



## STANDARD CONDITIONS OF SALE

### ARTICLE 1. DEFINITIONS

For the interpretation and the purpose of these Standard Conditions of Sales, the words/terms (in singular or plural form) listed below shall have the meanings as follows:

“**Buyer**” shall mean any corporation, public or private entity, interested in the acquisition of Seller’s Supplies as defined in the Proposal. Buyer and Customer can be the same corporation or entity.

“**Customer**” shall mean any corporation, public or private entity that will have the lawful ownership or lawful use of the Supplies. Customer and Buyer can be the same corporation or entity.

“**Documentation**” shall mean the documents to be delivered by Seller to the Buyer with the Proposal or pursuant to the Purchase Order.

“**SCS**” shall mean these Standard Conditions of Sale.

“**Incoterms**” shall mean the Incoterms® 2010 (International Chamber of Commerce – Publication n°715E).

“**Party**” shall mean either Seller or the Buyer.

“**Parties**” shall mean both Buyer and Seller.

“**Products**” shall mean all the Supplies to be delivered by the Seller to the Buyer as listed in the Proposal.

“**Proposal**” shall mean all the documents, appendices, and any revision and/or amendment thereof, including without limitation commercial, technical, and financial documents, sent by the Seller to the Buyer, together with these SCS.

“**Purchase Order**” shall mean a purchase order issued by the duly empowered representative of the Buyer.

“**Seller**” shall mean Technical Airborne Components Industries, SPRL.

“**Supplies**” shall mean the products or the Services or the Products and Services as described in the Proposal.

### ARTICLE 2. PRICES AND PAYMENT

2.1 Prices are intended for the manufacturing of parts compliant with specifications listed in the Purchase Order, the Documentation, and the lead times as listed in the Proposal. Any modification of any of these elements will lead to a price adjustment.

2.2 Prices are established without taxes and include the Seller standard packaging. Unless specified otherwise, all prices are EXW the Seller’s factory according to Incoterms. Shipping, insurance, administrative costs, duties and taxes of any kind are payable by the Buyer.

2.3 Unless stated otherwise in the Proposal, prices are in Euros. Payments must be made in Euro to a bank account designated by the Seller, net and without any discount.

2.4 Unless stated otherwise, payments are due within thirty days following the invoice date. A disputed delivery does not authorize the Buyer to delay the payment.

2.5 Interest on late payments is calculated according to the money market rate of the National Bank of Belgium effective at the due date, increased by four (4) percentage points, commencing on the due date, without any formal notice required. The specification of the interest charge does not affect the due date of payments. In case of late payment, the Seller reserves the right to request additional guarantees of payment or suspend the deliveries and/or the ongoing production of the Products during the Purchase Order performance.

### ARTICLE 3. PROPOSALS, PURCHASE ORDERS AND CONFIRMATIONS

3.1 The Proposal is only valid for the period mentioned in it.

3.2 The Proposal shall be non-binding, unless otherwise stipulated therein. Regardless of whether the Seller has submitted a Proposal, a contract between the Seller and the Buyer shall only be binding upon the Seller’s confirmation in writing of the Buyer’s Purchase Order. Acknowledgement of receipt of the Buyer’s Purchase Order by the Seller shall not constitute confirmation of the Purchase Order and shall not be binding on Seller.

3.3 Deviations in the Buyer’s Purchase Order not being in line with the Seller’s Proposal shall be clearly marked in the Purchase Order. Deviations in the Seller’s order confirmation from the Buyer’s Purchase Order shall likewise be clearly marked. Deviations shall be promptly agreed upon between the

Seller and the Buyer in writing. In the event of a dispute, the Seller’s order confirmation shall be decisive.

### ARTICLE 4. DELIVERY

4.1 Unless otherwise agreed, the Seller will furnish its Products EXW the Seller’s factory according to Incoterms, at which time title and risk of loss shall pass to Buyer. Delivery to the transporting carrier shall constitute delivery to the Buyer.

4.2 If shipment or any other act or condition affecting payment shall be delayed on account of Buyer, payment shall become due when the Buyer is notified that the Seller is ready to ship, and the Products shall thereafter be held at Purchaser’s risk and expense.

4.3 Partial shipment are allowed. In case of partial shipments, proportionate payments shall become due and payable.

4.4 If changes in specifications or drawings are made at the instance of the Buyer, and accepted by the Seller, the Seller shall be entitled to an equitable adjustment in the price, delivery date, or both.

4.5 Unless stated otherwise in the Proposal or agreed by the Purchase Order, the Products will be packed as recommended by the Seller.

