

SAFRAN VENTILATION SYSTEMS USA, LLC GENERAL TERMS AND CONDITIONS OF SALE

1. GENERAL

The following General Terms and Conditions of Sale ("**Terms and Conditions**") shall apply to all sales made by Safran Ventilation Systems USA, LLC, a Delaware corporation with its principal place of business located at: 7501 Hardeson Rd, Everett, WA 98203, USA ("**Supplier**").

Supplier hereby disclaims and excludes Purchaser's general or specific terms and conditions, including any preprinted terms on the back of or attached to Purchaser's Order. The Purchaser acknowledges to have read and understood these Terms and Conditions prior to the placement of any Order.

Contracts or Orders for the sale of Services shall come into force only after written acceptance from the Supplier to the Purchaser or Supplier starts to perform the Service.

Unless otherwise agreed in writing by an authorized officer of the Supplier, the performance of the Services, by the Supplier is subject exclusively to these Terms and Conditions.

A waiver of any breach of these Terms and Conditions does not constitute a waiver of any succeeding or any other breach of these Terms and Conditions.

2. DEFINITIONS

For purposes of these Terms and Conditions, terms not defined elsewhere herein shall have the following meanings (such meanings to be equally applicable to the singular and the plural forms thereof).

"**Advanced Exchange**" means an Exchange where Exchange Equipment is delivered by Supplier to Purchaser prior to receipt by Supplier of the Removed Equipment.

"**Advanced Exchange Equipment**" means the Exchange Equipment in an Advanced Exchange.

"**BER**" means Beyond Economical Repair.

"**CMM**" means the OEM component maintenance manual then applicable at the date of the performance of the Services on the Equipment.

"**Component**" means any electronic or mechanical parts included in a particular piece of Equipment.

"**Core Unit**" means the Equipment or Components thereof that is exchanged and replaced by the Exchange Equipment and has been sent to the Supplier.

"**CSN**" means Cycles since New

"**CSO**" means Cycles since Overhaul

"**CSR**" means Cycles since Repair

"**Equipment**" means any electronic or mechanical equipment on which the Purchaser requires the Supplier to perform Services pursuant to these Terms and Conditions.

"**Exchange**" means the exchange of (x) any Equipment, Component or accessory ordered by the Purchaser and supplied by Supplier for (y) Removed Equipment to be received by Supplier.

"**Exchange Equipment**" means the Equipment, Component or accessory ordered by the Purchaser and supplied by Supplier in an Exchange.

"**FAA**" means the United States Federal Aviation Administration.

"**In Scope**" means in relation to an Equipment, the scope of work concerned by the Service as defined in the CMM and the mandatory OEM applicable documentation (*i.e.*, service bulletin and authority directive) and specified in the quotation as established by the Supplier;

"**Loan**" means the loan of Equipment, Component, or accessory to the Purchaser by the Supplier.

"**Loaned Equipment**" means any Equipment, Component, or accessory loaned to the Purchaser and supplied, as a Loan, by the Supplier.

"**OEM**" means the Original Equipment Manufacturer.

"**Order**" or "**Request**" means a written order or request for Services sent by the Purchaser to the Supplier.

"**Overhauled**" means the restoration of the full potential of the Equipment in compliance with the CMM, the mandatory OEM documentation and the FAA regulations.

"**Purchaser**" means any customer who purchases Services or Products.

"**Removed Equipment**" means the Equipment which is to be tested, overhauled, repaired or exchanged.

"**Repaired**" means the restoration of the Equipment to a Serviceable condition.

"**Serviceable**" means a condition in which the Equipment is in good operating condition within the limits defined in the CMM, any mandatory OEM documentation and the FAA regulations.

"**Services**" means any exchange, sales (including of sales of spares, software license or support, engineering support or development), modification, test, Repair and/or Overhaul of Equipment, or its Components, requested by the Purchaser and performed by the Supplier.

"**TSN**" means Time since New

“TSO” means Time since Overhaul

“TSR” means Time since Repair

Purchaser and Supplier are jointly referred to as the “Parties” and separately as a “Party”.

2.1 Services work scope

2.1.1 Repair / Overhaul / Test / Modification

Subject to these Terms and Conditions, the Purchaser agrees that Supplier shall complete all necessary work to fully restore the Removed Equipment to a Serviceable or Overhauled condition, as requested and at Purchaser’s sole expense.

If a sub-assembly is exchanged to be incorporated in an Equipment repair, and is/ later deemed BER, the Purchaser will be charged the difference between the list price of the sub-assembly and the exchange price incorporated in the Equipment pricing.

2.1.2 Exchange / Advanced Exchange and Loan

Purchaser shall send a request for an Exchange, Advanced Exchange or Loan, indicating the part and serial numbers, and any requested specific commercial conditions of the Exchange, Advanced Exchange or Loan.

Supplier will review Purchaser’s request for Exchange, Advanced Exchange or Loan and at its own discretion issue an Exchange, Advanced Exchange or Loan proposal to Purchaser. The Supplier may also issue an Exchange, Advanced Exchange or Loan proposal at its own initiative.

