

General Terms and Conditions

for the Public Auction of C-26 Aircraft and Spare Parts Package

Introduction

This document contains the general terms and conditions governing the Public Auction of C-26 Aircraft and Spare Parts Package, organized by SAHAR GROUP LLC.

Its purpose is to clearly establish the rules applicable to all participants, as well as the legal, technical, logistical, and environmental provisions that will govern the auction, awarding, payment, and delivery of the auctioned assets.

These terms and conditions have been prepared in accordance with Colombian law and international best practices regarding the marketing of non-operational aviation assets.

Glossary of Terms and Abbreviations

SAHAR GROUP LLC: The company organizing and responsible for the auction process.

The Organizer: Refers to SAHAR GROUP LLC, responsible for coordinating the auction, bidder registration, execution, and awarding of assets.

Bidder / Participant: Individual or legal entity registered to participate in the auction.

Awardee / Buyer: Bidder declared the winner of the auction and acquiring the auctioned assets.

Assets / Lot: The set of aircraft and spare parts being auctioned.

C-26 Aircraft: Fairchild C-26 aircraft (SA 227 AC, BC, and DC) offered for dismantling (PART OUT).

PART OUT: Technical term describing the process of dismantling an aircraft to reuse its parts and components.

COAVI-BOGOTÁ: Bogotá Aviation Anti-Narcotics Company of the National Police of Colombia, location of the aircraft at El Dorado International Airport, Gate 6, National Police Aviation.

COAVI-GUAYMARAL: Guaymaral Aviation Anti-Narcotics Company, location of the repairable items package at north highway, Kilometer 16, way Guaymaral Airport, Hangar No. II, National Police of Colombia.

OPAIN: International Airport Operator S.A., concessionaire of El Dorado Airport in Bogotá, responsible for authorizing movements on the apron.

AS IS – WHERE IS: Expression used in aviation trade meaning “as is, where is”; the buyer accepts the assets without warranty or obligation of improvement by the seller.

ITAR / EAR: U.S. regulations controlling the export of defense articles and dual-use goods. The buyer must comply if applicable.

Earnest Money / Bid Guarantee: Deposit demonstrating the bidder’s commitment and securing the validity of their offer.

Award Certificate: Document formalizing the awarding of the lot to the winning bidder.

Removal Schedule: Plan approved by the organizer defining the dates and stages for the physical removal of assets.

1. OBJECT OF THE AUCTION

This document establishes the general conditions governing the public auction of seven (7) Fairchild C-26 aircraft (SA 227 AC, BC, and DC) for total disassembly (PART OUT), along with a package of aircraft spare parts, organized by SAHAR GROUP LLC, hereinafter "THE ORGANIZER." These conditions regulate participation, award, payment, delivery, and responsibilities arising from the process.

2. AUCTION MODALITY

The auction will be held virtually on the date and time specified in the official call. It will be a traditional ascending auction, in which bidders increase their offers until no higher bids are received. All goods (aircraft and spare parts) will be auctioned as a single lot, awarded to the highest bidder.

3. ASSETS TO BE AUCTIONED AND LOCATION

The assets subject to the auction consist of seven (7) non-operational Fairchild C-26 aircraft (SA 227 AC, BC, and DC) and a spare parts package containing more than [3,000] items, located at the COAVI-BOGOTA Company (Bogotá) and COAVI-GYM Company (Guaymaral)

| Aircrafts C26 | | | |
|-----------------------|----------------------|-----------|-----------|
| Aircraft Registration | SN | Model | Location |
| PNC-0221 | AC-734B | SA227-AC | El Dorado |
| PNC-0222 | AC-737B | SA227-AC | El Dorado |
| PNC-0224 | DC-809M | SA227-DC | El Dorado |
| PNC-0227 | DC-853B | SA227-DC | El Dorado |
| PNC-0228 | DC-854B | SA227-DC | El Dorado |
| PNC-0229 | DC-850B | SA227-DC | El Dorado |
| PNC-0246 | BC-766B | SA227-BC | El Dorado |
| Spare Parts Packages | | | |
| Item | Qty | Location | |
| SERVICEABLE | More than 3000 Parts | El Dorado | |
| REPAIRABLE | More than 300 Parts | Guaymaral | |

Technical information and the official catalog will be provided exclusively to registered participants. All assets are offered under the "AS IS – WHERE IS" condition, without warranty of functionality or suitability for any particular purpose.