### ARTICLE 5. LIQUIDATED DAMAGES FOR DELAY

5.1 Except in the case of an event of force majeure, in case of late delivery of the Products, the Seller shall owe to the Buyer, liquidated damages for delay. Liquidated damages shall only apply in case of late delivery of Products for a cause within the Seller’s reasonable control, which excludes specifically and without limitation force majeure and/or any act or omission of the Buyer.

5.2 The liquidated damages amount shall be one percent (1%) of the price of the delayed Products per completed month of delay after the expiry of a one (1) month period, and shall not exceed five percent (5%) of such price.

5.3 The Parties agree that the Seller shall not be subject to any liquidated damages unless the Buyer is subject to any Liquidated Damages towards the Customer.

### ARTICLE 6. FORCE MAJEURE

6.1 A Party shall not be liable for any failure to perform any contractual obligations if the performance of the same is, in whole or part, delayed, prevented or hindered by an event of force majeure.

6.2 An event of force majeure shall be any event which causes are beyond the reasonable control of a Party, such as but not limited to:

(i) act of God, plague, epidemic, natural disaster such as but not limited to violent storm, cyclone, typhoon, hurricane, tornado, blizzard, earthquake, volcanic activity, landslide, tidal wave, tsunami, fold, damage or destruction by lighting, drought;

(ii) accident, fire, destruction of machines, equipment, factories and of any kind of installation, prolonged break-down of transport, telecommunication or electric current;

(iii) general labour disturbance such as but not limited to boycott, strike and lockout, go-slow, occupation of factories and premises.

6.3 If any event of force majeure occurs in relation to either Party which affects or is likely to affect the performance of any of its obligations under the Proposal and/or the Purchase Order, it shall notify the other Party within a reasonable time as to the nature and extent of the circumstances in question and their effect on its ability to perform.

6.4 The occurrence of an event of force majeure shall automatically suspend the commitments stated in the Proposal or Purchase Order which shall be postponed for the period necessary to overcome the effects of the force majeure event.

### ARTICLE 7. INTELLECTUAL PROPERTY RIGHTS

7.1 Any intellectual property rights (including, without limitation, patents, designs, trademarks, service marks and copyrights and any applications for any of the preceding) in the Products or in the tools, designs, drawings, or production or design data owned or created by the Seller in the course of the performance of the contract or otherwise used in the manufacture, maintenance or repair of the Products shall remain the Seller’s property unless otherwise expressly agreed in writing by the Seller. The Buyer hereby grants to the Seller a non-assignable non-exclusive, royalty-free license to use any intellectual property rights (including, without limitation, patents, designs, trademarks, service marks and copyrights and any applications for any of the preceding) owned or controlled by the Buyer to the extent necessary for the Seller to supply the Products. Except as expressly stated



herein, nothing in the contract shall be deemed to have given the Buyer a license or any other right to use any of the intellectual property rights of the Seller unless otherwise expressly agreed in writing by the Seller.

7.2. Unless agreed in written form by the Seller, the Buyer shall not be allowed under any circumstances to adapt, reproduce and modify all or part of the Supplies, or the Documentation or data related to the Supplies, or carry out reverse engineering analysis of the Supplies.

7.3. The Seller represents that, to the best of its knowledge, the Supplies do not infringe any industrial or intellectual property rights of third parties.

#### **ARTICLE 8. CONFIDENTIALITY**

8.1. Information of all kinds which may include commercial, financial or technical data, documents marked confidential, Documentation, processes, know-how and other unpublished information and which may be disclosed from the disclosing Party to the receiving Party within the framework of the Proposal and/or the Purchase Order and during the subsequent discussions related to the Proposal and/or the Purchase Order, and during Purchase Order performance, shall be kept in strict confidence by the receiving Party. This confidential information shall not be used by the receiving Party for any purpose other than discussion and evaluation of the Proposal and/or as the case may be completion of the Purchase Order, to the extent and for the use authorized in the Proposal and/or in the Purchase Order.

8.2. Each Party will take the necessary measures to ensure that its employees, representatives and contractors adhere to this confidentiality clause. The Buyer shall also make sure that the Customer if any will be bound by this confidentiality clause.

#### **ARTICLE 9. LIMITED WARRANTY**

9.1. The Seller warrants that for a period of one year from the date of delivery of the Products such Product will be free from defects in title, and so far as of its own manufacture, will conform, in the manner herein provided, to the applicable specifications which are made a part hereof, and will be free from defects in material and workmanship.

