

Royal Aero Services GmbH („RAS“)

Terms and Conditions of Sale

General Provisions

1. DEFINITIONS: The following definitions will apply to this Sale.

Seller: "RAS" or "Seller"

Contractor or Buyer: "Buyer"

Contract, Subcontract or P.O.: These terms are used interchangeably and refer to this contractual instrument.

Sales Agent: The only individual authorized to commit RAS – the Seller.

Subcontractor, Buyer or Vendor: The legal entity to whom this Sale is made.

2. APPLICABLE LAW: This Sale shall be governed by and construed in accordance with the laws of the Germany except that the choice of laws provisions thereof will not be invoked to apply the laws of another jurisdiction. Pursuant to Article 6 of the Convention on the International Sale of Goods ("CISG"), buyer and seller expressly elect to exclude and opt out of any application of CISG provisions to this PO.

3. COMPLIANCE WITH LAW: Buyer shall comply with all applicable federal, state and local laws, rules, regulations and orders in effect on the date of this order. Buyer agrees to indemnify and hold Seller harmless against any loss or liability due to Purchaser's violation or non-compliance with such regulations. Upon Seller's request, Buyer shall furnish evidence demonstrating such compliance.

4. ACCEPTANCE OF PURCHASE ORDER: The Terms and Conditions of Sale of RAS contains the entire agreement of the parties and expressly limits acceptance to the terms and conditions stated. Any terms and conditions proposed by Buyer inconsistent with or in addition to terms and conditions hereof are objected to and void unless agreed to in writing by the Seller.

5. SETOFF: Seller shall have the right at all times to setoff any amount due or payable to Buyer hereunder against any claim or charge Seller may have against Buyer.

6. PAYMENT TERMS: Unless otherwise specified in this Purchase Order, terms of payment are "Net 30 days".

7. WARRANTY OF SUPPLIES / SERVICES: Seller warrants that all supplies / services furnished under this Purchase Order will be of good material and workmanship and free of defects and will comply with Buyer's Quality Manual requirements. Seller further warrants that the supplies / services will be merchantable and suitable for the purpose intended. The forgoing warranties are in addition to all other warranties expressed or implied by law. The Seller accepts no liability for incidental or consequential damages as a result of any defect.

8. TERMINATION FOR DEFAULT: Seller may, without liability and in addition to any other rights and remedies provided herein or by law, terminate this Sale in whole or in part by written notice of default if Buyer (a) fails to complete the Purchase within the time specified; or (b) within a "reasonable time-frame"; (c) fails to comply with any of the other instructions, terms or conditions of the Sale. Seller's right to terminate for default may be exercised if Buyer does not cure the failure within 5 (five) days after receiving Seller's notice of such failure.

9. PATENT, TRADEMARK AND COPYRIGHT INDEMNITY: Buyer agrees to indemnify, defend and hold harmless Seller, its employees and associated companies for whom Seller may act as agent from any costs, expenses, damages or liability that Buyer may incur as a result of any proceedings charging infringement of any patent, trademark or copyright by reason of sale or use of any supplies / services / data furnished by Seller. Seller shall have no liability regarding alleged patent infringement for supplies furnished to Buyer in accordance with Buyer's design specifications.

10. PACKAGING AND PACKING: Seller shall be responsible for properly packing and packaging the supplies in suitable containers for protection during shipment in accordance with transportation regulations and good commercial practice. No additional charge will be allowed for packing and packaging unless specifically agreed to in writing.

11. TRANSPORTATION CHARGES: Unless otherwise provided in this Sale, transportation charges shall be on the freight account of the Buyer, prepaid or separately invoiced to Buyer.

12. WAIVER OF RIGHTS: Failure of either party to insist on performance of any provision of this Sale shall not be construed as a waiver of that provision or any waiver of Buyer's or Seller's right to require compliance with such provision in any later instance. If any provision of this Sale is found to be illegal or unenforceable under law, that provision shall be deleted; however, all other provisions of this shall not be affected thereby and shall remain in full force and effect.

13. TITLE AND RISK OF LOSS: Unless otherwise provided in this Sale, the FCA point shall be the Seller's warehouse indicated in this Sale and title to the supplies and risk of loss or damage shall pass to Buyer upon Buyer's acceptance of supplies regardless of where Buyer takes physical possession. If the FCA point is designated as the Seller's location, then title and risk of loss or damage to the supplies shall pass to Buyer upon Seller's delivery of the supplies to the carrier.
FCA - Free Carrier - According international commercial terms - Incoterms 2000.

14. NO EXTRA CHARGES: The total price payable to Seller shall be stated in this Sale. The price shall not be increased to cover any future Seller price increases and shall be inclusive of packing, packaging and cartage, reusable containers, service or carrying charges, permits, fees and licenses or any other charges whatsoever unless specifically agreed to in writing by Buyer.

15. LIMITATION OF LIABILITY: The Seller's liability to Buyer hereunder shall not, under any circumstances, be greater than the total dollar amount of the Sale indicated herein. This clause shall have precedence over all other Purchase Order Terms and Conditions.

16. ENTIRE SALE: This Sale constitutes the entire agreement between Seller and Buyer regarding this procurement and supersedes all previous oral and written agreements and commitments. All terms and conditions of sale set forth in Seller's quotation or acknowledgement shall be included as a part hereof. Any subsequent additions, deletions or modifications to this agreement shall not be binding upon the parties unless same are mutually agreed upon and incorporated herein in writing.

17. ALL SHIPMENTS MADE UNDER THIS SALE WILL COMPLY WITH THE COMMISSION OF THE EUROPEAN COMMUNITIES' EMERGENCY MEASURES REQUIRING THE TREATMENT AND MARKING OF ALL NEW AND USED CONIFEROUS NON-MANUFACTURED WOOD PACKING MATERIAL (NMWP) BY BEARING A MARK ON ALL NMWP WHICH IDENTIFIES THE NMWP AND ITS ORIGIN.