Within fifteen days (15) calendar days of issuance of the Exchange, Advanced Exchange or Loan proposal, Purchaser shall acknowledge and accept said Exchange, Advanced Exchange, or Loan proposal in writing, and issue a valid Order as per [Article 3.1](#).

In the event Purchaser requires an Exchange or Advanced Exchange, and Supplier agrees to provide an Exchange or Advanced Exchange unit, Purchaser shall issue an Order and the Supplier shall:

- deliver the Exchange Equipment or Advanced Exchange Equipment; and
- take title to and at its discretion restore the Removed Equipment to the same standard of modification as the Exchange or Advanced Exchange Equipment

In all events, Purchaser shall deliver to Supplier the Removed Equipment or return the Loaned Equipment in compliance with all FAA requirements.

Removed Equipment or Loaned Equipment must include complete traceability, aircraft registration, time on/off, removal form, reason for removal signed by a certified technician or authorized personal (altogether hereinafter referred to as the “Documentation”) in compliance with FAA regulation and as accepted in writing by Supplier.

In the event acceptable Documentation is not provided with returned Equipment (whether the Equipment is Loaned Equipment or Removed Equipment), within 10 days of receipt, the Equipment shall automatically be deemed to be an outright sale of Equipment, and the Purchaser shall be responsible for the total cost based on the applicable Spare catalogue.

In the case of an Advanced Exchange or Loan, the delivery of the returned Equipment shall be no later than twenty-five (25) calendar days (“Grace Period”) from the date of delivery of the Advanced Exchange Equipment or the end of the Loan. If the Advanced Exchange Equipment or Loaned Equipment is not returned within the Grace Period, additional charges will apply as per [Article 9.2](#).

Additionally, in the case of an Advanced Exchange or Loan, if the returned Equipment is not delivered thirty-five (35) calendar days from the date of delivery of the Advanced Exchange Equipment or end of the Loan, the Advanced Exchange or Loan Equipment shall be deemed to be an outright sale of Equipment, and the Purchaser shall be responsible for the total cost of sale as per [Article 9.2](#).

Exchanges and Advanced Exchanges are quoted based on Purchaser returning a Core Unit with the same part number and/or modification status as the Exchange Equipment provided. All additional cost of bringing the unit up to date to meet the configuration of the unit exchanged will be invoiced to the Purchaser. The Core Unit must be in repairable condition and in compliance with all FAA requirements.

Supplier reserves the option of rejecting any returned Equipment or Core Unit due to damage from external causes such as: water submersion, crash, fire, cannibalization, abnormal wear, extreme heat and/or stress, etc. If abnormal wear is found during the repair or overhaul, the Purchaser will be charged time and material for the additional repair. If the Core Unit is determined to be BER by Supplier, the Purchaser shall be responsible for the total cost of sale as per [Article 9.2](#).

While Loaned Equipment is under Purchaser’s care, Purchaser shall be responsible for all repair cost due abnormal wear or damage from external causes including but not limited to, water submersion, crash, fire, cannibalization, abnormal wear, extreme heat and/or stress, etc. If abnormal wear is found during the repair or overhaul of the Loaned Equipment, the Purchaser will be charged time and material for the additional repair. If Loaned Equipment is returned BER the Purchaser shall be responsible for the total cost of sale as per Article 9.2.

If Exchange Equipment or Loaned Equipment is returned to the Supplier because of a confirmed failure, the Purchaser will first need to obtain an RMA from the Supplier and affix the RMA to the returned Equipment as per [Article 6](#). Supplier will not accept returned Equipment because of a confirmed failure without an RMA.

2.1.3 Sales of Spares

Price quoted shall be based on the effective list price at the time of Order, except if otherwise specified in writing in Supplier’s quotation.

Minimum Order value shall be \$250.

3. APPLICATION

3.1 Procedure for ordering and/or request for quotation:

An Order or a request for quotation, Exchange, Advanced Exchange or Loaned Equipment by the Purchaser shall be deemed to be an offer by the Purchaser upon these Terms and Conditions. A contract for the sale of the Services is entered into once Supplier has submitted a written acceptance to the Purchaser or Supplier starts to perform the Services.

Orders may be placed in writing via letter, fax, or email. Telephone orders or quotation requests must be confirmed in writing in order to be processed.

When Equipment is received for Service at the Supplier's location, it must be accompanied by an Order or a request for quotation.

The Supplier may reject any Equipment received without the corresponding Order or request for quotation.

The Supplier may reject any Orders or request for quotation received without the corresponding Equipment.

An Order or request for quotation shall contain the following information when applicable:

- the reference date of Supplier's proposal, if any;
- the removal date of the Equipment by the Purchaser;
- the reason for removal;
- the requested Services;
- the final destination of the Equipment to be redelivered;
- the name of the Purchaser's forwarding agent or transport agent and applicable address;
- the requested Aviation Authority certification;
- the part numbers of the removed Equipment;
- the serial numbers of the removed Equipment;
- TSN, TSO, CSO and CSN of the removed Equipment and life-limited parts;
- any mandatory modifications imposed by the Aviation Authority being outside of the scope of the OEM, CMM repair manuals;
- any recommended service bulletin published by the OEM being outside of the scope of CMM;
- the invoicing address of the Purchaser.

