in the performance of services hereunder and sold hereunder shall be subject to the warranty set forth in paragraph A above.

3. *Overhaul/Repair Services Performed by Other Entities*

Inasmuch as these products are warranted separately by their respective manufacturers, Seller does not make any warranty whatsoever with respect to such products. However, any warranty claim in connection with such products supplied by Seller may be made directly to Seller who, as a matter of accommodation, will process the claim on behalf of Buyer to the appropriate manufacturer. Transportation charges for the return of such defective parts to Seller and its reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with written shipping instructions from Seller.

C. Publications

Seller warrants to Buyer that any publications furnished hereunder will have been prepared in a professional manner. Seller's liability and Buyer's remedy under this warranty are limited to the correction of such publications as shown to Seller's reasonable satisfaction not to have complied with this warranty; provided that written notice of such non-compliance shall have been given by Buyer to Seller within ninety (90) days after the delivery of such publications by Seller.

D. Training Courses

Seller warrants to Buyer that instruction given in the course(s) shall be given by personnel experienced and knowledgeable in the subject matter of the course. Seller will not incur any responsibility or liability of any nature, for anything done or not done by the instructor, or for the results of the instruction furnished by said instructor. Buyer's remedy hereunder is limited solely to the correction of such instruction by Seller as is shown to Seller's reasonable satisfaction not to have complied with this warranty; provided written notice that such instruction has not complied with this warranty shall have been given by Buyer to Seller within thirty (30) days after the performance of such instruction by Seller.

E. Technical Services

Seller warrants to Buyer that it will select and furnish personnel reasonably experienced and skilled in the type of work they are to perform hereunder. Seller will not incur any responsibility or liability of any nature, for anything done or not done by any Technical Representative or for the results of the services furnished hereunder. Seller's liability and Buyer's remedy under this warranty are limited to the correction of such services as are shown to Seller's reasonable satisfaction not to have complied with this warranty, provided that written notice of such non-compliance shall have been given by Buyer to Seller within thirty (30) days after the furnishing of such services.

F. Component Exchange

Seller warrants to Buyer that, at the time of delivery, parts sold pursuant to the Component Exchange Programs will be free from defects in material and manufacture. Seller's liability and Buyer's remedy under this warranty are limited to the repair or replacement at Seller's election of such parts, as are shown to Seller's reasonable satisfaction to have been defective; provided that written notice of such defect shall have been given by Buyer to Seller within one (1) year or 1,000 flight hours after the date of delivery, whichever first occurs, but in no event later than sixty (60) days after Buyer's discovery of the defect within the warranty period; and provided further that the Buyer shall be charged for such repair or replacement which charge shall be calculated as follows: 1. Within the first 300 flight hours, parts will be repaired or replaced at no charge to Buyer or 2. After the first 300 flight hours, Price charged to the Buyer = Price x (Flight Time - 300 hours)/Y [Where Price = Net selling price of the repair or replacement of the defective part per Seller's price list at

the time of the occurrence of the defect and Y = The lower of (a) component T.B.O. or retirement life as shown in the then current Maintenance Manual for such helicopter or (b) 3,000 hours]. Transportation charges (excluding related import and export charges) for the return of defectively serviced goods to Seller and their reshipment to Buyer and the risk of loss thereof will be borne by Seller only if returned in accordance with Seller's written shipping instructions.

G. Title

Seller warrants to Buyer that it will convey good title to the goods sold hereunder. Seller's liability and Buyer's remedy under this warranty are limited to the removal of any title defect or at the election of Seller to the replacement of the goods which are defective in title; provided, however, that the rights and remedies of the parties with respect to patent infringement shall be limited to the provisions of paragraph H below.

H. Patent Infringement

Seller shall conduct, at its own expense, the entire defence of any claim, suit, or action alleging that, without further combination, the use or resale by Buyer or any subsequent purchaser or user of the goods delivered hereunder directly infringe any patent, but only on the conditions that (a) Seller receives prompt written notice of such claim, suit, or action and full opportunity and authority to assume the sole defence thereof, including settlement and appeals, and all information available to Buyer and defendant for such defence; (b) said goods are made according to a specification or design furnished by Seller or, if a process patent is involved, the process performed on the goods is recommended in writing by Seller; and (c) the claim, suit, or action is brought against Buyer or one expressly indemnified by Buyer. Provided all of the foregoing conditions have been met, Seller shall, at its own expense, either settle said claim, suit, or action or shall pay all damages, excluding consequential damages, and costs awarded by the court therein, and, if the use or resale of such goods is finally enjoined, Seller shall, at Seller's option: (i) procure for defendant the right to use or resell the goods, or (ii) replace them with equivalent non-infringing goods, or (iii) modify them so they become non-infringing but equivalent, or (iv) remove them and refund the purchase price (less a reasonable allowance for use, damage, and obsolescence). If a claim, suit or action is based on a design or specification furnished by Buyer, or on the performance of a process not recommended in writing by Seller, or on the use or sale of the goods delivered hereunder in combination with other goods not delivered to Buyer by Seller, Buyer shall indemnify and save Seller harmless there from.

