

General Terms and Conditions of Sale

1. – General

The following terms and conditions shall be, except as otherwise expressly set forth herein, the sole terms and conditions governing the sale of goods by the seller of the goods (“Supplier”) and/or any quote made by the Supplier to the purchaser of such goods (“Customer”). The identity of Supplier, Customer and the goods being purchased, the quantity of the goods being purchased, delivery information and other material information applicable to the sale of the goods shall be set forth in Customer’s purchase order (the “PO”) delivered to Supplier. These terms and conditions are incorporated into and made a part of each such PO. A quote is valid for the provided period, unless earlier terminated in writing by the Supplier. Any quote made by the Supplier is subject to alteration and withdrawal by the Supplier’s notice to the Customer at any time until any PO has been agreed in writing by both the Customer and the Supplier. The PO may not be agreed by the Supplier at the originally quoted price and/or lead-time because of the current market conditions. If such events occur within the period of quote validity, the Supplier will notify the Customer as soon as possible from the date the PO is received.

2. – Scope of the Agreement

Upon the earlier of Supplier’s written acceptance of the PO or acceptance by Customer of goods furnished by Supplier in response to a PO, the PO, the written acceptance, if any, and these terms and conditions shall be the complete and final agreement (the “Agreement”) between Supplier and Customer with respect to the sale of goods identified in the PO. No preprinted or form language contained in the PO shall be part of the Agreement. Supplier’s acceptance of any PO is expressly made conditional upon Customer’s acceptance of these terms and conditions, and Supplier expressly objects to any additional or different terms and conditions, whether set forth in the PO or otherwise. Supplier will not be deemed to have waived these terms and conditions if it fails to object to provisions contained in Customer’s PO or other forms. Any other documents, catalogues, advertising material, and price lists not expressly included as part of the Agreement as provided above do not form part of the contract between Customer and Supplier. The Agreement, including these terms and conditions, may not be cancelled or changed except in writing signed by both Supplier and Customer.

3. – Purchase Orders

All PO for goods are subject to minimum quantities per batch deliveries and specific conditions such as commercial and delivery policies as determined by Supplier from time to time. Pricing is subject to change by Supplier without notice unless otherwise agreed. Customer is not entitled to terminate any PO without Supplier’s written consent. If Supplier consents to any termination requested by Customer, Supplier may condition such consent on the payment by Customer of reasonable termination charges computed by Supplier. Any changes to a PO requested by Customer shall be subject to Supplier’s consent and equitable price adjustment and such other conditions as Supplier may impose. For any PO cancellation, Customer will pay all costs and expenses including but not limited to Work In Process, raw materials, components and non recurring costs, or liquidated damages to be calculated as following :

- twenty per cent (20%) of the concerned goods price if the PO is cancelled more than six (6) months before their delivery date
- forty per cent (40%) of the concerned goods price if the PO is cancelled between six (6) months and three (3) months before their delivery date
- seventy per cent (70%) of the concerned goods price if the PO is cancelled less than three (3) months before their delivery date

4. – Work Preparatory and Accessory to the Order

All plans, descriptions, technical documents or quotes disclosed to Customer shall be communicated as loaned material, for the sole purpose of evaluating and discussing the sale of goods by Supplier to Customer. Right to ownership of or title to material of all loaned documents and prototypes shall remain Supplier’s exclusive property. These items must be returned to Supplier upon request and shall not be communicated to any third party without the prior written consent of Supplier. Expenses incurred by Supplier for designing and creating any tools and for perfecting manufacturing may be subject to a financial participation by Customer. Tools designed by Supplier and/or adapted to its methods and equipment shall remain Supplier’s exclusive property, unless otherwise agreed by Supplier and Customer in writing, and shall stay in its workshops. No license or conveyance of any rights under any discoveries, inventions, patents, trade secrets, copyrights or other form of intellectual property is granted or implied to Customer nor confer or grant to Customer in any manner whatsoever any right or interest of any kind in the event of Customer’s participation in designing and creating any

tools. Supplier is entitled to destroy the tools in the event that they should remain more than two (2) years without receipt of a new PO of satisfactory quantity.

5. – Inspection, Acceptance and Rejection

Customer will make adequate inspection of the goods conformity promptly after receipt, and in no event later than thirty (30) calendar days from the date of shipment. Any rejection of goods shall specify the reasons for the rejection. Customer’s failure to properly reject goods within thirty (30) calendar days from the date of shipment of such goods shall constitute Customer’s waiver of any nonconformity or defect. Rejected parts must be returned to Supplier for analysis upon prior written authorization, and when possible will be reworked. Further processing or assembly of parts, material, etc., by Customer or any third party shall constitute a waiver of any liability on Supplier’s part.