3.2 Request for Quotation or Orders shall be sent to:

Safran Ventilation Systems USA Inc.
7501 Hardeson Rd
Everett, WA 98203

3.3 Orders Acknowledgement

The Supplier will, in writing, acknowledge the Order received from the Purchaser, usually within ten (10) calendar days, following receipt of the Order. Silence of the Supplier shall not mean acceptance of an Order.

Within 30 days of the issuance date of the quotation, Purchaser shall, in writing, accept and/or reject the quotation.

If the Purchaser fails to provide its consent or refusal within 30 days of the issuance of the quotation, the Supplier shall place the Equipment at Purchaser's disposal Ex-Works (ICC Incoterms® 2020) Supplier's premises and invoice the Purchaser for the investigation costs. Such Equipment shall remain at Purchaser's risks and costs. If such Equipment is not recovered by Purchaser within four (4) months from date of issuance of the quotation, such Equipment shall be deemed abandoned and Supplier shall be free to dispose of the Equipment at its discretion.

4. PRICES

The Purchaser, when sending Equipment to the Supplier for Service, agrees to pay all costs of investigation incurred by the Supplier following receipt of the Equipment.

Following receipt of the Equipment, the Supplier shall send to the Purchaser a quotation including but not limited to the "In Scope" work required to return the Equipment to a Serviceable or Overhauled condition, as requested, together with the commercial and pricing conditions.

The price of the Services will be stated in the Supplier's quotation. Prices indicated in Supplier's quotation are in US Dollars and shall remain valid for the period provided in Supplier's quotation, or, if not provided, for 30 days. Unless otherwise stated, such prices are exclusive of any sales/use tax and customs duties which could be levied in connection with the sale or delivery of the Services. Should any additional sales/use tax or customs duties be applicable, it shall be additionally charged by Supplier to Purchaser. When performing the Services, Supplier may invoice additional charges for performance of "Out Of Scope works" to Purchaser. In such a case, Supplier shall send to Purchaser a new quotation that Purchaser shall accept before any redelivery of the Equipment. Should the price of the repair necessary to restore the Equipment to Overhauled condition be over seventy percent (70%) of the then applicable Spare catalogue price of the Equipment, the Supplier can, at its discretion, propose an Exchange or a sale of a spare.

In the event the Purchaser has a legitimate and substantiated reason for believing that an error has been made in any invoice sent by Supplier, Purchaser shall notify Supplier in writing of the nature of the alleged error within thirty (30) days of the date of invoice and shall arrange a meeting with Supplier to conduct an investigation. The investigation must be scheduled and take place within forty five (45) days from receipt of the written notification by Purchaser.

Purchaser may withhold payment after written notification to Supplier of the discrepancy but only of the disputed amount, and the remainder of the invoice shall be paid pursuant to these Terms and Conditions.

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If an invoice adjustment is warranted, Supplier shall either correct the invoice, issue a credit invoice, or reimburse Purchaser to cover the amount adjusted. If the adjustment is not warranted, Purchaser shall pay the amounts that have been withheld within fifteen (15) days of receipt by Purchaser of Supplier's written notification of the outcome of such investigation.

Supplier reserves the right to adjust its catalogue or other price lists at anytime for any reason, without notice.

Supplier may ship and invoice a single Order in multiple deliveries and invoices.

Invoices shall be issued when goods are ready for delivery to the Purchaser or when the Services are performed.

If an Exchange or a sale of a spare is proposed after a repair quotation has been supplied, a new quotation will be issued.

5. CHANGE AND CANCELLATION

Orders cannot be cancelled nor modified by the Purchaser except if Supplier agrees to such cancellation or modification in writing. Supplier reserves the right to invoice cancellation or modification fees.

In the case of an unpaid invoice or bankruptcy, Supplier reserves the right to terminate the Order. In such an instance the Purchaser will reimburse the Supplier for costs incurred up until the termination of the Order.

6. RETURNS

Equipment shipped (Spare sales, Exchange, Advanced Exchange) cannot be returned to Supplier unless Supplier formally agrees to such a return through a Return Material Authorization ("RMA") that must be used to identify the returned Equipment (packaging should be clearly marked outside with RMA number).

Supplier reserves the right to invoice restocking fees of 20% of original invoice with a minimum \$250 for the first 45 days.

Supplier will not issue an RMA after 45 days of Equipment delivery.

7. PACKING

The Purchaser shall deliver the Equipment or any portion thereof properly packaged, in accordance with the OEM specifications. The Supplier is entitled to charge to the Purchaser all costs to repack the Equipment in accordance with OEM specifications if not properly packaged or if the packaging is damaged.

The Purchaser shall stock the Exchanged Equipment or Loaned Equipment, in accordance with Supplier's instructions as from the date of the delivery. The Warranty covering the returned Equipment as set out in [Appendix 1](#) shall be null and void if the stocking conditions defined in the OEM specifications are not fully complied with by the Purchaser and/or the end user.

