

General Repair Conditions of Moog GmbH

1. Scope

1.1 These general repair conditions apply to all repairs provided by Moog GmbH ("Moog"). Repairs shall be made exclusively subject to the following terms and conditions.

1.2 Deviating customer provisions shall only apply if Moog has expressly agreed to such in writing. Acceptance or performance of a repair shall not constitute acceptance of such. If Moog agrees to deviating customer provisions, these shall only apply to the transaction for which they have been agreed. The same shall apply in the event of the unconditional acceptance or performance of repairs in the knowledge of contrary or deviating customer conditions.

1.3 These conditions shall apply for future contracts with customers, even if this is not expressly agreed in future.

1.4 Technical documents, drawings, offers and calculations ("documentation"), which are provided to the customer in connection with contract negotiations and contract performance are confidential and shall not be used, reproduced or made accessible to third parties for any other purposes. Moog reserves ownership, copyright and all other rights to such documentation. In case a contract will not be concluded, all documentation shall be immediately returned to Moog.

2. Conclusion of contract

2.1 Offers sent by Moog prior to receipt of the repair item are non-binding. The documents and deadlines relating to the offers are non-binding estimates unless they have been confirmed as such in writing by Moog.

2.2 By despatching the repair item, the customer submits an offer for conclusion of a repair agreement. Exceptions only apply if and insofar the repair item has been despatched for the purpose of a cost estimate or if the repair is to be performed on site.

2.3 Verbal agreements shall only be valid if confirmed in writing.

2.4 Following submission of a cost estimate by Moog, an agreement shall be deemed concluded when confirmed in writing by the customer in accordance with the cost estimate.

3. Preparation of a cost estimate and impossible repairs

3.1 The receipt of a repair by Moog item shall be considered as approval to the performance of a functional check and of a check to determine the feasibility of the repair.

3.2 A cost estimate shall only be binding if submitted in writing and designated as binding. In case the customer requires a Failure Analysis Report ("FAR"), this must be ordered separately. The creation of a FAR shall be considered as a separate service, which shall require an agreement and shall be subject to a charge.

3.3 Time spent for error diagnostics and the time spent for performance of functional tests shall be considered labour time and paid accordingly if an agreement does not come into force for reasons for which Moog is not responsible, particularly in case the failure described does not occur during the functional test, spare parts cannot be procured, repair is found to be uneconomical or the customer terminates the agreement.

3.4 In the event of uneconomical or impossible repair, the repair item shall be sent back to the customer at his cost. The same shall apply in cases where the customer is in default of acceptance. Against separate order and payment, Moog shall assume disposal of the repair item.

3.5 Cost estimates prepared and submitted on customer's request shall be either accepted or rejected within two weeks. In case the customer fails to accept the cost estimate within the mentioned two-week period, Moog shall be entitled to send back the repair item to the delivery address provided in the order at customer's cost. The same shall apply in the event of rejection of the cost estimate.

3.6 If, during execution of repair, additional efforts, which were not agreed at the time the agreement was concluded, are discovered, Moog shall inform the customer immediately and provide a new cost estimate. Point 3.5 of these General Repair Conditions shall apply mutatis mutandis for the new cost estimate.

4. Terms of payment

4.1 The prices indicated in an offer, a cost estimate or an invoice are net prices. Moog shall be entitled to demand advance payments, provided that the requirement to pay in advance was communicated to the customer in a timely manner.

4.2 Where not otherwise agreed in writing, Moog's invoices shall be due for payment within 14 days of the date of the invoice. If the invoices are not paid within 30 days of receipt of the invoice, at the latest 40 days after delivery, the Purchaser shall be deemed to be in default with payment and Moog shall be entitled to claim default interest at legal rate.

Moog also reserves the right to claim further damages.

4.3 The customer shall only be entitled to withhold or set-off against any claim to the extent it is undisputed or has been established in law.

