

# TERMS AND CONDITIONS OF SALE

## MOOG INC., MOOG READING LTD

Moog Inc., Moog Reading Ltd, hereinafter referred to as Seller, hereby offers to supply the items and/or services identified in the quotation, proposal, or acknowledgment expressly conditional upon the Buyer's acceptance of the following Terms and Conditions of Sale (the "Terms"). Seller, by its commencement of performance, shall not prejudice its rights to enforcement of these Terms.

**1. ACCEPTANCE OF ORDER:** None of Buyer's terms and conditions shall alter these Terms in any respect and shall not apply to this transaction unless specifically agreed to in writing on the face of Seller's sales contract form. Any Buyer terms or purchase order shall be considered only as an offer not binding on Seller unless accepted expressly in the manner prescribed in the preceding sentence notwithstanding a failure of Seller to expressly reject any such offer including commencement of performance by Seller while such offer is outstanding.

**2. EXPIRATION OF OFFER:** All offers of sale by Seller are firm for thirty (30) days from the date of the offer unless otherwise specifically stated in the Seller's offer or as otherwise may be expressly agreed to in writing by the Seller. All such offers of Seller are subject to change without notice after this period unless earlier withdrawn by the Seller.

**3. MINIMUM ORDER VALUE:** The minimum acceptable value of any order is £150.00. Buyer's accumulation of a number of items into one purchase is authorized to reach order value.

#### **4. SHIPMENTS:**

a). For shipments that do not involve export, including shipments from one European Union ("EU") country to another EU country, Unless otherwise agreed Delivery of Products shall be EXW Collection from Seller's facility or warehouse (Incoterms 2010). For export shipments, Seller shall deliver Products to Buyer EXW collection from Seller's facility (Incoterms 2010). Buyer shall pay all delivery costs and charges or pay Seller's standard shipping charges. Partial deliveries are permitted. Seller may deliver Products in advance of the delivery schedule, if agreed with Buyer. Delivery times are approximate and are dependent upon prompt receipt by Seller of all information necessary to proceed with the work without interruption. If Products delivered do not correspond in quantity, type or price to those itemized in the shipping invoice or documentation, Buyer shall so notify Seller within ten (10) days after receipt.

**5. BUYER REPRESENTATIVE:** Buyer shall designate in writing a person to act as Buyer's representative with respect to the work to be performed hereunder. Such person shall have complete authority to transmit instructions, receive information, interpret and define owners' policies and decisions and to inspect and finally accept the items to be delivered or installed under this order.

**6. BUYER'S OBLIGATION OF ASSISTANCE:** Except to the extent Seller has otherwise assumed such responsibility for itself under express provisions of the Sales Order Acknowledgment Buyer shall:

a) place at Seller's disposal all information necessary for performance of the work including any plans, plant layout, wiring instructions and operational information that may reasonably be expected to affect the performance of the work. This includes to the extent reasonable previous studies or reports and other data relative to the design, installation and selection of equipment for the work to be performed by Seller.

b) Buyer guarantees access to and to make all reasonable provisions for Seller to enter on its property and other public and private lands as is required for performance of the work including safe storage of equipment, materials and tools during the process of any such off-site work.

c) Buyer agrees to cooperate in all reasonable ways necessary to Seller's performance of the work.

d) Buyer covenants that it has disclosed fully and accurately to Seller all general and local conditions which can affect performance of the work prescribed hereunder or the price thereof. Buyer acknowledges that Seller is entitled to rely on information furnished by Buyer in developing its specifications, equipment selection, price and other terms of this order.

**7. PAYMENT TERMS:** Payment will be made by Buyer to Seller in GBP, EURO or US funds without expense to Seller. Terms are "net thirty (30) days" calculated from the date of receipt of invoice, if credit arrangements have been approved in advance by Seller and such terms are included on the Seller's sales contract form. Otherwise, payment is required before shipment or delivery in a form and arrangement acceptable to Seller. In addition to any other rights or remedies available to Seller, failure to pay the amount(s) due within the time specified will result in a late charge of one and one half (1-1/2%) percent per month to Buyer's account until final payment.

**8. DELIVERY:** The prices quoted are for the delivery dates provided on the Seller's sales contract form or proposal. While the Seller shall have no obligation to comply with unilateral directives to change schedules or temporarily cease work, Seller will endeavor to accommodate Buyer's reasonable written request for acceleration or deceleration made at least sixty/thirty (60/30) days respectively prior to scheduled delivery. Such changes may or may not be accepted by Seller at its sole discretion. In the event Seller accepts such changes, Seller shall be under no obligation to comply therewith until a price adjustment acceptable to Seller is negotiated between the parties and evidenced by an amendment to this order.