Credit will only be processed on non-conforming goods that are returned to Supplier in a timely manner. Any claim by Customer relating to shipped quantity has to be made within ten (10) calendar days from the date of shipment of the goods. Due to the general accuracy of the weighting tools in the aerospace industry, Customer agrees that the delivered goods will be invoiced by Supplier with the tolerance of more or less three (3%) percent of the value of the delivered goods. Any PO filled by Supplier that is more or less ten (10%) percent than the quantity ordered by Customer will be deemed to be fully filled.

6. – Intellectual Property and Confidentiality

All intellectual property rights as well as know-how incorporated into the documents transmitted, the goods delivered, the tools and the services performed shall remain the exclusive property of Supplier. The parties are mutually bound by a general obligation of confidentiality concerning the information (documents on any media whatsoever, reports on discussions, plans, exchanges of computerized data, etc.) exchanged in connection with the preparation and performance of the Agreement.

7. – Delivery and Transportation

Lead times and delivery dates do not include transportation time and are estimates only, unless otherwise specified. Notwithstanding any express provision on delivery times, a delay in delivery will not result in payment of damages, nor allow cancellation of the order. The cost of transportation and risk of loss shall be borne by Customer as per EXW (Incoterm 2010) Supplier’s place of business unless otherwise specified.

8. – Warranty - Liability

Supplier warrants that the goods sold to Customer will, at the time of shipment, be free from defects in material or workmanship. Furthermore, Supplier’s warranty shall be strictly limited to compliance of the goods with the drawing with issue number as stated in the acknowledgement of PO or the drawing issue number in Supplier’s possession at the date of shipment provided that the technical specifications are not modified. Such warranty is limited to twelve (12) months from the date of shipment to Customer or for the lifetime of the goods, whichever is the earlier. The defects due to modification of the goods, storage, negligence in the handling, and installation of the goods without compliance with the specifications and instructions of Supplier and/or with normal usage are excluded from the warranty. Supplier’s warranty and liability shall be subject to the lot traceability to be performed by Customer. Customer shall keep lot traceability records for the goods to ensure that lots manufactured by Supplier can be traced through Customer’s manufacturing processes and/or Customer’s clients and/or Customer’s sub-contractors. Supplier’s sole liability, and Customer’s sole remedy, with respect to defective or improperly manufactured goods shall be limited to having such goods repaired or replaced, or if Supplier determines repair or replacement is not reasonably possible, refunding amounts paid for such goods. Supplier shall not, under any circumstances, be liable for any special, incidental or consequential damages, including, but not limited to, damage or loss of property or equipment, loss of profits or revenue, injury directly or indirectly arising from the installation or use of its parts. **SUPPLIER MAKES NO WARRANTY THAT THE GOODS WILL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSES. SUPPLIER MAKES NO WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS SET FORTH IN THESE TERMS AND CONDITIONS.**

9. – Price and payment

Prices are established net of tax “Ex-Works” (Incoterm 2010) and shall be invoiced pursuant to the conditions of the Agreement. Unless otherwise agreed, payment terms are net thirty (30) calendar days from the date of invoice. In case of any breach of such contractual terms, the total amount of the sums due by Customer shall be immediately payable. Supplier reserves the right, at any time, to claim payment before consignment of the goods and the right to invoice the goods put at the disposal of Customer, for which the instructions for shipment would have been received.

Any delay of payment may result in the application of an interest charge on the overdue amount at an annual interest rate equal to the most recent refinancing rate of the European Central Bank increased by ten (10) points or any other applicable interest rate as applicable in the related jurisdiction. Additionally, Customer shall be liable to Supplier for all reasonable attorney fees and costs Supplier incurs to effect collection of any invoice unpaid in whole or in part.

In addition, if Customer fails to make any payment in a timely manner, Supplier may (i) suspend all future shipments to Customer until all payments have been made, (ii) ask for adequate security for future payments (letter of credit or the like), (iii) keep all advances without prejudice of other damages and costs and/or (iv) cancel the concerned PO, and all outstanding POs, with written prior notice of Customer’s failure, not being cured within the following eight (8) calendar days.

The transfer of ownership of the goods from Supplier to Customer shall be upon full payment of the invoice.