I. Exclusive Warranties and Remedies

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE GIVEN AND ACCEPTED IN LIEU OF (i) ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE; AND (ii) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY IN CONTRACT OR TORT, WHETHER OR NOT ARISING FROM SELLER'S OR SIKORSKY AIRCRAFT CORPORATION'S NEGLIGENCE, ACTUAL OR IMPUTED, STRICT TORT LIABILITY OR BREACH OF WARRANTY. THE REMEDIES OF BUYER SHALL BE LIMITED TO THOSE PROVIDED HEREIN TO THE EXCLUSION OF ANY OTHER REMEDIES INCLUDING, WITHOUT LIMITATION, INCIDENTAL OR CONSEQUENTIAL DAMAGES. NO AGREEMENT VARYING OR EXTENDING THE FOREGOING WARRANTIES, REMEDIES, OR THIS LIMITATION WILL BE BINDING UPON SELLER OR SIKORSKY AIRCRAFT CORPORATION UNLESS IN WRITING, SIGNED BY A DULY AUTHORIZED OFFICER OF SELLER.

Where any legislation implies into this Agreement any term, and that legislation avoids or prohibits provisions under an agreement excluding or modifying such a term, such a term will be deemed to be included in this Agreement. However, Seller's liability for any breach of such term will, if permitted by that legislation, be limited, at the option of Seller to one or more of the following: If the breach relates to goods: (i) the replacement of the goods or the supply of equivalent goods; (ii) the repair of such goods; (iii) the payment of the cost of repairing of the goods or acquiring equivalent goods; or (iv) the payment of the cost of having the goods repaired. If the breach relates to services: (i) the supply of those services again; or (ii) the payment of the cost of having those services supplied again.

V. STANDARD CONTRACT TERMS AND CONDITIONS

A. Title

Title to and risk of loss of all Products shall pass to Buyer upon delivery.

B. Excusable Delays

Buyer acknowledges that the delivery dates are based on the assumption that there will be no delay due to causes beyond the reasonable control of Seller. Seller shall not be charged with any liability for delay or non-delivery when due to delays

of suppliers, acts of God or the public enemy, compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it proves to be invalid, fires, riots, labour disputes, unusually severe weather, or any other cause beyond the reasonable control of Seller. To the extent that such causes actually retard deliveries on the part of Seller, the time for the performance shall be extended for as many days beyond the date therefore as is required to obtain removal of such causes. This provision shall not, however, relieve Seller from using reasonable efforts to avoid or remove such causes and continue performance with reasonable dispatch whenever such causes are removed.

C. Liability Limitation

With respect to any Product purchased under this Agreement and alleged to be the cause of any loss or damage to Buyer, the sum equal to the invoiced price of such Product (or if not separately priced, Seller's established selling price for such item) shall be the ceiling limit on Seller's, or Sikorsky Aircraft Corporation liability, whether founded in contract or tort (including negligence, strict tort liability or breach of warranty), arising out of or resulting from (i) this Agreement or the performance or breach thereof or (ii) the design, manufacture, delivery, sale, repair, replacement, use or furnishing of any such Product. In no event shall Seller, or Sikorsky Aircraft Corporation have any liability for any indirect, incidental, consequential or special damages.

D. Buyer's Financial Status

If Buyer is unable or refuses to make payment to Seller in accordance with any of its obligations to Seller, Seller may at its option terminate this Agreement by giving to Buyer a written notice of its intention to terminate. In addition, for Buyer's other than foreign governments: (i) If an application is made to a court for an order that the Buyer be wound up, or that a liquidator or a provisional liquidator be appointed, and that application is not withdrawn within 30 days, or (ii) if the Buyer enters into a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any of them, or (iii) if the Buyer resolves to wind itself up, or otherwise dissolve itself, or (iv) if the Buyer is unable to pay its debts when they fall due, or (v) if the Buyer is the subject of an event described in section 459C(2) or section 585 of the Corporation Laws of Australia, or (vi) if the Buyer takes any step to obtain protection or is granted protection from its creditors under any applicable legislation or an administrator is appointed to the Buyer, the Seller may at its option terminate this Agreement by giving the Buyer a written notice of its intent to terminate.

