



VALLAIR INDUSTRY TERMS & CONDITIONS FOR SALE OF PARTS

The present General Terms define the terms and conditions under which Vallair Industry ("VAI") commits to sell and deliver parts, components or consumables ("Part") to a customer ("Customer"). Save as otherwise agreed, the present General Terms shall be applicable to all orders ("Order") placed by Customer based on VAI's quote ("Quote"). If a provision in any terms & conditions or an Order deviates from or conflicts with a provision in these General Terms, these General Terms shall prevail. The General Terms applicable to a specific Order shall be the ones available on VAI's website (<https://www.vallair.aero/>) on the date of issuance of the specific Order, unless otherwise agreed.

1. Quote - For each Customer interested in the purchase of one or several Parts, VAI shall issue and transfer a Quote based on the current price of materials, labour and other prime costs, including the rate of exchange of euros. All Quote shall mention the price for the purchase exclusive of any VAT payable.

Quote shall remain valid for acceptance by Customer for 30 days following its issuance, save that VAI reserves the right to revise or retract the Quote if the corresponding Part is no longer available.

In case of acceptance of the Quote, and for all Parts to be sold and purchased thereunder, Customer shall issue an individual Order to VAI. Such Order may be materialized on the Quote itself, through its formal acceptance by Customer, or on a separate form, provided such form appropriately refers to the Quote. The receipt of the Order by VAI shall render the agreement between the Parties regarding the relevant purchase final and irrevocable.

In case of inconsistency or conflict between the terms of a Quote and the provisions of these General Terms, the provisions of the Quote shall prevail.

2. Compliance - As the recorder, importer and exporter of the Parts, the Customer will be responsible for obtaining any import license, export license, exchange permit or other required governmental authorization relating to the Parts and shall be responsible for complying with all French and foreign government licensing and reporting requirements in connection with these General Terms. If required by VAI, the Customer shall make any such licenses and authorizations available to VAI prior to the relevant purchase. VAI will have no liability for any non-renewal, denial, restriction or delay in respect of any Customer application for a license, permit or authorization.

The Parties agree that any export of Parts pursuant to these General Terms may be subject to U.S. Export Administration Regulations, the International Traffic in Arms Regulations and other export control requirements of the U.S. (together, the "**U.S Export Regulations**"). In respect of any Part provided by VAI, the Customer agrees not to:

- a. dispose of any U.S. origin items classified by the U.S. Department of Commerce's Bureau of Industry and Security as "Dual Use" items other than in the country of destination, as identified in any government license or authorisation for the Part constituting or pertaining to such U.S. origin item; and
- b. lease, exchange or dispose of any U.S. origin items to any Country, company or individual that is either (i) required by US Export Regulations to hold a licence to receive the goods (and does not hold the required licence); or (ii) is prohibited from receiving U.S. exports by U.S. Export Regulations, as amended from time to time.

3. Delivery of Parts - The Part shall be delivered EXW in accordance with Incoterms 2010 at VAI's premises and Customer shall be ready to collect them when notified by VAI. The Customer shall reimburse any additional

expense incurred by VAI due to the Customer not being reasonably ready or able to collect Parts when requested to do so.

VAI shall provide an estimated delivery date, on request by the Customer, and will use reasonable endeavours to meet any such estimated delivery date or any delivery date that may be requested. VAI shall not be liable in any way in respect of late delivery howsoever and such failure shall not be considered by Customer as a breach of VAI's obligations. Delays in the fulfilment of an Order shall not entitle the Customer to refuse to take delivery of the completed Order or claim damages.

Part dispatched by VAI shall be in packaging suitable for transportation IAW ATA Spec 300 requirements. VAI reserves the right to charge for any special packaging requirements of the Customer. Packing materials, containers, etc. provided by VAI are returnable, unless otherwise agreed. Where such packing materials are charged as an extra, credit will be allowed if returned carriage has been paid and the packing is received in good condition.

All Part shall be subject to an inspection by the Customer upon delivery. Failure by the Customer to inform VAI, in writing, of rejection, of any received Part within 10 days following delivery shall constitute its acceptance of the Part.

4. Title to & Risk on the Parts - Title to and ownership of Parts subject to a purchase from VAI shall remain vested with VAI until it has received from the Customer full payment in accordance with these General Terms. Risks on all Parts shall pass to the Customer upon delivery EXW (Incoterms 2010) VAI's premises, i.e. when VAI notifies to Customer that Parts are available for collection.

VAI shall have the right to retain or retake possession of any Part for which a purchase has occurred, if the price agreed to be paid for such purchase has not been paid.

5. Condition of Parts & Warranty - VAI warranties that all Parts supplied in "overhauled", "repaired" or "serviceable" condition, will be released in accordance with EASA/JAR and/or FAR regulations as applicable and will be free from defects in material and workmanship under normal use and service in accordance to the following:

- a. for "overhauled" and "repaired" Parts, relevant MRO warranty;
- b. for "serviceable" Parts, 30 days from the date of delivery notified by VAI.

Any claim related to a part that is supplied by VAI in "overhauled", "inspected" "tested" "repaired" or "serviceable" condition which is to be later found defective and unserviceable must be made within 30 days of receipt. Full shop report is required and parts requiring CDR/DER repair will not be included in the scope of the part being declared unrepairable and or unserviceable.

