

Isavia Terms of Business



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Publisher

Isavia ohf.

Date

15 November 2024

Case Number and Version Number:

2409036 04

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www.isavia.is / isavia@isavia.is

1. Scope of Application

- 1.1. These Terms of Business apply to transactions between Isavia ohf., id 550210-0370 (hereinafter referred to as "Isavia") and its subsidiaries with a Customer. Isavia ohf.'s subsidiaries are Isavia ANS ehf., ID No. 591219-1460, Isavia Innanlandsflugvöllir ehf., ID No. 591219-1380, Fríhöfnin ehf., ID No. 611204-2130 and Tern Systems ehf., ID No. 650997-2559 (hereinafter referred to, along with Isavia, as "Group companies").
- 1.2. In addition to these Terms, the provisions of agreements on individual work, products or services between the Customer and Group companies, rules and charges of Group companies shall apply as applicable. In the event of a discrepancy, such provisions will override the provisions of these Terms.
- 1.3. A Customer under these Terms is an entity that sells work, goods or services to Group companies and/or utilises the services of Group companies. The Customer is deemed to have agreed to Isavia's current Terms of Business by selling work, products or services to Group companies and/or utilising the services of Group companies.
- 1.4. A Customer who sells work, products or services to Group companies is obliged to register their details in the supplier registration form available on Isavia's website, www.isavia.is, and thereby agree to terms including the Code of Conduct for Suppliers.

2. Payment Terms of Invoices Sent by the Customer to Group Companies

- 2.1. An invoice sent by a Customer to Group companies shall fulfil the following conditions:
 - Sent to the correct Group company.
 - The Customer's ID number on the invoice must be identical to the one set out in an agreement or terms for individual work, products or services to a Group company.
 - Domestic customers shall send invoices via electronic invoicing without sending the invoice concurrently by post or e-mail. For more information on receiving electronic invoices, see Isavia's website, www.isavia.is.
 - Foreign customers shall send invoices via electronic invoicing if possible, or otherwise by e-mail.
 - The invoice shall contain the information required by an agreement or terms for individual work, products or services to a Group company, at a minimum the following information:
 - The name of the purchaser/project manager/contact for the Group company.
 - Number of cost centre and analysis.
 - Investment number, if applicable.
 - Contract number, request number, project number, order number, or other reference number.
 - Terms of carriage, if applicable.
 - A breakdown of the work, products and services, quantities, number of hours, units, unit prices, discounts and total prices, as well as other information required for an invoice.
- 2.2. A Customer may not send an invoice to a Group company for work, products or services if the work, products or services in question have not been performed. The invoice for each month's transactions shall be received no later than the 15th of the following month, and the payment terms for invoices in ISK shall be **30 days** and for invoices in other currencies **45 days**. If the Customer and a Group company have agreed on a different arrangement or a longer payment term, this shall be indicated on the invoice with reference to the relevant contract or agreement.
- 2.3. For further instructions on sending invoices to Group companies, see Isavia's website, www.isavia.is.
- 2.4. Group companies may impose additional requirements on the Customer's invoices, such as product, materials, and service breakdowns under specific product numbers with specific descriptions for further differentiation and automatic book-keeping entry with Group companies. This is largely due

to extensive legal requirements related to sustainability and duty of information according to the Act on Annual Accounts No. 3/2006, as amended, and other legislation pertaining to Isavia's operations.

- 2.5. If any necessary information is missing from an invoice sent by a Customer to Group companies, payments may be delayed. Group companies may reject invoices that do not meet the criteria set out in these Terms, guidelines on accepting invoices, agreements or terms for individual work, products or services. Group companies shall not incur increased costs due to delays in payments or rejection of invoices due to lack of necessary information on the invoice sent by the Customer.
- 2.6. The Customer may contact Isavia's accounting by e-mail at bokhald@isavia.is if there are any questions regarding invoices sent by the Customer to Group companies.

3. Payment Terms of Invoices Sent to Customers by Group Companies

- 3.1. Customer is required to pay Group companies for products and services according to contractual terms or the applicable charges at any given time.
- 3.2. Unless otherwise agreed, the payment terms of invoices sent by Group companies to the Customer are **30 days** from the date of the invoice.
- 3.3. Group companies send invoices to domestic customers via electronic invoicing and electronically to customers overseas via e-mail.
- 3.4. The Customer has 14 days from the invoice date to comment on invoices from Group companies. Comments should be sent to Isavia's collections department by e-mail to: innheimta@isavia.is.
- 3.5. If the Customer does not pay the invoice in ISK on the due date, penalty interest will be applied to the unpaid amount according to the decision of the Central Bank of Iceland at each time from the due date of the claim, cf. Article 6(1) of the Act on Interest and Indexation No. 38/2001, as amended.
- 3.6. If the Customer does not pay the invoice in euros on the due date, penalty interest corresponding to the 1-month EURIBOR interest rate at each time is added to the unpaid amount, plus a 7.5% surcharge. The basis is the 1-month EURIBOR interest rate as advertised at www.euribor-rates.eu or another provider of EURIBOR interest rates that Group companies may decide to use.
- 3.7. Group companies may convert unpaid amounts in foreign currencies to ISK at any time as of the final due date of invoices, based on the Central Bank of Iceland's mid rate on the date when the claims are converted.
- 3.8. Where an alternative payment arrangement for invoices sent by a Group company to a Customer is provided for in agreement, other terms or the charges of Group companies, such provisions shall prevail over the provisions of Article 3 of these Terms.