8. SUBCONTRACTING

The Purchaser acknowledges that all or part of the Services on the Equipment may be performed by other maintenance, repair and overhaul companies including but not limited to the Supplier's approved third parties vendors and consents to such subcontracting of works provided that it shall be performed in accordance with these Terms and Conditions.

9. TRANSPORT

9.1 Transport, delivery and redelivery conditions

- The Purchaser shall deliver the Equipment to the Supplier – DDP Supplier's premises (ICC – Incoterms® 2020) (*i.e.*, Purchaser is responsible for all costs, risk and activities necessary for getting the Equipment to Supplier's premises). Delivery shall be addressed to:

Safran Ventilation Systems USA Inc.
7501 Hardeson Rd
Everett, WA 98203

- The Supplier shall deliver (or redeliver) the Equipment to the Purchaser – Ex Works Supplier's premises (ICC - Incoterms® 2020) as identified above (*i.e.*, Purchaser is responsible for all costs, risk and activities necessary for removing the Equipment from Supplier's premises).

Delivery by Supplier shall be deemed accepted by Purchaser at the time the Equipment is at Purchaser's disposal at the named redelivery point above.

Quantities received by Purchaser shall be deemed to be the quantities acknowledged by the shipper or carrier at the time of departure.

9.2 Purchaser's late delivery of the Removed Equipment or Loaned Equipment

For Advanced Exchange and Loaned Equipment, in case of late delivery of the Removed Equipment or Loaned Equipment by the Purchaser, for each of day that the delivery is late beyond the Grace Period, up to the 10th day, Purchaser shall pay Supplier 1% of the then current Spare catalogue price for the Removed Equipment or Loaned Equipment. After the 11th day, Purchaser shall pay Supplier an amount equal to 100% of the then current Spare catalogue price for the Removed Equipment or Loaned Equipment..

If the Removed Equipment or Loaned Equipment is BER, the Purchaser shall deliver to the Supplier a replacement Removed Equipment or Loaned Equipment, within ten (10) days of Supplier's notice. In the event Purchaser is unable to provide Supplier with replacement Removed Equipment or Loaned Equipment, within ten (10) days of Supplier's notice, Purchaser shall pay Supplier the sale price as provided in the then current Spare catalogue.



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Any part and/or Component of the Equipment or Loaned Equipment received with missing Documentation will be declared scrap and replaced by Supplier at Purchaser's charge at the then current Spare catalogue price.

9.3 Delivery Lead Time

Supplier shall endeavor to deliver or redeliver the Equipment in accordance with the lead times set out in its quotation / proposal but these delivery times are to be treated as estimation only.

9.4 Supplier's delay

Delay in delivery or redelivery shall not enable the Purchaser to reject the shipped Equipment or to fail to pay in strict accordance with the payment terms set out herein. The Purchaser and on behalf of any third party attempting to claim through the Purchaser, hereby waives any claim against the Supplier for any costs, damages or losses, including loss of profit, resulting from late delivery or redelivery of any Equipment however caused.

Purchaser shall notify Supplier of any damage to the returned Equipment and/or loss, non-delivery or quantity shortage in any Equipment delivered or redelivered hereunder as compared with the Order within forty-eight (48) hours of receipt of same.

In the case of delay in the delivery or redelivery, in no event shall the Supplier be liable for incidental or consequential losses or damages, or the loss of profit, loss of revenue, loss of market or commercial loss of the Purchaser or any third party claim through the Purchaser.

10. EXPORT LICENSE

Supplier will provide the Purchaser with all information as reasonably required by the Purchaser to assess any export or re-export restrictions that may affect the Equipment and associated Components and Documentation. All deliveries and grant of rights to be made by Supplier shall be subject to the granting, if required, of the necessary valid license or export authorizations from the concerned authorities based on Purchaser's and Supplier's locations. Purchaser and Supplier, as applicable, shall use reasonable commercial efforts to maintain all such authorizations. In the event that any requisite governmental license, consent or permit or other authorization cannot be obtained in fulfillment of any subsequent order or contract hereto, Supplier shall not be liable to the Purchaser in respect of any bond or guarantee or for loss, damage or other resultant financial penalty. The Purchaser shall provide information on the destination, end-user and end use, as reasonably required by Supplier in connection with obtaining required licenses according to the applicable regulations. The Purchaser undertakes not to sell, lend or deliver to any third party other than those approved under the applicable regulations, with or without compensation, temporarily or permanently, the deliveries and/or their Equipments, including Equipment and spares delivered in connection therewith and the know-how, the documentation and information in any way whatsoever, without a license to the extent required in the applicable regulations.

11. PAYMENT

11.1 Payment terms:

Standard payment term for all invoices is prepayment.

If Purchaser wants to obtain credit terms, Purchaser shall submit a credit application for review by Supplier. Based on this review, Supplier may at its own discretion grant a credit limit and payment terms.