4.4 If the terms of payment are not observed by the purchaser, all open claims arising from the order shall be due immediately. In the case of part payments not received, in the case of default, or after fruitless expiry of a reasonable subsequent period, Moog is entitled to terminate the agreement, stop work and to invoice the customer for all services already provided and to assert claims for compensation.

5. Repair deadlines

5.1 Information on repair deadlines are based on estimates and shall therefore be non-binding unless expressly confirmed by Moog in writing. A repair deadline shall be deemed to have been complied with if the repair item is ready for dispatch or delivery by the end of said period.

5.2 Should Moog be unable to comply with a repair deadline expressly stated in writing, Moog shall inform the customer. In such an event, the customer shall specify a reasonable grace period in writing. If Moog fails to comply with the repair deadline despite a reasonable grace period, the customer shall be entitled to cancel the order. Any further claims shall be determined exclusively in accordance with point 8.10 of these General Repair Conditions.

5.3 A binding repair deadline as per point 5.1 of these General Repair Conditions shall be extended accordingly in case additional repair work becomes necessary during performance of the repair or if the customer requests additional work to be carried out during its performance.

5.4 Where Moog is dependent on deliveries by third parties in order to perform the repair, Moog shall not be delayed if Moog does not receive supplies for reasons for which Moog is not responsible. In this case, the customer shall only be entitled to withdraw from the order.

6. Transport and insurance

6.1 Deliveries by Moog shall be made Ex Works (Incoterms 2010), unless otherwise expressly agreed in writing.

6.2 There is no insurance coverage during repair period. The customer shall be responsible for the sustainability of insurance coverage during the repair and transportation.

7. Retention of ownership and right of lien

7.1 Moog reserves title in the parts and accessories used until all claims to payment arising from the business relationship have been settled in full. In case ownership of spares and accessories will be legally transferred to the customer, Moog shall acquire co-ownership of the repair item to the amount of the invoice value.

7.2 As a result of receivables due arising from the repair contract, Moog shall have a right of lien on the repair item. This contractual right of lien may also be asserted due to receivables arising from prior repair contracts, deliveries or other services rendered.

8. Acceptance, warranty and liability

8.1 The customer shall inspect the repair item for defects and assured quality immediately upon receipt. Obvious defects shall be reported to Moog immediately and at the latest within 7 days following receipt of the repair item. Hidden defects shall be reported in writing within 5 days of discovery of the relevant defect. Otherwise, the delivery shall be deemed to have been approved.

8.2 Should the customer not declare acceptance within 10 days after receipt of the repair item, the service shall be deemed to have been approved.

8.3 Unless otherwise agreed, the contractually agreed quality of the goods shall be in compliance with the Moog product specifications applicable at the time of dispatch of the repair item. Properties of samples

shall only be binding where they have been expressly agreed in writing. The specification of properties and other information shall only be considered assured if agreed as such in writing.

8.4 Shipping and travel costs incurred as a result of the subsequent performance shall be borne by the customer. The obligation to rectify a defect shall not cover any installation or removal costs. Costs arising in the context of unjustified complaints shall be borne by the customer.

8.5 The customer shall give Moog the opportunity to verify the complaint, and make available damaged repair items and their packaging for inspection. In case the customer refuses to do so, Moog shall have the right to withhold performance for the duration of the refusal.

8.6 Parts replaced by new parts shall be returned to Moog immediately. In the event that repair or replacement is not possible, is refused, or fails for reasons beyond the responsibility of Moog within a specific reasonable period determined by the customer, the customer shall –at own discretion- be entitled to withdraw from the contract or reasonable reduction of payment agreed.

8.7 Moog shall not be liable for damages or defects to the repair item resulting from unsuitable or improper use or storage, incorrect installation, commissioning, removal, modification or repair by the customer or third parties not authorised by Moog, natural wear, faulty or negligent treatment, conditions or influences attributable to the customer, unsuitable operating materials or substitute materials, chemical, electromechanical or electrical influences, or caused by non-reproducible software errors, provided these software errors are not attributable to Moog.

