



## Terms and Conditions for Customers (Sales)

The Terms and Conditions for customers (sales) are silently accepted if Aero does not receive a written reply within 3 days.

- 1. Change of Price.** The prices and charges stated on the face hereof shall be adjusted to and the goods and other items covered by this order shall be invoiced at the prices and charges fixed by AERO CONSULTANTS AG (AERO) at the time of and for each shipment under this order, provided that such prices and charges shall not exceed the prices and charges appearing in AERO's applicable price schedules, if any, in effect at the time of each such shipment. These prices have been calculated for quoted quantities to be purchased within the time stipulated. If the quantities are below the ones agreed upon in the time stipulated, we reserve the right to adjust the prices accordingly.
- 2. Payment.** Invoices submitted under this order are payable only in funds which are accepted at par by AERO. Whenever reasonable grounds for insecurity arise with respect to due performance by Customer, AERO may demand different terms of payment from those specified on the face of this order and may demand assurance of Customer's due performance. Any such demand may be oral or in writing and AERO may, upon the making of such demand, stop production and suspend shipments hereunder. If within the period stated in such demand Customer fails or refuses to agree to such different terms of payment or fails or refuses to give adequate assurance of due performance, AERO may, at its option treat such failure or refusal as a repudiation of the portion of this order which has not been fully performed or may resume production and may make shipment under reservation of possession or of a security interest and may demand payment against tender of documents of title.
- 3. Delays.** The dispatch date is to be understood as the date when the goods are handed over by the manufacturer to the forwarder. Any delay beyond the dispatch date is the responsibility of the consignee respectively the consignee's forwarder. If a specific shipping date is designated either on the face hereof or subsequently by a writing by AERO, AERO shall not be liable for any delays in filling this order caused by (a) accidents to machinery, differences with workmen, strikes, labor shortages, fires, floods, priorities required or requested by the Federal or any State Government or any subdivision or agency thereof or granted for the benefit, directly or indirectly, of any of them, delays in transportation or lack of transportation facilities, restriction imposed by Federal or state legislation or rules or regulations thereunder, or (b) any cause beyond the control of AERO.
- 4. Warranty.** AERO makes no warranty of any kind, express or implied, as to the merchantability, fitness for any particular purpose, or any other matter with respect to the product. Since conditions of use are beyond seller's control, buyer assumes all risk of use of this product. Under no circumstance will seller be liable for consequential or incidental damages arising out of the use of this product. Seller's sole obligation shall be to replace the product if found to be defective. It is the user's responsibility to determine the suitability for use of this product under the conditions present at the time of application. Technical data sheets and material safety data sheets are on file and available upon request. Unless there is a specification involved, which clarifies the parameter of the products and its use, it is the customer's obligation to ask for a TDS or MSDS if he is not in possession of such. He will work to and accept all conditions stipulated in TDS and MSDS. AERO's liability and Customer's exclusive remedy being expressly limited to AERO's choice of (a) the repair of defective goods, (b) the replacement thereof with conforming goods at the F. O. B. point shown on the face hereof, and (c) the repayment of the purchase price. Replacement of defective goods or repayment of the purchase price therefore will be made only upon return of the defective goods which may be returned at the cost of AERO only after inspection by AERO and receipt by Customer of definite shipping instructions from AERO. The customer must allow right of access to AERO, their suppliers and regulatory authorities to all facilities involved in fulfillment of customer order and records kept.
- 5. Patents.** AERO agrees to indemnify Customer, its successors and assigns, against all judgements, decrees and costs resulting from infringement of any United States and/or Swiss Letters Patent covering (a) standard commercial compositions offered for sale generally by AERO at the time of acceptance by it of this order, or (b) standard commercial forms, shapes or constructions offered for sale generally by AERO at the time of acceptance by it of this order, to the extent that such compositions, forms shapes or constructions are supplied hereunder. Customer agrees, for the goods delivered under this order, to indemnify AERO, its successors, and assigns, against all judgements, decrees and costs resulting from infringement of any United States/or Swiss Letters Patent to the extent that such infringement arises from designs, specifications or instructions furnished or expressly or implicitly required by Customer and different from the matters embraced by (a) and (b) of the preceding sentence. Neither party shall be entitled to indemnification under this clause as any claim of infringement concerning which it does not give to the other party prompt notice in writing upon learning thereof and full opportunity, at the expense of such other party, to defend and dispose of such claim of infringement. The sale of the goods covered by this order shall not grant to Customer any right or license of any kind under any patent owned or controlled by AERO or under which AERO is licensed, but he foregoing shall not be understood to limit in any way the right of Customer to use and sell such goods, in the event that such goods as sold hereunder are covered by any such patent.
- 6. Subsidiaries and Affiliates.** This order may be performed and all rights hereunder against Customer may be enforced by AERO or by any one or more of the corporation's subsidiaries to or affiliated with AERO or in part by Aero and in a part by one or more said subsidiary or affiliated corporations.
- 7. Waiver.** No provision hereof and no breach of any provision shall be deemed waived by reason of any previous waiver of such provision or of any breach thereof.
- 8. Returnable Equipment.** Any equipment specified on the face of this order is returnable, and for which a charge is made or for which a deposit is required, shall be returned in accordance with AERO's standard instructions with respect thereto.



