



## VALLAIR INDUSTRY GENERAL TERMS & CONDITIONS FOR PURCHASE OF PARTS

The present General Terms define the terms and conditions under which VALLAIR INDUSTRY ("VAI") commits to purchase parts, components or consumables ("Part") from a supplier ("Supplier"). Save as otherwise agreed, these General Terms shall be applicable to all orders ("Order") placed by VAI based on the Supplier's quote ("Quote"). If a provision in any Terms & Conditions or the Proposal 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' website on the date of issuance of the specific Order, unless otherwise agreed.

**1. Quote** - Each time VAI shall be interested in the Purchase of one or several Parts, the Supplier shall issue 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 for 30 days following its reception by VAI, save that the Supplier 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, VAI shall issue an Order to the Supplier. Such Order may be materialized on the Quote itself, through its formal acceptance by VAI, or on a separate form, provided such form appropriately refers to the Quote. In case of inconsistency or conflict between the terms of a Quote and the provisions of these General Terms, the provisions of the General Terms shall prevail, save as otherwise agreed.

The receipt of the Order by the Supplier shall render the agreement between the Parties regarding the relevant purchase final and irrevocable.

**2. Compliance** - In performing its obligations under the General Terms, the Supplier shall comply with all applicable laws, statutes, regulations and codes from time to time in force and using reasonable skill and care and in a professional and diligent manner that is fit for the purposes required by VAI. The Supplier commits to comply with export control laws applicable to Part purchased under these General Terms. Export control laws shall mean laws, regulations and orders applicable to the export or re-export (including but not limited to international transfers, disclosure or release) of Parts and includes, without limitation, (i) US export controls administered under the Export Administration Regulations ("EAR") and the International Traffic in Arms Regulations ("ITAR"); (ii) United Kingdom export controls and sanctions; (iii) EU and EU Member State export controls administered pursuant to Council Regulation (EC) 428/2009 and the various national export control laws, regulations of the French and EU Member States regulating dual-use and military items and related activities; and (iv) similar export control laws, regulations and orders of other jurisdictions to the extent applicable to any activity conducted in furtherance of these General Terms.

**3. Delivery** - The Parts shall be delivered DAP in accordance with Incoterms 2010 at VAI's premises in packaging suitable for transportation IAW ATA Spec 300 requirements.

Each delivery of a Part shall be accompanied by a delivery note which shows the date of the Order, the Order number, the type and quantity of Part (including part number and serial number if any).

The Supplier shall provide an estimated delivery date, on request by VAI, and shall use reasonable endeavours to meet any such estimated delivery date or any delivery date that may be requested by VAI. Delays

in the fulfilment of an Order shall entitle VAI to refuse to take delivery of the completed Order or claim for damages.

**4. Inspection & Acceptance** - All Parts shall be subject to an inspection by VAI upon delivery at its premises. Failure by VAI to inform the Supplier, in writing, of rejection, of any received Part within 10 days after receipt shall constitute its acceptance of the Part.

VAI reserves the right to return any Parts to the Supplier which do not comply with the requirements as set out in these General Terms. Upon VAI' request, Supplier shall replace all rejected Parts within 10 days of receiving written notification from VAI. All transportation costs incurred for redelivery of a replacement Part in lieu of a rejected Part shall be borne by the Supplier.

**5. Title to & Risk on the Parts** - Title to and ownership of Parts purchased by VAI shall remain vested with the Supplier until full payment of the price by VAI. The Supplier warrants that it has full legal and beneficial title to the Parts free from all charges, liens, and security interests.

**6. Condition of Parts & Warranties** - The Supplier warrants and represents that all Parts supplied in new, overhauled, repaired or serviceable condition, shall be released in accordance with EASA/JAR and/or FAR regulations as applicable and shall be free from defects in material and workmanship under normal use and service in accordance to the following:

- a. For any new Part which is factory new, for 12 months from the date of delivery by the Supplier or the OEM's new product warranty whichever is the longer.
- b. for overhauled and repaired Parts: relevant MRO warranty and no less than 6 months from the date of delivery by the Supplier. All MRO warranties shall be listed and assigned to VAI. The Supplier shall assist VAI in making any claims under such assignable and/or assigned warranties.
- c. For serviceable Parts, 3 months from the date of delivery by the Supplier.

All the documentation listed in Appendix 1 shall be provided for any Part supplied by the Supplier.

The Supplier guarantees that all Parts supplied in "as removed" condition, shall be repairable.

