

## 1. Scope

Orders placed by Curtiss-Wright Antriebstechnik GmbH, Neuhausen (hereinbelow referred to as CWAT) shall be governed by the following terms and conditions, save where otherwise agreed in the foregoing text of the order. Said terms and conditions shall form an integral part of the contract. Matters for which express provision is not made herein shall be governed by statutory provisions. In addition, any terms and conditions of sale of the supplier shall have subsidiary validity to the extent that they are not incompatible with binding or substantive statutory provisions. Amendments to the text of the order made by the supplier shall be valid only if they have been expressly acknowledged by CWAT in writing before confirmation of the order.

## 2. Administrative provisions

The order and items numbers of CWAT, together with the article designation and number, shall be listed on all communications and invoices of the supplier.

Verbal orders and orders placed by telephone shall be binding only if they are accompanied by the indication of an order number when they are placed.

## 3. Delivery date

The delivery date shall only be deemed to have been respected if the deliveries have reached the address for delivery according to the agreed date of delivery, or the services have effectively been performed by then; in addition, the delivery date shall be deemed not to have been respected if the delivery obviously is defective.

Should the possibility of late delivery become apparent while an order is being performed, the supplier shall notify CWAT thereof immediately in writing with an explanation of the reasons and of the duration of the foreseeable delay. If he fails to do so, he cannot lay claim to such extensions of the delivery date as may be authorized by CWAT.

Deliveries shall not be made unreasonably far in advance of the agreed delivery date without the written agreement of CWAT.

## 4. Scope of supply

The delivery made in conformity with the order placed by CWAT shall also include all the technical documentation pertaining to the objects of the delivery, together with the right of free joint use of such documentation.

Should the performance of the service consist in whole or in part in the preparation of designs, EDP or other programs, consultancy work etc., performance of the service shall likewise include all the associated rights which, on acceptance of the order, shall be transferred in advance to CWAT on an exclusive basis and without limitations of any kind.

Part-deliveries shall be permitted only if this is stipulated in the order or otherwise expressly agreed by the parties.

## 5. Assurances

The supplier hereby assures CWAT that the service to be provided by him corresponds to the latest state of the art and to the stipulated requirements and is suitable for the purpose for which it is to be used by CWAT, to the extent that said purpose is known to the supplier. That assurance shall cover the engineering design of the objects to be delivered, the choice of materials, the reliability of manufacturing and the durability of the objects of the delivery.

Assessment of the assured properties shall be governed by statutory provisions, generally valid standards, the specifications and customary practices applicable in the specialised area of the CWAT end-product and those applicable in the specialised area of the supplier, and also by the state of the art and the specifications given to the supplier.

The supplier further assures CWAT that he has introduced and operates a quality assurance system in compliance with ISO 9000 standard, an equivalent QA system or a QA system which is appropriate for the product and for its intended use. He hereby authorizes CWAT to perform product-related process audits and, to the extent that the QA system has not been certified by an accredited agency, system audits. However, said audits shall not release the supplier from his responsibility.

He further gives an assurance of compliance with any relevant directives of the EU and that his deliveries are not encumbered by the rights of third parties.

## 6. Instructions for dispatch

To the extent that this is economically reasonable and possible without adversely affecting on-time delivery, consignments from Switzerland shall be effected by rail or post. All consignments shall be delivered directly to the address for dispatch shown on the orders.

## 7. Acceptance

The supplier shall conduct his own tests to make sure that all goods which are dispatched fully satisfy the agreements and regulations and do not require quality testing when the goods are received by CWAT.

The fact that delivery of supplies and services is taken or paid for by CWAT does not in itself signify acceptance within the legal meaning of the term or acknowledgement of contractual performance. If CWAT takes delivery of defective goods, it does so without prejudice to its entitlement to enforce all its rights.

## 8. Prices

Unless otherwise agreed upon in the written order, all prices shall be deemed to be fixed prices, delivered duty paid destination (DDP domicile, Incoterms 90), including packing. Should CWAT, as an exemption, for administrative reasons, pay freight costs, it will levy such costs on the supplier.