9.2. THE WARRANTIES, OBLIGATIONS AND LIABILITIES, EXPRESS OR IMPLIED, AND ALL OTHER RIGHTS, CLAIMS AND REMEDIES OF BUYER SET FORTH HEREIN ARE EXCLUSIVE AND IN SUBSTITUTION FOR ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY NONCONFORMANCE OR DEFECT IN THE PRODUCTS PROVIDED HEREUNDER, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS; ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE; ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY ARISING FROM THE NEGLIGENCE OF SELLER OR ANY MANUFACTURER OF AIRCRAFT INCORPORATING THE PRODUCTS; AND ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OR DAMAGE TO ANY AIRCRAFT.

9.3. Should any part of the Product be found, when properly installed to have been defective of nonconforming with the specifications, the Seller will repair or replace said part EXW its factory. No Product or part of it shall be returned without giving prompt notice of non-conformance or defect to the Seller and obtaining its prior written authorization.

9.4. The Seller shall in no event be held liable for damage or delay caused by non-conformance or a defect in material or workmanship, and no allowance will be made for repairs or alterations unless made with its written approval. The Buyer, or any Customer claiming through the Buyer, assumes all liability for the consequences of the use or misuse thereof by itself, by its employees or by others.

9.5. Equipment and accessories not of the Seller's manufacture are warranted only to the extent of the original manufacturer.

#### **ARTICLE 10. CANCELLATION**

10.1. The Purchase Order is not subject to cancellation, change, reduction in amount, or suspension or deferment of deliveries, except with the written consent of the Seller and upon terms which indemnify the Seller against loss.

#### **ARTICLE 11. LIMITATION OF LIABILITY**

11.1. IN NO EVENT WILL SELLER OR ANY MANUFACTURER OF AIRCRAFT BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO NONCONFORMANCE OR DEFECT IN PRODUCTS OR ANY BREACH OF THESE SCS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN

DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY BUYER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

11.2. IN NO EVENT WILL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THE PROPOSAL, PURCHASE ORDER OR THESE SCS, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNTS PAID TO SELLER FOR THE PRODUCTS SOLD.

11.3. The limitation of liability set forth in clause 11.2 will not apply to (i) liability resulting from Seller's gross negligence or wilful misconduct and (ii) death or bodily injury resulting from Seller's acts or omissions.

#### **ARTICLE 12. LAW AND REGULATION, PLACE OF JURISDICTION**

12.1. The Purchase Order and these SCS will be governed by the laws of Belgium. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is hereby disclaimed.

12.2. The Buyer agrees to submit any dispute related to the fulfilment, interpretation or resolution of any Purchase Order between the parties to the exclusive jurisdiction of the Courts of Liège (Belgium), without prejudice to the Seller's right to bring an action against the Buyer in any other court of competent jurisdiction.

#### **ARTICLE 13. EXPORT CONTROL REGULATION, MILITARY USAGE**

13.1. Should the Products be used for military or dual-purpose usage, the Buyer undertakes to sign and obtain from the Customer the signature of an end-user certificate or an International Import Certificate (IIC), whether it applies, in the form requested by the Walloon Region Government. The Buyer also agrees to sign any other end-user certificate whatsoever that may be required by foreign government.

13.2. The Purchase Order may be cancelled without compensation by the Seller in case the Walloon Region Government rejects the export licence application. The Buyer may claim no liquidated damage for delay while the application for export licence is pending.

#### **ARTICLE 14. MISCELLANEOUS**

14.1. These SCS prevail over any of Buyer's general terms and conditions of purchase regardless of whether or when Buyer submitted its Purchase Order or such terms. Fulfilment of Buyer's Purchase Order does not constitute acceptance of Buyer's terms and conditions and does not serve to modify or amend these SCS.

14.2. In case of any conflict, discrepancy, ambiguity, inconsistency or incompatibility between any documents related to, arising from or connected with the Purchase Order, then, unless otherwise expressly provided, the following order of precedence shall apply: (i) the body of the Proposal, (ii) the Proposal's appendices in increasing order, (iii) these SCS, and (iv) the clauses of the Purchase Order (with the exception of any general document issued by the Buyer such as general terms and conditions of purchase which are excluded as stated above).

14.3. If any of the terms and conditions of these SCS shall be or become unenforceable for any cause or reason whatsoever, the ensuing lack of enforceability shall not affect the other provisions hereof, and in such event the Parties hereto shall endeavour to substitute forthwith such other enforceable provision as will most closely correspond to the legal and economic contents of these SCS.

#### **END OF THE SCS**