The Supplier reserves the right to alter the terms of payment without prior notice if the Purchaser fails to pay any amount owed to the Supplier or if, in the Supplier's opinion, the Purchaser's financial condition requires such alteration. Supplier will endeavor to communicate such alteration in writing and the Supplier may, at the same or any subsequent time, at its discretion, suspend delivery or terminate the Services without liability to the Purchaser.

Existing Purchasers wishing to revise their credit terms shall provide the Supplier with a credit application for review by Supplier. Based on this review, Supplier may at its own discretion revise the credit terms provided to the existing Purchaser.

All payments due by the Purchaser shall not be subject to a right of deduction or set-off by reason of any claim of the Purchaser arising out of an Order, sale, or any other transaction with the Supplier or its affiliates.

At the time of payment, the Purchaser shall identify the invoice number to which the payment relates.

Payment shall be made to the Supplier by:

- wire transfer, direct to the Supplier's following bank account in US Dollars:

CitiBank
1 Penn's Way
New Castle, DE 19720

Beneficiary SWIFT ID: CITIUS33
ABA# 03110209
Safran Ventilation Systems USA, LLC
Account#: 38858301

or

- by check in US Dollars sent to:

Safran Ventilation Systems USA, LLC
Lockbox #5123
1010 W. Mockingbird Lane
Dallas, TX 75247

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11.2 Delay in payment:

Without prejudice to the [Article 11.3](#), Supplier shall be entitled to charge the Purchaser, interest rate at one point five percent (1.5%) per month on the total amount of any unpaid invoice from the due date of such invoice until payment is made in full.

An additional amount of ten percent (10%) of the unpaid invoice amount will be automatically payable by the Purchaser to the Supplier in compensation for costs incurred in connection with such delay.

In no event shall Supplier be entitled to interest exceeding the maximum rate permitted by law which a court of competent jurisdiction, shall, in a final determination, deem applicable hereto. In the event that such a court determines that Supplier has received interest in excess of the highest rate applicable hereto, the amount which would be excessive interest shall be considered to be a reduction of principal amount of such invoice and not a payment of interest, any excess shall be promptly remitted to Purchaser, and the provisions hereof shall be deemed amended to provide for the highest permissible rate.

Supplier reserves the right to withhold delivery of Equipment or refuse to accept further Orders should any invoice or previous invoices remain unpaid for more than 30 days after the invoice date.

No discount shall be granted to the Purchaser in case of payment made in advance of the payment due date.

11.3 Retention of title by Supplier

Purchaser hereby agrees that title to new parts incorporated by Supplier during Services, and title of Equipment sold under Exchange, Advanced Exchange and Service shall be retained by the Supplier and shall not pass from the Supplier to the Purchaser or to the relevant owner of the Removed Equipment, such as a lessor, (as the case may be) until payment in full of all sums due and payable by Purchaser under these Terms and Conditions. Until such time of title transfer,

- (i) Supplier will be entitled to any repairman's or artisan's liens allowed by applicable law;
- (ii) Supplier shall have absolute authority to retake, sell or otherwise deal or dispose of all, any or part of the new Equipment and Components incorporated in the Removed Equipment in which title remains vested in the Supplier;
- (iii) For the purpose specified in (ii) above, the Supplier or any of its agents or authorized representatives shall be entitled at any time and without notice to enter upon any premises in which the new Equipments and/or part, or any aircraft on which the new Equipments and/or part is installed, is stored, kept or used, or is reasonably believed so to be;

the Supplier shall be entitled to seek a court injunction to keep the Purchaser or the relevant owner (as the case may be) from selling, transferring or otherwise disposing of the new Equipments and/or Components.

Purchaser shall ensure compliance with Supplier's rights and interests under this [Article 11.3](#) in all circumstances, by any means and at its own expenses and not do or knowingly permit to be done any act or thing which might reasonably be expected to jeopardize Supplier's rights and interests under this [Article 11.3](#). If Purchaser fails to carry out its obligations in respect of this Article, Purchaser shall indemnify Supplier against all cost, expenses and damages which Supplier may incur or suffer due to this failure.

The Purchaser, will to the extent possible, under applicable laws and at its costs register, or procure that the same be registered, Supplier's ownership interest in such Equipment or Component in the appropriate registry of title and security in the Purchaser's jurisdiction and (if necessary) in the relevant owner of the Equipment's jurisdiction. The Purchaser further acknowledges that the Supplier is entitled to notify to the relevant owner of the Equipment the existence and the terms of all or part of these Terms and Conditions, including this [Article 11](#), in a form and substance satisfactory to the Supplier, at the cost of the Purchaser.

Should judicial proceedings prove to be necessary to allow the Supplier to retake possession of any Equipment or Components either subject to attachment or otherwise in possession of any third party including the relevant owner of the Equipment, the Purchaser agrees to allow access by the Supplier representatives to the Equipment at any time if still under the possession of the Purchaser and shall bear all costs, including reasonable attorney's fees and other costs of collection, resulting from any such judicial proceedings.