**9. EXPORT REGULATIONS:** Buyer acknowledges that if the items purchased hereunder are to be exported, they are subject to the UK, EU Export Regulations and the U.S. Commerce and/or State Department Export Regulations. Buyer accepts full responsibility for and agrees to comply fully with such regulations, including obtaining export licenses and re-export permission unless otherwise agreed by Seller.

**10. CANCELLATION:** In the event of cancellation of this order for breach of the provisions hereof by Buyer, Seller shall have no further liability to Buyer and Seller shall not be liable for any costs of cancellation, special, incidental or consequential damages (including punitive or exemplary damages) for any cause or of any nature whatsoever and such cancellation shall be in addition to any other rights and remedies of Seller under this order or at law. Further, Seller reserves the right to cancel this order or any portion thereof without liability if Buyer fails to make payment as required by the terms of this order or if Buyer is adjudicated bankrupt, files a petition in bankruptcy, makes an assignment for the benefit of creditors or if action under any law for the relief of debtors is taken.

In addition The Buyer will be liable to the Supplier 100% of contract price for items cancelled within two months of the expected delivery date; 60% of contract price for items cancelled between two and five months of the expected delivery date; all other work-in-process at 100% of cost incurred and The Company's purchase material obligations at 100% of purchase cost together with any penalties due to The Buyer's cancellation.

**11. PATENT INFRINGEMENT:** To the extent that the items ordered are manufactured to designs, drawings, specifications or instructions furnished by Buyer, Buyer guarantees that the manufacture and sale or use of such items will not infringe upon any U.S. or foreign patents. Buyer further agrees to indemnify and hold harmless the Seller from any expense, loss, cost, damage or liability of any kind which may be incurred because of any such infringement or alleged infringement of patent rights with respect to such items and to defend, at its own cost and expense, any action or claim in which such infringement is alleged. Buyer shall promptly notify Seller of any such action and shall provide Seller an opportunity, at Seller's option, to participate in any defense of such action or claim at Seller's own expense.

Seller shall hold Buyer harmless from costs actually incurred arising directly from the defense of any suit for infringement of any domestic or foreign patent by a Seller-manufactured item, provided Seller shall be given timely written notice of such suit and the option to replace the same, obtain a license, make other arrangements to avoid litigation or to defend the suit. No indemnification is offered for alleged infringement arising from the use of Seller's items in combination with other items supplied by Buyer or from compliance with drawings, specifications or instructions furnished by Buyer as described in the paragraph above.

**12. PROPERTY OF SELLER:** All designs, inventions (whether or not patented), processes, technical data, drawings, plans and/or confidential information related to the items or services to be purchased, not furnished by Buyer, are the exclusive property of Seller, and all rights, title and interest in and to such properties shall remain exclusively in Seller notwithstanding Seller's disclosure of any part thereof to Buyer or Buyer's payment to Seller for engineering or nonrecurring charges. Buyer shall not use or disclose such property to any third party or any one not having a need to know, including employees, without the prior written consent of Seller. Title to all tools, test equipment and facilities not furnished by Buyer or specifically paid for by Buyer as a separate line item under any order, shall remain with Seller. Further, Seller does not agree to submit to Buyer as a result of the Consideration paid under this order, any information, technical data or drawings which are proprietary to Seller, nor does Seller agree to grant to Buyer any patent rights, title or license without Seller's expressed prior written consent.

**13. EQUIPMENT WARRANTIES AND REMEDY:** (a) Seller warrants that each newly manufactured item sold hereunder and such portion of a repaired/refurbished item as has been repaired or replaced by Seller under this warranty, shall be free from defects in material or workmanship at the time of shipment and shall perform during the warranty period in accordance with the specifications incorporated herein. Should any failure to conform to these warranties be discovered and brought to Seller's attention during the warranty period and be substantiated by examination at Seller's factory or by authorized field personnel, then at its own cost Seller shall correct such failure by, at Seller's option, repair or replacement of the nonconforming item or portion thereof or return the unit purchase price of the nonconforming item or component. Any item returned for evaluation for repair that is deemed a non-warranty repair will be subject to a standard evaluation fee unless otherwise negotiated beforehand. Buyer agrees that this remedy shall be its sole and exclusive remedy against Seller and that no other remedy shall be available or pursued by Buyer against Seller. In no event shall the Seller be liable for any costs or expenses in excess of those described in this paragraph and expressly excluding any liability or damages for special, incidental or consequential damages.

The warranty period for newly manufactured items shall extend 12 months from the date of shipment by Seller unless a different warranty period is agreed to by Seller. The warranty period for repaired/refurbished articles shall extend for the unexpired warranty period of the item repaired or replaced.