4. AUCTION STARTING PRICE

The auction will be held for a single lot comprising seven aircraft together with the complete spare parts package. The starting bid for this lot is set at USD 900,000 (Nine hundred thousand US dollars).

5. PARTICIPANTS

Individuals or legal entities that meet applicable legal and regulatory requirements may participate. Each bidder must:

- Complete the registration form.
- Provide a copy of identification or certificate of existence and legal representation.
- Explicitly accept the auction conditions.
- Submit the bid guarantee.
- Sign a confidentiality agreement.

6. BID GUARANTEE

Participation requires a bid guarantee of USD 5,000 per bidder. This amount will be returned to non-awarded bidders within five (5) business days after the auction closes, less a USD 50 fee for financial charges. SAHAR GROUP LLC is not responsible for additional bank deductions by third parties. The winner's guarantee will be applied toward the final payment.

7. AUCTION PROCESS

The auctioneer will announce the opening bid for the lot. Bids must be made in minimum increments established at the start of the event. The highest bidder at closing will be declared the awardee.

8. AWARD AND PAYMENT

The award is final upon auction closure and winner announcement. The awardee must:

- Sign the award certificate.
- Sign the sales contract.
- Pay the total amount within ten (10) business days following the award via bank transfer, check, or money order to the account specified in the contract.
- Bear all costs of property transfer, taxes, licenses, insurance, transportation, export, and import, as applicable.

9. DELIVERY OF ASSETS

Physical delivery will occur once full payment is confirmed. Aircraft will be delivered at COAVI-BOGOTA Company (Bogotá), and part of the spare parts package at COAVI-GYM Company (Guaymaral).

The buyer is solely responsible for transportation, export, or nationalization logistics. Dismantling at COAVI-BOGOTA Company is prohibited; any removal or dismantling must occur outside these facilities. Transportation and logistics must be coordinated with competent authorities.

The buyer must comply with all regulations and requirements for access, permits, insurance, and other obligations imposed by OPAIN and CNP COAVI-BOGOTA personnel, specialized equipment, tools, and vehicles used in the aircraft removal and subsequent dismantling process, and bear all costs incurred.

10. LIABILITY AND WARRANTIES

Aircraft and spare parts are sold in “AS IS – WHERE IS” condition, without express or implied warranty of operation or airworthiness. SAHAR GROUP LLC is not liable for hidden defects, future issues, or any subsequent use by the buyer. The buyer assumes all responsibility for damages, accidents, losses, or claims arising from the removal, transport, dismantling, or disposal of assets, and indemnifies SAHAR GROUP LLC against any third-party claims.

Exemption of liability for spare parts package:

Neither the seller nor the auction organizer assumes any responsibility regarding the condition, functionality, or technical specifications of the spare parts package. All components, whether new, repairable, or serviceable, are delivered as-is, without warranty of performance, lifespan, or suitability. The buyer accepts responsibility for verification, inspection, and technical evaluation before the award. Components in repairable or serviceable condition will include documentation, if available. If any item lacks identification or documentation, neither the seller nor the organizer will be responsible, and the buyer accepts this condition upon award.

11. ENVIRONMENTAL AND SAFETY COMPLIANCE

The buyer must comply with Colombian environmental regulations, including proper management and disposal of aviation, hazardous, or pollutant waste generated during removal or transport. Facilities must be maintained in optimal conditions during operations.

12. REGULATORY AND EXPORT COMPLIANCE

The buyer is responsible for obtaining any permits, authorizations, or licenses required by aviation, customs, or export control authorities (ITAR/EAR or others) and bearing all associated costs. SAHAR GROUP LLC will not be liable for delays or non-compliance arising from such procedures.

13. CONFIDENTIALITY

All technical information, photographs, catalogs, or documents provided to participants are for auction purposes only and may not be disclosed to third parties without written authorization from SAHAR GROUP LLC

14. FORCE MAJEURE

SAHAR GROUP LLC may suspend, modify, or reschedule the auction due to force majeure or unforeseen circumstances, including technical failures, government decisions, security reasons, or any event beyond its control.

15. GOVERNING LAW AND JURISDICTION

This document shall be governed by the laws of the Republic of Colombia. Any dispute shall be subject to the jurisdiction of the courts of Bogotá D.C.

16. COMMUNICATION CHANNELS

Any inquiries or communications related to the auction must be sent to the official email: auctionc26@sahar.aero