9. **Delivery and Transportation.** Unless otherwise stated on the face hereof, all goods are sold EX WORKS shipping point Production plant, and the cost of transportation thereof shall be borne by Customer. If it can be proven that material has been handed over in stipulated time to the forwarding agent to allow delivery as scheduled, neither the supplier nor Aero Consultants Ltd can be held responsible for not fulfilling the delivery date or for a possible damage due to forwarding agent's default.
10. **Standard Quantity Tolerances.** A standard tolerance of plus or minus 10% shall apply to the quantity of each item specified on this order unless another tolerance is stated on the face hereof.
11. **Indemnity.** Customer shall release, hold harmless, indemnify and defend AERO from against any loss, liability, claims, suits and costs caused by, arising out of, or relating to the design of goods supplied hereunder or the design of the packages or containers in which they are shipped, if such goods, packages or containers are made in compliance with Customer's design or specifications.
12. **Terms "EX WORKS".** Please note, if we sell material according to the term «ex works» it is your responsibility to claim damaged goods direct with the carrier and not at Aero Consultants AG. Also, you should make your claim immediately after receipt of goods. First Notice of claim on damaged goods has to be sent to the freight forwarder within seven (7) days of receipt of the shipment by the consignee, otherwise the freight forwarder will deny liability under Warsaw convention rules.
13. Our delivery conditions are to be understood according to the **INCOTERMS 2000**, published by the International Chamber of Commerce Paris, unless agreed otherwise in the contract.

## Appendix 1: Addendum to Para 2. Payments regarding retention of ownership

- 2.1. Goods delivered by us remain our property until full payment has been made. Goods that the customer has not already paid in full before the delivery remain in our possession until all claims arising until complete fulfilment from the entire business relationship with the customer have been fully satisfied.
- 2.2. The customer is obliged to store and label the goods subject to retention of title separately. He will insure the goods subject to retention of title against fire, water damage, burglary, and theft. Upon request, the insurance policy must be sent to us for inspection. The customer assigns to us in advance the claims against the insurance company. We accept the assignment.
- 2.3. In the event of access by third parties to the reserved ownership, the customer must notify us immediately. The customer shall bear all costs incurred in order to remove access and to recover the goods supplied by us.
- 2.4. The customer is entitled to sell the goods subject to retention of title in the ordinary course of business, as long as he is not in default. Pledges or transfer of security is not permitted. As a precautionary measure, the customer assigns to us the claims arising from the resale or any other legal reason (insurance, tort) in relation to the transfer of title by way of security are not permitted. We revocably authorize him to pay the receivables assigned to us for our account in the invoice in their own name. At our request, the customer will disclose the assignment and provide us with the information and documents necessary for the collection of the debt.
- 2.5. If the goods subject to retention of title are combined with other items, the reserved ownership of the newly created item continues. In this way, we acquire a co-ownership share in the ratio of the value of the goods subject to retention of title (invoice value) to the value of the other related items. If one of the connected items is to be regarded as a material item, the customer transfers the co-ownership to us in the ratio of the value of the goods delivered by us (invoice value) to the value of the other connected items. The customer shall keep the new item free of charge with regards to our co-ownership share. If the goods subject to retention of title are resold as part of the new item, the advance assignment agreed in clause 4 shall only apply to the amount of the invoice value of the goods subject to retention of title.
- 2.6. We undertake to release the collateral to which we are entitled, at our option, to the extent that their estimated value exceeds the receivables to be secured by more than 50%. The release is made at the request of the customer.
- 2.7. If the law of the country in which the delivered item is located does not allow the agreement of a retention of ownership or only in a limited form, we may reserve other rights to the delivered item. The customer is obliged to participate in all necessary measures (e.g. registrations) for the realization of the retention of the ownership or the other rights that replace the retention of title and for the protection of these rights.

The translation was carried out to the best of our knowledge. The German version applies for accuracy.