

# GENERAL TERMS AND CONDITIONS OF SALE OF BMT AEROSPACE ROMANIA SRL

## I. GENERAL

1. These general terms and conditions of sale form an integral part of every agreement between the purchaser and BMT Aerospace Romania. The purchaser unconditionally accepts the exclusive and complete application of these general terms and conditions of sale. Agreements to the contrary shall only be valid after express, written acceptance by BMT Aerospace Romania.
2. Orders shall be deemed to have been accepted after written confirmation by BMT Aerospace Romania.
3. The purchaser may request alterations to and/or the cancellation of the order. The purchaser undertakes to reimburse BMT Aerospace Romania for the extra costs occasioned further to these alterations and/or cancellation.
4. BMT Aerospace Romania shall not be obliged to accept new orders, or to respect existing orders, in all cases of *force majeure*. The following shall count as circumstances discharging the company of its responsibilities, if they arise after the agreement has come into being and obstruct the implementation thereof: industrial disputes and all other circumstances, such as fire, mobilization, attachment, embargo, currency transfer bans, insurrection, shortage of means of transport, general shortage of raw materials and restrictions in power consumption, if these other circumstances are beyond the parties' control. The non-acceptance of orders by us shall not entitle the purchaser to claim any kind of compensation. The failure by us to respect existing orders shall not entitle the purchaser to cancel any order, refuse receipt or payment of the goods and/or services, or claim any other kind of compensation.
5. All information, plans, sketches and technical documents supplied, which are placed at the purchaser's disposal, in any form whatsoever, both prior to the agreement coming into being and thereafter, shall remain the exclusive property of BMT Aerospace Romania and may not be reproduced, used or revealed to third parties. In the event of the cancellation of orders, the aforementioned information should immediately be returned the moment BMT Aerospace Romania so requests.

## II. PRICES & PAYMENT

1. The prices are understood as being in USD (\$) / piece, unless otherwise indicated in the price quotation, exclusive of VAT. Packing, transport, inspections by external organizations at the purchaser's request, and any insurance, taxes and customs duties are not included in the prices and shall be payable by the purchaser.
2. The term of payment is 30 days from the invoice date, without any discount, unless otherwise stated on the invoice or in specific agreements. In the event of non-payment of BMT Aerospace Romania's invoice by the due date, the amount thereof shall be subject to payment default interest *ipso jure* and without formal notice. The annual rate of interest applied is that generally applicable to sight payment credit, plus 2% per annum. In the event of non-payment of an invoice by its due date, in addition to payment default interest, fixed-rate compensation amounting to 15% of the invoice amount shall also be payable, subject to a minimum of € 1,000.
3. The purchaser may not claim any difficulty or obstacle that was not recognized by us in order to secure a postponement of payment or the total or partial payment of collectible invoices. All credit balances that BMT Aerospace Romania holds with the purchaser shall immediately become collectible, subject to all rights retained and notwithstanding all previous agreements, if circumstances are known to have arisen that jeopardize the purchaser's creditworthiness. Furthermore, in such cases BMT Aerospace Romania shall be entitled to cancel all current orders.
4. The delivered goods remain the exclusive property of BMT Aerospace, in spite of the fact that these might physically be in the purchaser's premises and buildings, until full payment thereof has been received by BMT Aerospace Romania's financial institution. If the purchaser fails to meet his obligation to pay, after two written demands for payment, BMT Aerospace Romania shall be authorized to claim the goods in question by means of a procedure in summary proceedings. The purchaser undertakes not to sell the goods or to dispose of them to third parties as long as they remain the property of BMT Aerospace Romania. In the event of failure to abide by this prohibition, fixed-rate compensation of 50% of the invoice amount shall be payable by the purchaser (on top of the selling price and any interest).