11.4 Transfer of title to Supplier

The Purchaser hereby agrees that on behalf of itself and on behalf of the relevant owner of the Removed Equipment/Core Unit (as the case may be), that title to:

- (i) all Components removed from the Removed Equipment or portion thereof during repair, overhaul, test, or modification of such Equipment; and
- (ii) the Core Unit or Components thereof, delivered to the Supplier in an Exchange or Advanced Exchange;

shall pass from the Purchaser or the relevant owner of such Removed Equipment/Core Unit (as the case may be) to the Supplier immediately upon delivery of the Removed Equipment/Core Unit to the Supplier, free and clear of any liens and encumbrances.

Upon request, the Purchaser shall issue, in favor of the Supplier, a no cost transfer of title/bill of sale relating to any piece of Equipment or Components thereof, as deemed necessary by Supplier, in a form and substance satisfactory to the Supplier. The Purchaser shall hold harmless and indemnify the Supplier against the consequences of all claims arising out from the use, possession or transfer of the said Equipment or portion thereof by the Supplier.

12. INTELLECTUAL PROPERTY RIGHTS

All intellectual property rights related to the Equipment or Components thereof sold shall remain with the sole property of Supplier, including drawings, blueprints, software, project and studies.

Purchaser shall only have a non-exclusive utilization right with respect to embedded software. Even after the Order is executed, Purchaser:

- Shall not copy, reverse engineer, modify, decompile totally or partially the software embedded into the goods purchased

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- Shall abide and have its own customers abide by the license agreements included in the goods purchased.

The brand under which the goods are sold cannot be used by the Purchaser except to identify the Equipment. Purchaser shall not modify or remove the nameplates.

13. CONFIDENTIALITY

The Purchaser shall keep confidential and protect against any release to third parties, the documents, information and data identified as confidential by the Supplier in relation to the Order and/or the request for quotation (the "**Confidential Information**"). For the purpose of this section all information related to pricing is deemed Confidential.

The Purchaser shall:

- hold in strict confidence the Confidential Information;
- not disclose or place at the disposal of third parties the Confidential Information without prior written agreement of the Supplier; and
- ensure that its personnel comply with all such obligations contained in this [Article 13](#).

The Purchaser shall not reproduce or have reproduced any Confidential Information without the prior written agreement of the Supplier. Upon Supplier's request, the Purchaser shall promptly return the Confidential Information or take the necessary measures to destroy the Confidential Information as requested by the Supplier. The confidentiality obligations contained herein shall continue during a twenty (20) year period following the delivery of the last Order to the Purchaser.

14. PROHIBITION OF SALES TO THIRD PARTIES

The Purchaser shall not assign or transfer any rights or obligations under any Order, in whole or in part, without having obtained the prior written agreement of the Supplier.

15. WARRANTY

The Supplier warrants that the Services performed by the Supplier conform to the warranty clause attached at [Appendix 1](#) (the "**Warranty**"). The Warranty constitutes the full extent of the Supplier's warranties, obligations and liabilities of any kind, express and implied, in fact and in law, with respect to any breach of warranty, any representation or warranty in respect to fitness for a particular purpose or merchantability and any implied warranties other than the foregoing. ALL WARRANTIES AND LIABILITIES OTHER THAN CONTAINED IN THE WARRANTY ARE HEREBY EXCLUDED AND IN NO EVENT SHALL THE SUPPLIER HAVE ANY RESPONSIBILITY TO THE PURCHASER ARISING FROM A BREACH OF WARRANTY OR OTHERWISE.

16. FORCE MAJEURE

The Supplier shall not be liable for delay in performing or failure to perform obligations if the delay or failure results from events, circumstances or causes beyond its reasonable control including but not limited to, acts of God or the public enemy, war, warlike operations, terrorism, insurrections or riots, civil or foreign armed aggression, sabotage, fires, floods, explosion, earthquakes, natural disasters or serious accidents, epidemics or quarantine restrictions, any act of government or any agency or subdivision thereof, judicial action, government requisition, restrictions, regulations or decrees relating to necessary supplies, governmental priorities, allocation regulations or orders affecting materials, facilities or completed Equipment, strikes or labor troubles causing cessation, slowdown or interruption of work, inability after due and timely diligence to procure materials, accessories, Equipment or parts, failure or delay in transportation, failure of a subcontractor or the Supplier to furnish materials, accessories, Equipment or parts due to the above mentioned causes.