Any claim related to a part that is supplied by the Supplier in "overhauled", "inspected" "tested" "repaired" or "serviceable" condition which is to be later found defective and unserviceable must be made within ten 10 days of discovery. Full shop report is required and parts requiring CDR/DER repair shall not be included in the scope of the part being declared un-repairable and or unserviceable.

Any claim related to a part that is supplied by the Supplier in "as removed" condition which is to be later found defective and unserviceable must be made within 10 days of discovery. Full shop report is required and parts requiring CDR/DER repair shall not be included in the scope of the part being declared un-repairable and or unserviceable.

**7. Invoicing & Payment Terms** - The Supplier shall issue a detailed invoice for the Parts plus VAT at the prevailing rate (if applicable) and VAI shall pay within 30 days from receipt of the Supplier's invoice. Supplier shall ensure that the invoice includes the date of the Order, the invoice number, VAI' Order number, the Supplier's VAT registration number. The Supplier shall be entitled to dispatch all invoices to VAI electronically by e-mail. The e-mail shall contain the invoice as well as related documentation.



Any bank fees charged by VAI' bank in connection with the transfer of funds from VAI to the Contractor shall be borne by VAI and any bank fees charged by the Contractor's bank in connection with the transfer of funds from VAI to the Contractor shall be borne by the Contractor.

In the event of delayed invoicing by the Supplier, VAI' payment obligations shall be abated such that they accrue solely from the date of VAI' receipt of such delayed invoice.

If VAI wishes to dispute any invoiced amount, it shall notify the Supplier as soon as practical and in any event within 21 days of receipt of the invoice. VAI shall be entitled to withhold payment of any sums after they become due by reason of any right of set-off or counterclaim which it may have or may wish to have or for any other reason whatsoever.

**8. No representation** - In relation to the Purchase of a Part, under no circumstances VAI shall 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' 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 Supplier shall contract and maintain and shall provide VAI with a certificate of insurance evidencing aviation liability insurance including product liability insurance in amount satisfactory to VAI from a reputable insurance company to cover the liabilities that may arise under or in connection with an Order.

**10. Termination** - An Order may be cancelled by VAI, provided that such cancellation shall be notified in writing prior to the date specified by the Supplier for delivery. In case of early termination for any reason whatsoever, the Supplier shall immediately reimburse to VAI the amounts already paid and credited on its customer account for current or future Orders.

VAI may terminate these General Terms, without any liability or indemnity, if the Supplier in breach of its obligation under the General Terms or an Order and fails to cure such breach in a reasonable delay.

VAI shall also be entitled to suspend or terminate further Order(s) with the Supplier, immediately and without any liability or indemnity, if the Supplier fails to deliver any Parts or becomes bankrupt or suffers any similar or analogous action in consequence of any unpaid debt to any person or company.

**11 Miscellaneous** - Any failure at any time of either 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.

Nothing contained in these General Terms shall require either Party to take any action contrary to the law, any order or regulation of any government or any permit or authorization granted to either Party by any government. If any of the provisions of the General Terms are held unlawful or otherwise ineffective or unenforceable by any tribunal of competent jurisdiction, the remainder of the General Terms shall remain in full force and the unlawful or otherwise ineffective or unenforceable provision shall be substituted by a new provision mutually agreed upon in writing by the Parties and reflecting their intent.

All non-public information obtained by the Supplier from VAI, as a result of a Purchase, shall be kept confidential and shared between VAI and the Supplier only; they are not to be disclosed by the Supplier, without the prior written consent of VAI, to third parties except as 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 27<sup>th</sup>, 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.

**19. 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.

**20. 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.

**APPENDIX 1**

Part in As Removed CONDITION	Part in SV/OH CONDITION
	EASA Form 1 / FAA 8130-03
	Return to service record
Packing slip or equivalent documentation – stating PN, SN and condition	Packing slip or equivalent documentation – stating PN, SN and condition
Removal Tag – stating PN, SN, MSN and A/C registration	Removal Tag – stating PN, SN, MSN and A/C registration
Repair shop Work Order (WO) – for parts returned from shop in AR/US/BER condition.	Repair shop Work Order (WO)
Repair shop report – teardown report, shop findings or scrap report	Repair shop report, teardown report
Purchase invoice – stating PN, SN and condition (AR parts send to shop and returned in same condition)	Purchase invoice – stating PN, SN and condition
Material Cert ATA-106 - Obtained From (13B)	Material Cert ATA-106 Obtained From (13B) and Last Cert Agency (13C)
NIS from current operator/last operator/seller	
Bill of Sale	
Lease Agreement (if applicable, normally connection is required when Part is removed from Leased Aircraft meaning that BoS and NIS comes from different entities)	