E. Export Licenses

Seller will, on Buyer's request, assist Buyer in Buyer's efforts to obtain any United States Government export license or similar authorization which may be required now or hereafter for exportation of the Products. Seller and Buyer specifically acknowledge that this Agreement is conditioned upon the ability of Seller and Buyer to conform to the laws and regulations of the United States Government and its various cognizant departments regarding the sale of the Products to Buyer. Any technical data or defence service exported from the United States in furtherance of this Agreement and any defence article which may be produced or manufactured from such technical data or defence service may not be transferred to a person in a third country or to a national of a third country except as specifically authorized in this Agreement unless the prior written approval of the United States Department of State has been obtained, and this obligation will remain binding on the Buyer after the termination of this Agreement.

F. Import Licenses

With respect to any import laws and other regulations of the country of destination and its various cognizant departments regarding the import of the Products hereunder, Buyer shall be solely responsible for obtaining and complying with any and all import licenses or other authorizations which may be required for importing the Products.

G. Modifications Prior to Delivery

Seller shall have the right to incorporate at any time and without Buyer's consent changes in any Product to be furnished to Buyer hereunder where such changes are meant to improve the manufacturing or maintenance conditions of the Product, providing such changes do not materially prejudice the performance of the Product or the delivery schedule therefore. Seller shall also have the right, at any time without Buyer's consent, to incorporate such changes in any Product as are specified by the United States Government for this type of Product, providing such changes can be accomplished at no extra cost to Buyer.

H. Taxes and Other Charges

In addition to the Product price, Buyer shall pay to Seller any and all taxes (not including any income taxes), fees or duties

which may be imposed by any taxing authority arising from the sale, delivery, or use of any Product (including, without limitation, excise and value added taxes including Goods and Services Tax, and any import or export duties), and for which Seller may be held responsible for collection or payment, either on its own behalf or that of Buyer, upon receipt by Buyer of Seller's invoice therefore. Buyer shall minimize, to the greatest extent possible, any taxes that may be imposed on Seller. In the event that Buyer pays income tax on behalf of Seller, or there are withholding taxes imposed on Seller, Buyer shall provide Seller with appropriate documentation to evidence the taxes or the payment thereof.

I. Notices

All notices, or communications of any kind under and with respect to this Agreement and the Products shall be in the English language. All legal notices required hereunder shall be given by hand delivery or registered mail to 777 Macarthur Avenue Central, Pinkenba Brisbane Australia. The effective date of each such notice shall be the date upon which it is received.

J. Disputes

For sales to foreign governments: All disputes and differences between the parties arising out of or under this Agreement shall be settled and finally determined by arbitration in accordance with the applicable rules of the International Chamber of Commerce ("ICC"). All decisions shall be in accordance with the substantive laws of the State of Connecticut, United States of America (excluding choice of law) and the arbitration shall be conducted in the State of Connecticut. The arbitration court shall be composed of three (3) arbitrators, one of whom will be named by each party. The third arbitrator, who shall act as chairman, shall be determined in accordance with the rules of the ICC. The arbitrators shall meet and decide at a place determined by them by majority vote. The arbitrators shall decide each issue presented to them by a majority vote, and their decisions shall be in writing and shall be final and conclusive. The amount of the costs of any such arbitration and by whom they shall be paid will be determined as part of the arbitration. This Agreement shall be enforceable and judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction.

For all other sales: This Agreement shall be interpreted in accordance with, and the construction thereof shall be governed solely and exclusively by, the laws of the State of Connecticut, U.S.A. The courts of the State of Connecticut, U.S.A. are the exclusive forum for resolving any disputes arising under this Agreement.

K. Assignment/Construction/Merger

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto, but it may not be voluntarily assigned, wholly or in part, by either party hereto. However, Seller may assign this Agreement to a wholly owned subsidiary of Lockheed Martin Corporation. The terms and conditions herein contained constitute the entire agreement between the parties hereto and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, and no agreement or understanding varying or extending the same will be binding upon either party hereto unless in writing, signed by a duly authorized officer or representative thereof. If any term or terms of this Agreement are determined to be invalid or unenforceable under applicable law, such term or terms shall not apply; but the remaining terms of this Agreement shall remain in full force and effect.