8.8 A warranty testing or rectification of defect on-site at which the repair item is located shall require a separate service order. Customer shall bear the cost in case of unjustified complaints.

8.9 Further-reaching claims of the purchaser, in particular for compensation in lieu of performance and for replacement of other direct or indirect damage - including concomitant or consequential damage - irrespective of legal grounds, in particular owing to the infringement of duties arising from the obligation relationship and from tort, are excluded. This shall not apply - without this being connected with a reversal of the burden of proof -, in as far as:

- Moog maintains silence with malicious intent regarding a defect in title or a material defect or has assumed a guarantee for the quality of the goods,
- the damage is based on intent or gross negligence on the part of Moog, its legal representatives or vicarious agents, or negligent breach on the part of such persons of duties which are prerequisites for executing of this agreement and which the purchaser can generally rely on and be entitled to rely on,
- a negligent infringement of duty by Moog, its legal representatives or vicarious agents has led to damage to body, personal injury or damage to health, or
- Moog is liable under statute for other reasons such as reasons in accordance with the German Product Liability Act (Produkthaftungsgesetz). If Moog is liable in accordance with the provisions of this paragraph, in the case of negligence, Moog's duty to pay compensation is restricted, in terms of amount, to the foreseeable damage typical of this type of agreement.

8.10 The provisions of 8.9 shall apply accordingly to direct claims of the purchaser vis-à-vis Moog's statutory representatives or vicarious agents.

8.11 All customer claims arising from a defect shall be subject to a period of limitation of 12 months following approval of the repair item or in the case of delays in approval on the part of the customer, 12 months following notification of completion of the repair by Moog. In the case of repair and replacement, the period of limitation shall be of 12 months, but shall be extended at least until expiry of the original period of limitation for the repair item. The provisions of this section shall not apply insofar as claims for compensation are affected or the law stipulates longer compulsory periods according to section 634 a (1) no. 2 (Construction defects) of the German Civil Code.

8.12 Moog shall not be liable for defects caused due to the documentation submitted by the customer or through incorrect or unclear, even verbal information provided by customer.

9. Force majeure

9.1 Neither party shall be liable for non-fulfilment of one of their contractual duties if the non-fulfilment is the result of an obstacle outside its control, in particular of one of the following reasons: fire, natural catastrophes, war, confiscation, general lack of raw materials, restriction of energy consumption, labour disputes, where no official permit is granted or where the permit is not granted in due time or where the permit is revoked, or where breaches of contract by suppliers are the result of one of these reasons outside of the control of the obliged parties, or if breaches of contract by suppliers are the result of one of these reasons. The provision applies to all contractual duties including the duties to pay compensation.

9.2 Either party shall be entitled to terminate the contract by means of a written cancellation in the event of delayed execution for a period exceeding two months in accordance with point 9.1.

10. Miscellaneous

10.1 Business correspondence shall take place primarily in German and English.

10.2 The customer may only use the trademarks, trade names and other marks belonging to Moog with Moog's prior written consent.

11. Place of performance, legal venue, applicable law

11.1 The place of performance shall be Boeblingen.

11.2 The legal relationships between the purchaser and Moog shall be subject to the law of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods of 11.04.1980. Moreover, the German law of the German Civil Code/German Commercial Code (Handelsgesetzbuch) shall apply to the contractual relationships.

11.3 All disputes which arise in connection with this agreement shall be decided finally and bindingly by the state courts competent for the domicile of Moog. Moog reserves the right to also file a claim to the state courts competent for the domicile of the purchaser instead.

12. Legal compliance

12.1 In the absence of written agreements to the contrary, Moog shall be responsible for compliance with the applicable German safety regulations.

12.2 Observance and compliance with the relevant foreign trade provisions and other laws of its own country and of the country to which deliveries are to be made shall fall within the responsibility of the customer. The customer is under obligation to inform Moog of any particularities arising from such provisions.