4. Cancellation, Default and Termination

- 4.1. Unless otherwise provided in agreement between the Group company and the Customer, the parties shall be entitled to terminate the agreement with three months' notice, counting from the beginning of the month after a notification thereto has been received by verifiable means.
- 4.2. Group companies may cancel all transactions with a Customer in the event of material default on the part of the Customer against any Group company.

- 4.3.** Default on the part of the Customer may result in termination of agreements and/or credit accounts. Failure to remedy non-payment is always deemed to be material default.
- 4.4.** Group companies may terminate an agreement if the Customer:
- Does not pay invoices within 14 days from the final due date.
 - Fails to fulfil their contractual obligations with Group companies within 14 days of the date of a written notification thereto. The requirement for a written notification does not apply if it is found that the Customer does not rectify defects.
 - Is granted permission for suspension of payment or composition, or becomes bankrupt.

5. Set-Off

- 5.1.** A Customer is prohibited from withholding or offsetting payments to Group companies without their written consent.

6. Assignment

- 6.1.** A Customer may not assign, in whole or in part, any of the rights and obligations under these Terms without the consent of Group companies.
- 6.2.** Group companies may assign, in whole or in part, their rights and obligations under these Terms with a notification to the Customer.

7. Intellectual Property and Proprietary Rights

- 7.1.** Except as otherwise provided in an agreement between the Group company and the Customer, intellectual property rights to the products of purchased services, whether delivered orally or in a physical form, as well as proprietary rights to working documents and data shall be deemed to be the property of the Group companies.

8. Limitation of Liability

- 8.1.** Liability of Group companies is limited to the direct damages that the Customer may incur in connection with an agreement with the Customer. Thus, the liability of Group companies does not cover the Customer's, or a third party's, indirect or consequential damages, including operational damages.
- 8.2.** If a Group company terminates an agreement with a Customer due to material default, the Group companies shall not be liable for damages to the Customer related to such termination.
- 8.3.** In other respects, the general rules on tort apply to the liability of Group companies.
- 8.4.** Group companies are not responsible for damage that the Customer may directly or indirectly incur in connection with these provisions or business transactions, if the damage can be traced to incidents resulting from legislation, governmental actions or force majeure, such as natural disasters, wars, acts of terrorism, epidemics, strikes, closing of borders, electrical power disruptions or lack of electricity, disruptions in computer systems, or other comparable incidents. Likewise, Group companies are not responsible for discomfort, expense or other financial loss, direct or indirect, resulting from shutdown, disruption or other impairment of Group company operations.

9. Privacy

- 9.1.** The processing of personal data shall be carried out in accordance with the Data Protection Act No. 90/2018 and other rules established on the basis thereof. Should it prove necessary during the contractual term, the parties shall conclude an agreement on the processing of personal data.

10. Confidentiality

- 10.1.** The Customer is bound by confidentiality with respect to affairs of Group companies of which they become aware in the course of their work and shall remain confidential according to law, the instructions of Group companies, or due to the nature of the information concerned. The obligation of confidentiality remains after the termination of the contractual relationship.

11. Taxes

- 11.1.** Where applicable, Group companies collect VAT in accordance with the Act on Value Added Tax No. 50/1988.
- 11.2.** Group companies may, under these Terms, request information from customers about their tax domicile and other information which they consider important for the purposes of the business relationship between the parties. Group companies may be required by the Income Tax Act and the instructions of Icelandic tax authorities to withhold withholding tax for payments to persons with limited tax liability in Iceland who have failed to comply with the obligation to register or have received a certified exemption from Icelandic tax authorities for payments from Group companies.

12. Expiry

- 12.1.** Upon expiry of the contractual term, all rights granted to Group companies and to Customers are cancelled. Upon expiry of the contractual term, irrespective of the reason, any assets, material, data, confidential information and other material parts relating to an agreement that has been delivered and is undoubtable the property of the counterparty must be returned to the counterparty within 30 days, unless otherwise provided by law.
- 12.2.** Upon expiry of the contractual term, including at the end of the effective term or if an agreement is cancelled or terminated, the Customer is required to remove any of their equipment and property located in the premises of Group companies. If such equipment or property has not been removed within a period of 30 days from the effective expiration of an agreement, Group companies have the right to have it removed, moved to another place or stored by other means at the Customer's cost.

13. Law and Jurisdiction

- 13.1.** These Terms are subject to Icelandic law.
- 13.2.** Any disputes arising from these Terms shall be referred to the District Court of Reykjavík.

14. Amendment of Terms

- 14.1.** Isavia may at any time amend these Terms unilaterally and without notice. Changes to the Terms are notified through a public notice on the Isavia website.
- 14.2.** These Terms are published in Icelandic and the Icelandic version of the Terms is the only valid version regardless of whether Isavia publishes a translation of the Terms in languages other than Icelandic.
- 14.3.** These Terms are published on Isavia's website, www.isavia.is and are valid as of 16 December 2024.

The image features a background with a smooth gradient from deep blue at the top to a bright yellow at the bottom. A large, dark blue, curved shape, resembling a stylized 'K' or a swoosh, is positioned on the left side. The word 'KEF' is written in a bold, white, sans-serif font, centered horizontally and partially overlaid by the dark blue curve.

KEF