VI. ADDITIONAL PROVISIONS RELATED TO OVERHAUL AND/OR REPAIR SERVICES

A. Ground and Flight Risk

It is understood and agreed that, as a result of any work done by Seller, it may be necessary for Seller to make certain ground tests and flight tests of Buyer's aircraft. The Buyer agrees to secure, indemnify, and hold harmless Seller and Lockheed Martin Corporation and Lockheed Martin Corporations subsidiaries and their directors, officers, employees, service representatives, and agents from any liability, claim of liability, expense, cause of action, loss or damage whatsoever for any injury including death, to any person or property whatsoever, including Buyer's aircraft, from any cause whatsoever, including Seller's actual or imputed negligence or other tort, arising out of or as a result of such ground or flight operations of Buyer's aircraft.

B. Scrap Materials

Goods and parts thereof received from Buyer which, in the opinion of Seller, have no value other than as scrap will be disposed of by Seller and no accounting or liability therefore will be imposed on Seller by Buyer. However, Seller agrees

to comply with instructions set forth on the face of Buyer's order providing for immediate disposition of any such scrap at Buyer's expense.

C. Shipment

Buyer shall ship such item to be overhauled or repaired to Seller's facility within sixty (60) days of Seller's receipt of Buyer's order.

VII. ADDITIONAL PROVISIONS RELATED TO PUBLICATIONS

A. Proprietary Rights

Buyer recognizes that the publications delivered hereunder may contain information which is proprietary to Seller, Sikorsky Aircraft Corporation, Lockheed Martin Corporation or its suppliers. Accordingly, Buyer agrees to comply with the terms of the following legend, entitled "Lockheed Martin Proprietary Information", or any other legend, when affixed to any publication: "LOCKHEED MARTIN PROPRIETARY INFORMATION -- Proprietary information owned by Lockheed Martin, such as business, financial or technical information that requires protection from unauthorized disclosure. Access is restricted to employees, and authorized individuals who have executed nondisclosure agreements or who are otherwise legally bound by confidentiality obligations to Lockheed Martin."

B. Buyer-Furnished Data

In connection with any data or other information furnished by Buyer for use in any publication delivered hereunder, Buyer warrants and represents that no trade secrets or confidential information of any other person, firm, corporation, or government has been or will be wrongfully disclosed by Buyer to Seller and that all information disclosed by Buyer to Seller may be used or disclosed by Seller without restriction.

VIII. ADDITIONAL PROVISIONS RELATED TO TRAINING COURSES

A. English Language

The training course will be conducted in the English language and all written material will be in English. Buyer is solely responsible for arranging for the services of an interpreter, if required, and is solely responsible for the expenses of such interpreter services.

B. Buyer's Responsibility

All pilot and maintenance training shall be conducted on Buyer's aircraft. Buyer shall have sole responsibility and liability for all arrangements and expenses for travel, lodging and meals for Buyer's personnel enrolled in the training course.

C. Indemnification

In consideration of Seller making the training services available to Buyer hereunder, Buyer, as the aircraft owner whose employees or designees will be the recipient of such training, shall secure and protect itself and indemnify Seller, and Lockheed Martin Corporation and Lockheed Martin Corporations subsidiaries and their directors, officers, employees, service representatives, and agents from any liability, claim of liability, expense, cause of action, loss or damage whatsoever, whether arising in tort or otherwise for any injury, including death, to any person or property whatsoever (including Buyer's aircraft), arising out of or in conjunction with the performance of such training services. Seller assumes no liability for any expense of Buyer, including those of Buyer's personnel, directly or indirectly connected with the furnishing of training services provided hereunder nor for any expenses for the operation or maintenance of Buyer's aircraft. The parties expressly understand and agree that the responsibility of Seller in the furnishing of the training services is limited to the furnishing of such and shall not extend to the results thereof.