#### 9. Transport and Packing

The benefit and the risk of the supplies shall pass to CWAT only upon its receipt. Unless otherwise agreed transportation and packaging shall be at the supplier's expense and risk.

#### 10. Presentation of invoices and payment

The supplier shall make out a separate invoice in respect of each order showing the order data of CWAT. Unless otherwise agreed, the invoice shall be settled at the end of the month which follows delivery and presentation of the invoice; however, in the event of justified suspicion of serious defects in the deliveries or services, the said date may be postponed.

#### 11. Guarantee

In his capacity as a professional specialist, the supplier guarantees that the objects which are delivered are free from defects. Said guarantee shall, in particular, extend to the absence of defects in materials, processing, assembly, testing and any instructions provided, services and software. Also, the supplier guarantees that the supplies correspond with the assurances in clause 5 above and are in line with the required specifications.

The supplier shall repair or replace defective parts in particular at the earliest opportunity under the guarantee and, except in the case of fungible commodities, were necessary also on the premises of the final customer. The supplier or his third party liability insurer shall also bear the related costs of dismantling and reassembly.

These General Terms and Conditions of Contract also apply to spare parts.

The guarantee period shall begin to run on the date on which delivery is made in full and shall end twelve months after commissioning of the individual object of delivery on the premises of the final customer, but no later than twenty-four months after the object has effectively been delivered, this without prejudice to longer guarantee periods stipulated by law.

Complaints may be lodged in respect of manifest defects within eight weeks of delivery of the goods by the supplier and in respect of concealed defects within four weeks of the date on which such defects are ascertained; for this period, no objection on grounds of time-barring shall be entertained.

If no repair or replacement is made within the period specified by CWAT, CWAT may reduce the price or withdraw from the contract and procure substitute deliveries from third parties. The supplier shall bear the cost of the procurement of such substitute deliveries. This is subject to further claims for damages CWAT might have.

A payment shall not be understood as waiver of a guarantee.

#### 12. Safeguards and obligation to provide compensation

The supplier undertakes to make good all damage caused by him and suffered by CWAT by reason of infringement of contractual or statutory provisions as a consequence of incorporation or use of the delivered goods in the products of CWAT or by reason of sale of the goods; he undertakes to hold CWAT harmless from Claims entered

by third parties. By accepting the order, he confirms that he has concluded a suitable third party product liability insurance corresponding to the risk of bringing his goods into circulation.

He further undertakes to make good all damages for which he is responsible and which may be suffered by CWAT by reason of the infringement of a protected industrial property right or copyright as a consequence of bringing the delivered goods into circulation, offering them for sale or making use thereof. He undertakes to hold CWAT harmless from such claims. This provision shall likewise apply to parts procured by the supplier from third parties.

#### 13. Documentation and tools

All technical documentation and indications provided by CWAT, even if that is not expressly stated, shall not be made available to third parties without the written agreement of CWAT.

All materials, tools, devices, dies, models, samples etc. which have been paid for in full by CWAT or made available by it shall remain the property of CWAT and shall be returned to it on request when the contract expires. Such items shall be properly stored. Parts and materials made available by CWAT shall likewise remain its property. When they are used for further processing, CWAT shall acquire joint ownership of the product which is made in an amount equivalent to the value of the goods supplied by CWAT.

All documentation, materials, tools etc., may only be used for their intended purpose and shall not be made available to third parties without the written agreement of CWAT.

#### 14. Reservation of ownership and right of withdrawal

All reservation of ownership by the supplier shall be excluded, save where expressly agreed otherwise in a particular case.

Where bankruptcy or insolvency proceedings are opened against the assets of the supplier, CWAT shall have an unlimited right to withdraw from the contract.

#### 15. Place of performance, applicable law and place of jurisdiction.

**Neuhausen am Rheinfall shall be the place of performance** for deliveries and payment. Swiss law shall be applicable with the express inclusion of the law embodied in the United Nations Convention on Contracts for the International Purchase of Goods dated 11.04.1980 and the subsequent amendments thereto.

**The place of jurisdiction for both parties shall be Schaffhausen.** Where CWAT is the plaintiff, it shall, however, also be entitled to take proceedings in the courts holding jurisdiction at the place where the supplier is domiciled.