Such delay or failure shall not constitute a breach of these Terms and Conditions and the time for performance shall be extended by a period equivalent to that during which performance is so prevented

17. LIABILITY – INSURANCE

17.1 The liability of the Supplier to the Purchaser arising out of items covered by the Warranty are addressed in [Article 15](#). For all other liability of the Supplier to the Purchaser arising out of or connected with or resulting from the Services whether in contract, tort (including negligence) or otherwise shall not in any event exceed thirty percent (30%) of the price of the Services giving rise to Purchaser's claim. In no event shall the Supplier be liable for incidental or consequential losses or damages, or the loss of profit, loss of revenue, loss of market or commercial loss. Beyond the amount of liability here above mentioned, Purchaser on behalf of itself and on behalf of its insurers hereby agree to waive any rights of recourse and shall indemnify Supplier, its directors, officers, agents, employees and its insurers (collectively "**indemnities**") and hold harmless Supplier against all proceedings, costs, expenses, liabilities, loss or damage which Supplier incurs or suffers in respect of any claims made by any third party and related to any of the obligations to be performed by Supplier pursuant to these Terms and Conditions (collectively "**Losses**"), INCLUDING SUCH LOSSES THAT ARE DUE TO SUPPLIER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

17.2 The Purchaser shall obtain and maintain for the duration of the contract and for a period of two years thereafter maintain the following insurances: (i) a comprehensive general liability insurance policy and (ii) an aircraft products liability insurance policy, from the date of transfer of risks on the Equipment as set out under these Terms and Conditions. In addition, Purchaser shall ensure that for the duration of the Services and/or contract between the Parties and for two (2) years after its termination Supplier is named as an additional insured under Purchaser and/or its customers' all risks insurance and aircraft products liability policies, INCLUDING COVERAGE FOR LOSSES DUE TO SUPPLIER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. The payment of the indemnity under the all risks insurance policies shall be paid directly to Supplier.

This insurance shall be sufficient to cover at all times the replacement value of the Equipment until full payment for the Services.

The Purchaser shall provide the Supplier on demand with the corresponding certificate issued by an appropriate insurance company and shall identify the type of insurance policy, the amount of the coverage and the termination date.

18. LAW AND JURISDICTION



SAFRAN VENTILATION SYSTEMS USA, LLC GENERAL TERMS AND CONDITIONS OF SALE

Any claim, controversy or dispute arising under or related to any Order placed with Supplier, any Service provided by Supplier or these Terms and Conditions shall be interpreted, enforced and governed under the laws of the State of Washington without regard to the application of conflicts of laws principals that would require the application of any other law. Any dispute, claim or controversy arising out of, relating to, or in connection with any Order placed with Supplier, any Service provided by Supplier or these Terms and Conditions, shall be brought in the State or Federal courts located in King County, Washington, USA, and the parties hereto hereby agree to the jurisdiction of such courts and agree that they will not invoke the doctrine of *forum non-conveniens* or other similar defenses. Supplier and Purchaser specifically disclaim application to any Order or these Terms and Conditions of the United Nations Convention on Contracts for the International Sale of Goods.

19. LANGUAGE

Unless otherwise agreed between the Supplier and the Purchaser, all correspondence and documentation shall be written in the English language.

APPENDIX 1 – WARRANTY
SAFRAN VENTILATION SYSTEMS USA, LLC STANDARD COMMERCIAL WARRANTY

Supplier warrants that, subject to all of the terms of this Warranty, the equipment overhauled, repaired, exchanged or sold by Supplier (hereinafter referred to as the “**Equipment**”):

- (i) shall comply with the applicable regulations of the applicable Airworthiness Aviation authorities (FAA and/or EASA) with approved OEM maintenance documentation;
- (ii) shall be free from defects in material and workmanship.

With respect to OEMs affiliated with Supplier, if the OEM contract’s Warranty is still applicable to the original sale of the Equipment, Supplier will honor the OEM contract’s warranty instead of this Warranty.

DURATION

The terms of this Warranty shall be in accordance with the following:

- Repaired/Overhauled Equipment including replacement parts incorporated by Supplier during repair/overhaul: 6 months from shipment by Supplier
- New Equipment: 12 months from sale by Purchaser to End Customer,
- Components: 6 months from sale by Purchaser to End Customer.

This Warranty is valid only if such defects of workmanship as aforementioned are discovered within the duration of the Warranty and Supplier is notified in writing (letter, email or fax) within forty five (45) days of discovery. Notification of such discovery shall be made to Supplier in writing by the Purchaser and shall include the following information, when applicable:

- Part number of the defective part;
- Serial number of the defective part;
- Aircraft number;
- Date of occurrence;
- Date of assembly onto the aircraft;
- Date of delivery to the Purchaser;
- Date of delivery by Purchaser to end customer if applicable;
- Reason of removal description;
- Date of removal of the Equipment;
- Delivery time for the new repaired Equipment;
- TSN / TSO / TRS – CSN / CSO / CSR;
- Original Purchase Order and Sale Order numbers if applicable;
- Specific information relating to the nature of the defect and the manner in which the defect is covered by this Warranty;
- Material Certification form;
- Proof of previous overhaul or repair by Supplier if any.

The Purchaser shall return, together with its warranty claim, any Equipment alleged to be defective and under warranty, and shall be identified, properly packed and returned prepaid to Supplier, or as otherwise directed by Supplier. If the Purchaser fails to provide its written statement or the defective part to Supplier, the warranty claim shall be deemed suspended until the Purchaser completes these obligations within forty five (45) additional days, failing which the warranty claim shall be deemed rejected. Additionally, upon Supplier’s request, the Purchaser shall also provide such additional documentation as may reasonably be required by Supplier to make a warranty claim adjudication.

Supplier will accept or reject the Purchaser’s warranty claim after technical investigation based on sound aviation industry practice.