IX. ADDITIONAL PROVISIONS RELATED TO TECHNICAL SUPPORT

A. Technical Representative Functions

The Technical Representative will function as a technical advisor in the operation and maintenance of Sikorsky model helicopters only and will not be utilized by Buyer in lieu of Buyer's normal supervision. The Technical Representative shall remain an employee exclusively of Seller, and the decision as to whether the working conditions are sufficiently safe to allow the Technical Representative to perform services hereunder shall remain entirely within the discretion of the

Technical Representative. The Technical Representative will be available during normal working hours for consultation and technical support related to the Sikorsky model helicopters. In emergency cases related to safety, flight conditions or aircraft ground conditions, Seller will endeavour to make the services of the Technical Representative available outside of normal working hours. The normal work week is understood to be eight (8) hours per day, five (5) days per week. The Technical Representative shall observe those holidays observed by Buyer and by Seller.

B. Seller's Relationship to Buyer

The relationship of Seller to Buyer shall be that of independent contractor and nothing herein contained shall be construed as creating a joint venture or any other relationship between Seller and Buyer.

C. On-Site Labour and Equipment

Buyer will furnish proper working facilities such as buildings, communication equipment (for local communication only), desks, etc. as well as any additional on-site labour, labour supervision, equipment, material, tools and instrumentation found necessary to accomplish the desired task(s).

X. ADDITIONAL PROVISIONS RELATED TO COMPONENT EXCHANGE

A. Ordering

Seller will make every effort to supply exchange components in accordance with quoted lead times. However, while an extensive range of components is maintained, supply on short notice cannot always be guaranteed. To ensure availability, 30 days notice of scheduled changes is required. Customer orders shall include; purchase order number, part number required, part number of time expired component, date required, shipping instructions and copy of historical record cards.

B. Time Expired Unit

Time expired component shall be accompanied by; component historical records, correctly completed component exchange unserviceable tag and any special shipping blanks supplied with exchange component. Time expired component should be the same modification status and part number as the exchange component, if not, Buyer will be separately billed the upgrade price to the same status as the exchange component.

C. Shipment

If Buyer's component is not received at Seller's facility within fourteen (14) days for domestic Buyers or twenty one (21) days for international Buyers after receipt of exchange component from Seller, Buyer will be separately billed for 70% of the list price of the exchange component.

D. Billing

Exchange components are divided into 5 categories for pricing purposes, (refer to E below for further details). Unless otherwise stated, billings will be processed in two (2) stages. Upon delivery of an exchange component from Seller's facility, Buyer will be billed first billing amount in accordance with Seller's published price list. After receipt, the Buyer's time expired component will be overhauled and the total price of the overhaul will be determined. Buyer will be billed a second billing reflecting either an additional invoice or a credit note for the difference between the first billing and the final price of the overhaul.

E. Pricing

Components are segregated into five categories for administrative and pricing purposes. The pricing structure for each category is as follows:

1. Category 1 – Rotor / powertrain components without lifed items

First billing per price list on shipment of unit. Second billing on completion of overhaul of turn in unit. The first billing is based on historical data and reflects the overhaul cost of a normal time expired turn in unit. The second billing will be either a credit or debit being the difference between first billing and actual overhaul costs. Customers will be provided with complete details of parts used.

2. Category 2 – Rotor / powertrain components with lifed items

At time of ordering, customers should provide complete history of proposed turn in unit. Seller will provide a quote based on this information reflecting overhaul costs and pro rata adjustment for lifed items. For components which have remained within the exchange pool and only been overhauled by Seller – a charge will be levied, pro rated between the

item life and the overhaul period. Items which have reached their normal retirement will not attract any additional charge. For components which have not remained within the exchange pool and have been overhauled by companies other than Seller – the pro rata adjustment will be based on the difference in life remaining between serviceable and turn in units. Lifer items which do not have sufficient hours to reach next overhaul will be returned to customer. First billing on shipment per quote. On completion of overhaul a second billing may be issued for parts required and the balance of life remaining if any of the lifer items failed inspection.

3. Category 3 – Hydraulic components.

First billing per price list on shipment of unit. Second billing on completion of overhaul of turn in unit. The first billing is based on historical data and reflects the overhaul cost of normal time expired turn in unit. The second billing will be either a credit or debit being the difference between first billing and actual overhaul costs. Customers will be provided with complete details of parts used.

4. Category 4 – Non rotor/powertrain components

First billing per price list on shipment of serviceable unit. Second billing on completion of overhaul of turn in unit. The first billing is based on historical data and reflects the overhaul cost of a normal time expired turn in unit. The second billing will be either a credit or debit being the difference between first billing and actual overhaul costs.

5. Category 5 – Other vendor items

First billing per Seller's list price upon shipment of serviceable unit. A second billing will be issued for work required to be conducted where the turn in unit is outside of normal repair limits, up to the price of a replacement unit.