## III. DELIVERIES

1. The goods shall be delivered EXW, at the place of production, cf. Incoterm 2010.
2. The confirmed delivery period on the order is indicative and subject to the *force majeure* circumstances described in Clause 1.4. The failure to meet confirmed delivery dates may in no circumstances lead to an amendment or a cancellation of the order by the purchaser, nor give rise to any claim for any kind of compensation on the part of the purchaser vis-à-vis BMT Aerospace Romania. Observance of the confirmed delivery date by BMT Aerospace shall be on the assumption that the purchaser has met all his payment obligations. BMT Aerospace Romania undertakes to give the purchaser confirmation of every change of delivery date as quickly as possible.
3. The delivered quantities may – as is inherent to the production process – differ from the quantities ordered. The purchaser expressly accepts the delivery and payment of this difference in number within the following limits. For order quantities up to 10 pieces, a number variance of 20% is possible, subject to a minimum of 1 piece. For order quantities over 10 pieces, a number variance of 10% is possible, subject to a minimum of 2 pieces. BMT Aerospace shall always endeavour to keep the difference in number as small as possible.
4. Partial deliveries may be effectuated and set off.

## IV. TRANSPORT

1. The goods shall be transported on the purchaser's behalf and at his risk.
2. The goods should be collected within one week counting from the request made by BMT Aerospace to the purchaser to this effect, and at the earliest on the agreed delivery date. If the purchaser does not come to pick up the goods within the stated period, BMT Aerospace Romania shall be entitled to invoice the goods and place them in storage, at the expense and risk of the purchaser.
3. But for a special written agreement, delivered goods shall not be taken back. All costs, both direct and indirect, resulting from goods being returned when this had not been agreed shall be borne by the purchaser.

## V. COMPLAINTS

1. Within the limits of the invoiced amounts of an order BMT Aerospace Romania gives a one-year guarantee, from the moment of delivery, on the good execution of the works in accordance with the purchaser's technical and quality specifications.
2. Under no circumstances may BMT Aerospace Romania be held liable for defects that are attributable to the design and/or instructions given by the purchaser.
3. The guarantee includes the replacement or repair of the supplied goods, free of charge. The replacement goods or repaired goods offered to the purchaser enjoy the same guarantee cover.
4. BMT Aerospace Romania shall not be liable to provide any other guarantee or compensation whatsoever other than that specified in points V.1 and V.3. In particular, BMT Aerospace Romania shall not be obliged to pay any compensation for any damage to industrially used goods or losses associated with the professional activity of the purchaser or the people for whom he is rendered liable.
5. When defective goods are returned, the transport costs shall be payable by the purchaser, unless BMT Aerospace Romania determines the means by which they are returned. The return of defective goods does not relieve the purchaser of the collection of the ordered goods.
6. However, the guarantee is only valid insofar as and to the extent that:

- a. the delivered goods were handled, installed and used in the approved manner and all the applicable laws, rules and regulations were complied with. Any deviation therefrom discharges us of all responsibility.
  - b. the purchaser has fulfilled all his contractual obligations, in particular his payment obligations.
  - c. the defects cannot be attributed to normal wear and tear of the goods, damage caused by neglect, the lack of monitoring or maintenance, improper use, incorrect assembly or inadequate warehousing of the goods. If the guarantee clause V.1 is invoked on account of corrosion, reference to this must be made in a written notification received by BMT Aerospace Romania within three (3) working days after delivery.
  - d. it can be demonstrated that the defects were already present when the goods were brought into use.
7. If the purchaser himself, third parties or others in mutual co-operation transform or repair the goods without our prior written agreement, BMT Aerospace Romania shall immediately be relieved in full of any obligation in respect of the guarantee.
8. The purchaser will protect BMT Aerospace Romania against all claims or actions that third parties could make or bring against BMT Aerospace Romania on the grounds of defective goods.

## **VI. VALIDITY CLAUSE**

The nullity of one of the provisions of these general terms and conditions, for whatever reason, shall have no effect on the validity of other clauses.

## **VII. APPLICABLE LAW AND COMPETENT COURTS**

These terms and conditions of sale are governed Romanian law. In the event of a dispute, the courts of Iasi shall have sole jurisdiction to take cognizance.