The obligation of Supplier under its warranty is limited to:

- (i) the repair of the defective Equipment (with new or serviceable parts), or
- (ii) the replacement of the defective Equipment with equivalent equipment, at Supplier’s expense.

The decision to repair or replace the defective unit is solely at the discretion of Supplier.

GENERAL CONDITIONS:

The following conditions apply to Supplier’s Warranty, unless otherwise agreed in writing:

- Defective Equipment shall be removed from aircraft and packed at Purchaser expense, insurance, and shipped prepaid or as otherwise agreed between the Purchaser and Supplier. Purchaser shall be responsible to save any personalized data that may be stored on the Equipment before shipping it. Supplier shall not be responsible for any loss of personalized data and shall not reinstall them on the Equipment.
- If warranty claim is accepted by Supplier, the repair or replacement shall be made by Supplier without charge, and Supplier will pay for the return packing and standard transportation charges.
- The Purchaser shall pay Supplier standard charges for investigation; testing, and repair of the unit and/or its parts when a warranty claim is rejected (including No Fault Found) as per the Terms and Conditions. Unless otherwise agreed between the parties, removal and reinstallation of the Equipment are borne by the Purchaser.

SAFRAN VENTILATION SYSTEMS USA, LLC GENERAL TERMS AND CONDITIONS OF SALE

- Any defective Equipment or parts replaced under Supplier's Warranty shall automatically become the property of Supplier.
- The rights and obligations of the parties under this Warranty shall be construed, interpreted and applied under the laws of the state of Washington (USA).
- Supplier's Warranty may not be altered, amended or modified except by a written instrument.
- Supplier's obligation under this Warranty shall be limited to the repair of any such defective Equipment or at its option the replacement thereof with a similar item of identical, or OEM authorized alternative part number but free from defect.
- Any such repair or replacement by Supplier shall also be accomplished diligently and the remaining period of this Warranty shall be the unexpired portion of the original Equipment's warranty or 3 months after the end of the repair, whichever comes later.

EXCLUSIONS

Supplier's Warranty does not apply:

- to Equipment that was not maintained, stored, handled, installed, inspected, serviced, used or operated in accordance with the procedures recommended by the OEM, the requirements of the applicable Airworthiness Authorities, and sound aviation industry practices;
- to Equipment whose manufacturer's identification tag or serial number have been removed or obliterated or altered or cannot otherwise be identified;
- to Equipment that has been damaged or otherwise become defective due to the failure or malfunction of another part or unit which have not been maintained by Supplier (i.e. consequential or resultant damage), or due to aircraft operation and/or maintenance not performed in accordance with OEM and/or Aviation Authorities instructions;
- to Equipment that has been damaged or otherwise become defective due to corrosion resulting from, or related to improper packing, storage, servicing, testing and/or inspections;
- to Equipment whose defect is not attributable to work performed or material supplied by Supplier, such as lightning, thunder, fire, mishandling, contact with water or other corrosive liquids, excessive electrical power, abuse or neglect, or any materials provided by the Supplier;
- to Equipment that has been disassembled (even partially), packed, repaired, modified and altered by anyone other than Supplier or other than in accordance with Supplier's instructions.
- to Equipment which was installed or serviced by anyone other than a service center, OEM or dealer authorized by Supplier
- when defects are caused by abnormal wear and tear.

For the purpose of this Warranty, Equipment shall not be regarded as defective merely because some modifications, alterations or inspections thereof is required to be made by any manufacturer's service bulletins or airworthiness directives published by the Airworthiness Aviation Authorities or any other government's airworthiness authority after delivery of the equipment.

THE OBLIGATIONS AND LIABILITIES OF SUPPLIER EXPRESSLY STATED IN THIS WARRANTY (AND IN ANY AGREEMENT OF WHICH THIS WARRANTY MAY BE A PART) ARE IN LIEU OF, AND THE PURCHASER UPON ACCEPTANCE OF ANY EQUIPMENT SHALL THEREBY AS A CONDITION OF SUCH ACCEPTANCE WAIVE, AS TO SUPPLIER AND ITS ASSOCIATED COMPANIES, ALL OTHER CONDITIONS AND WARRANTIES (WHETHER AS TO MERCHANTABILITY, FITNESS, QUALITY, STANDARD OF WORKMANSHIP, FREEDOM FROM DEFECTS OR OTHERWISE) AND GUARANTEES OR LIABILITIES OF ANY KIND, EXPRESS OR IMPLIED BY LAW OR OTHERWISE, AND SUPPLIER AND ITS ASSOCIATED COMPANIES SHALL NOT BE LIABLE TO THE PURCHASER AND/OR THE END CUSTOMER IN RESPECT OF ANY INJURY, LOSS OR DAMAGE WHETHER SPECIAL, DIRECT, INCIDENTAL OR CONSEQUENTIAL (INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR SAVINGS, LOSS OF USE OR LOSS OF DATA) AND WHETHER ANY CLAIM IS BASED UPON THEORIES OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT OR OTHERWISE,