VAI guarantees that all Parts supplied in "as removed" condition, will be repairable. Any claim related to a part that is supplied by VAI in "as removed" condition which is to be later found defective and unserviceable must be made within 30 days of receipt. Full shop report is required and parts requiring CDR/DER repair will not be included in the scope of the part being declared un-repairable and or unserviceable.

If the Parties do not reach an amicable agreement on whether or not a defective Part is subject to the above warranties, the Parties, acting reasonably, will appoint an independent technical expert who will give its advice on the application of the warranty as described herein. The Parties hereby accept to be bound by the advice of such expert, the costs of which shall be shared equally between the Parties, regardless of his advice.



Notwithstanding anything to the contrary herein and unless the Part is defective, the Customer may not return to VAI for credit any Part specifically purchased by VAI from a third-party for the specific sale to the Customer.

6. Invoicing & Payment Terms - All invoices shall be paid prior to the delivery of the corresponding Part, unless otherwise agreed.

If Customer wishes to dispute any invoiced amount, it shall notify VAI as soon as practical and, in any event, within 14 days of the date of invoice. If Customer does not notify VAI of a dispute within such time period, the invoice shall be deemed accepted. The Customer shall not be entitled to withhold payment of any sums after they become due by reason of any right of set-off or counterclaim which the Customer may have or may wish to have or for any other reason whatsoever.

For each amount not paid by the Customer in compliance with the present General Terms, VAI shall be entitled to ask for a late payment interest calculated at a rate which will be equal to the sum of the rate applied by the European Central Bank to its most recent main refinancing operations plus 8 percentage points for the period from the due date to the date of payment. Moreover, in case of delay or dispute of payment of an invoice, VAI shall be entitled to compensate any payments that may already have been made for the provision of a Part with any amount owed for the performance of a service or the provision of another Part.

7. Taxes - The Customer agrees to indemnify VAI against all taxes (other than corporation tax of VAI), levies, duties, charges, assessments or withholdings of any nature for which VAI may be liable by operation of these General Terms and for any legal costs incurred by VAI in enforcing any of its rights in respect of these General Terms.

8. No representation - Except as otherwise specified herein, VAI makes no warranty or representation of any kind with respect to any purchase as to merchantability, fitness for purpose, condition, quality, material design suitability, workmanship or operation of any kind or nature. All other conditions warranties or representations expressed or implied statutory or otherwise are, to the fullest extent permitted by law, expressly excluded.

In relation to the purchase of a Part, under no circumstances shall VAI be liable to the Supplier for any indirect, incidental or consequential damages, such as, but not limited to, loss of profit or loss of revenue, except for the extent of gross negligence or wilful misconduct. In any case, VAI's total liability in contract (including for any statutory interest payable), tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of an Order (including for any statutory interest payable) shall be limited to the Order value.

9. Insurances – The Parties shall maintain insurance appropriate to their operations and activities in accordance with best aviation industry practice and shall provide evidence of such insurances if requested.

10. Termination - VAI shall be entitled to suspend or terminate further Order(s) with the Customer, immediately and without any liability or indemnity, if the Customer is in breach of its obligations under the General Terms, and particularly if the Customer fails to take delivery of any Parts in due time or fails to pay any amount due or becomes bankrupt or suffers any similar or analogous action in consequence of any unpaid debt to any person or company. In case of termination by VAI, Customer shall immediately pay all fees and charges properly falling due under these General Terms.

Neither Party shall be considered in breach of these General Terms nor liable for delay in performing, or failure to perform, any of its obligations under these General Terms if such delay or failure results from events, circumstances or causes beyond its reasonable control, and in such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations, provided that it should use its best efforts to remove the causes of such delay.

11. Miscellaneous - If any provision of these General Terms (or part of any provision) is found by any court or other authority of competent

jurisdiction to be invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed not to form part of these General Terms, and the validity and enforceability of the other provisions of these General Terms shall not be affected. In addition, if a part of these General Terms becomes invalid, the parties will endeavour in good faith to reach agreement on a replacement provision that will reflect, as nearly as possible, the intent of the original provision.

Any failure at any time of a party to insist upon any of its rights under the provisions of the General Terms shall neither constitute a waiver of such provisions nor prejudice the rights of the party to insist upon such provisions at any subsequent time.

All non-public information obtained by Customer from VAI, as a result of a purchase, shall be kept confidential and shared between VAI and Customer only; they are not to be disclosed by a Customer to third parties without the prior written consent of VAI or if required by law.

12. Data protection - Within the context of their contractual relationship, the Parties commit to respect the applicable regulations on data protection, and particularly, the regulation (EU) 2016/679 of the European Parliament and of the Council of April 27th, 2016 on the protection of natural persons with regard to the processing of personal data. Each Party represents and warrants that it is responsible of its personal data processing and that the required declarations have been done and the required processes have been implemented to ensure the confidentiality and protection of these data.

13. Applicable law - These General Terms and any legal relationship with VAI that may arise therefrom shall be exclusively subject to and construed exclusively in accordance with the laws of France excluding its conflict of laws rules. The United Nations Convention on the International Sale of Goods (CISG) shall not apply.

14. Jurisdiction - In the event of a difference of opinion concerning the interpretation or the performance or the consequences of the General Terms, the difference of opinion shall be submitted to the Commercial Court of Paris.