F. Unserviceable Parts

Parts removed as unserviceable from time expired components are Seller's property.

G. Delivery of Returned Components

Returned components shall be delivered to Seller, EX WORKS [1990 INCOTERMS] Seller's factory and title thereto shall pass to Seller at the time an invoice for the returned component(s) has been issued by Seller to Buyer. All transportation costs and risk of loss of returned components in transit shall be borne by Buyer.

H. Buyer's Warranty

Buyer warrants and represents that at the time of delivery of the returned component(s) to Seller, the Buyer has good title and the authority to transfer title to Seller, and the returned component(s) and title thereto are free and clear of all liens, claims and encumbrances whatsoever.

XI. ADDITIONAL PROVISIONS RELATED TO COMPONENT EXCHANGE – SIKORSKY AIRCRAFT CORPORATION COMPONENTS

A. Pricing and Exclusions

Prices quoted cover only the repair and overhaul of parts resulting from normal operations including fair wear and tear. The cost of repair or overhaul of Buyer's returned components arising as a result of any of the following are specifically excluded from the Component Exchange Program and will be billed separately: (a) the replacement of any detail part with a published retirement time if replacement is required due to the expiration of its published life; the cost of replacing such time expired items shall be billed separately; (b) damage caused by combat, accidents, crashes, foreign objects or external causes including environmental conditions; (c) failure to operate and/or maintain the helicopter in accordance with contractor recommended operation and/or maintenance procedures; (d) operation of the helicopter outside of the limits contained in the flight manual; (e) damage resulting from contaminated fluids (fuel, oil, nitrogen, hydraulics or other), abuse, acts of God or the public enemy, sabotage, riots and vandalism; (f) any repair or overhaul for which the price of repair exceeds sixty-five (65%) of the then current selling price of a new component; and (g) the price of updating components with any optional or mandatory product improvements.

B. Buyer's Warranty

Buyer warrants and represents that (1) at the time of delivery of the returned component(s) to Seller, the Buyer has good title and the authority to transfer title to Seller, and the returned component(s) and title thereto are free and clear of all liens, claims and encumbrances whatsoever, (2) each returned component delivered by Buyer to Seller shall have been originally purchased by Buyer from Seller or another Lockheed Martin entity, shall not have been overhauled or repaired

by other than Seller or another Lockheed Martin entity, and (3) each returned component delivered by Buyer to Seller shall have been installed by Buyer and maintained in accordance with applicable recommendations and instructions of Seller as contained in such publications as operating and maintenance manuals and service bulletins.

C. Delivery of Returned Components

Returned components shall be delivered to Seller, EX WORKS [2000 INCOTERMS] Seller's factory and title thereto shall pass to Seller at the time an invoice for the returned component(s) has been issued by Seller to Buyer. All transportation costs and risk of loss of returned components in transit shall be borne by Buyer.

XII. ADDITIONAL PROVISIONS RELATED TO DESIGN SERVICES

A. Design Services Warranty

Seller warrants to Buyer that it will select and furnish personnel reasonably experienced and skilled in the type of work they are to perform hereunder. Seller will not incur any responsibility or liability of any nature, for services performed or not performed by any Representative or for the results of the services furnished hereunder. Seller's liability and Buyer's remedy under this warranty are limited to the correction of such services as are shown to Seller's reasonable satisfaction not to have complied with this warranty, provided that written notice of such noncompliance shall have been given by Buyer to Seller within thirty (30) days after the furnishing of such services.

B. Intellectual Property

Seller grants to Buyer the limited, irrevocable, nonexclusive, non-transferable right and license to use (without a right to sublicense), but not to own, the design and three dimensional forms of the design to manufacture a part or modification for the limited purpose for which the Buyer requests the design. No other rights and licenses are granted herein. Intellectual property rights on the design drawings and any three dimensional form of the design drawing (including the right to register the design anywhere in the world) vests in Seller. No person may exercise these rights without the express written consent of Seller.

C. Design Approvals

Designs approved pursuant to the Civil Aviation Regulations are approved for use on aircraft in Australia only. Seller makes no representation as to the acceptability of these design approvals by Foreign National Airworthiness Authorities.

D. Extras

Work will not be performed in excess of the Statement of Work hereunder. The price is based on information available at the time of quoting. Any over and above work arising from issues that arise during the design process will be pursuant to mutual agreement between Seller and Buyer and subject to price adjustment.