10. – Assignment

Customer may not assign the Agreement to a third party without the prior written consent of Supplier. The Agreement may be assigned by Supplier at anytime and following such assignment Supplier shall have no further obligations hereunder.

11. – Force Majeure

Supplier will not be liable for any delays or failure to perform any obligations under any PO and the Agreement, if the performance of the same is partly or wholly delayed, prevented or hindered by an event of force majeure such as but not limited to accidents, labor disputes or disruptions, strikes, shortages of labor, materials, fuel or power, fires, floods or other acts of God, acts or terrorism or war, acts or omissions of Customer, restrictions imposed by law or any rules or regulations thereunder, priorities required, requested or granted for the benefit of the government or any other matter beyond Supplier’s control.

12. – Termination

In the event Customer breaches any of its obligations or fails to make payments in a timely manner as required by the terms of the PO and the Agreement, and Customer does not provide security for future payments to the satisfaction of Supplier, or in the event of a change of control of Customer, or if Supplier is subject to bankruptcy or similar action or becomes insolvent, Supplier may terminate any and all of its obligations under the PO and the Agreement.

13. – Foreign Trade Controls Compliance

Customer understands and agrees that goods sold and any technical data or services provided hereunder may be subject to export and other foreign trade controls restricting resales and/or transfers to other countries and parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States or countries in Europe. Any other provision of this Agreement to the contrary notwithstanding, Customer agrees that no goods, technical data or services provided hereunder will be sold, reexported or transmitted except in full compliance with all relevant governmental laws and regulations. Customer agrees to and does assume all responsibility for obtaining any required licenses related to the export or reexport of the goods, technical data or services, including any licenses for their export from and their import into any country.

Customer further agrees that it will not export or reexport any of the goods, technical data or services of U.S. origin or containing U.S. content provided hereunder to any country, government, person, entity, organization or end-user subject to U.S. foreign trade restrictions and, in particular, that it will not export or reexport the goods, technical data or services to:

- (i) any country to which such goods, data or services may not be transmitted without prior specific authorization of the Directorate of Defense Trade Controls, U.S. Department of State, pursuant to the International Traffic in Arms Regulations (22 C.F.R. Parts 120 through 130); or

- (ii) any country to which such goods or data may not be transmitted without prior specific authorization of the Bureau of Industry and Security, U.S. Department of Commerce, pursuant to the Export Administration Regulations (15 C.F.R. Parts 730 through 774); or
- (iii) any country, government, person, entity, organization or end-user against which the United States government has imposed any other foreign trade restrictions, including, without limitation, economic sanctions or an economic embargo or the denial of export privileges.

The Customer shall sign (and, if applicable, make sign the end user) and transmit to the Supplier a non-transfer certificate as soon as it is requested.

Any violation of this Section, as determined solely by Supplier, shall be deemed a material breach of this Agreement and Supplier may terminate any and all of its obligations under this Agreement.

14. Choice of Jurisdiction

Any dispute arising out of or in connection with the PO and/or the Agreement shall be submitted to the Courts of Supplier’s registered office, which shall solely have jurisdiction, regardless of the place of delivery, even in case of claims for indemnities or in case of plurality of defendants, unless the parties agree to arbitration proceedings whose terms shall be agreed in writing by the parties.

The Agreement shall be governed by and construed in accordance with the laws of the country of Supplier’s registered office, excluding those relating to choice or conflicts of law and excluding the United Nations Convention on Contracts for the International Sale of Goods.

15. Indemnity

Customer shall indemnify, defend and hold Supplier harmless and its officers, directors, employees, agents, shareholders or members (collectively “Representatives”), successors and assigns, affiliates and their respective Representatives, successors and assigns and affiliates against any and all claims, actions, suits, liabilities, losses, damages, fines, penalties, fees, costs and expenses, including, without limitation, reasonable attorney’s fees and costs and other litigation fees, costs and expenses (collectively “Losses”), resulting from or in connection with (i) any claim of infringement of any patent or any other intellectual property rights in connection with the processing of any goods for Customer pursuant to Customer’s instructions and specifications regardless whether such claim is valid, (ii) designs, drawings or specifications given to Supplier by Customer for the production of goods for Customer, (iii) defective materials or products supplied by Customer to Supplier and incorporated by Supplier into goods produced for Customer, or (iv) the improper incorporation, assembly, use, processing, storage or handling of goods by Customers or its clients and sub-contractors.