This warranty shall not extend to any item that upon examination by Seller is found to have been subject to:

- 1) mishandling, misuse, negligence or accident.
- 2) installation, operation or maintenance that either was not in accordance with Seller's specifications and instructions or otherwise improper.
- 3) tampering as evidence for example by broken seals, damaged packaging containers, etc.
- 4) repair or alteration by any one other than Seller without Seller's express advance written approval.

Failure to promptly notify Seller in writing upon discovery of any non-conforming items during the warranty period shall void the warranty as to such items. Buyer shall describe any such non-conformities in detail, expressing its position as to return of any article under the remedy provided herein. No returns shall be accepted without prior approval by Seller who shall arrange for transportation. The cost of transportation for articles returned to Seller and/or redelivered to Buyer shall be paid by Seller only if Seller is responsible for repair or replacement under this warranty. In the event the item is found to conform to the specifications and requirements of this order, the transportation charges related to the return and re-delivery thereof are for the account of Buyer. THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTIES, EITHER EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(b) **SELLER'S INSTALLATION WARRANTY:** Seller warrants that all work hereunder shall be performed in accordance with the standards employed by Seller in performing the same or similar services for itself. Seller disclaims any and all other representations or warranties expressed or implied, including without limitation any representation or warranty that: (a) any unauthorized entry, burglary, theft, embezzlement or any other crimes will be prevented by the equipment and/or installation thereof; or that b) any particular purpose or standard of care intended or desired or any particular results will be achieved by Buyer through the installation and operation of the items to be delivered hereunder.

**14. RAW MATERIAL SURCHARGES:** The price for supplies containing precious metals, nonferrous metals, magnetic minerals, and/or alloys thereof shall be subject to application of surcharge(s) at time of shipment, based upon fluctuations in the market value of such raw materials.

#### **15. CONFIGURATION STATUS AND SUBSTITUTION OF MATERIALS:**

a) If the purchase order referenced on this acknowledgment does not specify the revision level of applicable drawings and specifications, then "NRS" (No Revision Specified) shall be indicated next to the part number(s) on this acknowledgment. NRS shall be interpreted "same as last build" or latest revision in Seller Engineering files, whichever is the most recent revision. Seller reserves the right to make substitution of materials without degrading the quality of product. Customer approval will be solicited when changes affect form, fit or function. Seller further reserves the right to discontinue any items without notice and to change or modify specifications at any time without incurring any obligation to incorporate new or modified features in components or products previously sold or shipped.

b) For any order that includes Military, Federal and Industry specifications and standards, Seller will comply with the issue specified in the order or, at Seller's discretion, any later issue.

**16. LIMITATION OF LIABILITY:** Notwithstanding any other provisions hereof, Seller shall not under any circumstances be liable for any damages greater than the unit price of any item(s) sold hereunder with respect to which any claim is made. No indirect costs and expenses, attorney fees, special, incidental or consequential damages of any nature whatsoever (including lost profits), whether arising from Seller's breach of contract, or breach of expressed or implied warranty, arising in tort, at law or in equity, or any law giving rise to a claim of strict liability, or for any other cause, shall apply under this order. These disclaimers and exclusions shall apply even if the express warranty set forth above fails of its essential purpose.

#### **17. COMPLIANCE WITH LAW:**

a) Seller shall comply with laws applicable to the manufacture of Products and its performance of Services. Buyer shall comply with laws applicable to the application, operation, use and disposal of the Products and Services.

b) Seller's obligations are conditioned upon Buyer's compliance with all U.S., UK and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct Products other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on the relevant documentation.

c) The Buyer recognizes The UK Bribery Act 2010; the Foreign Corrupt Practices Act of 1977, as amended, (15 U.S.C. §78m, 78dd-1, 78dd-2, and 78ff); and the International Traffic in Arms Regulations (ITAR) (22 C.F.R. Parts 120-130), including, but not limited to, the reporting obligations set forth in 22 C.F.R. § 130.9. Buyer acknowledges that if items purchased are to be exported or re-exported, Buyer has the complete responsibility and agrees to comply with all export laws and regulations of the UK, Bureau of Industry and Skill, U.S. Department of Commerce and of the U.S. State Department as applicable to the products and services.

**18. INSURANCE:** Buyer shall maintain its usual and customary insurance coverage for automobile, worker's compensation and third party liability claims during performance of this order and, if requested by Seller, name Seller an insured under its third party liability coverage.

**19. NON-WAIVER:** The failure of Seller to enforce at any time any of the provisions of this order shall not constitute a waiver of such provisions or a waiver of the right of Seller to enforce any or all provisions. If any term or provisions of this order is held invalid or unenforceable by any court of competent jurisdiction, the remainder of this order shall continue to be valid and binding upon the parties unless performance thereof is rendered legally impractical and no longer fulfills the intention of the parties under this order.

**20. APPLICABLE LAW AND FORUM FOR RESOLUTION OF DISPUTES:** This Agreement and any non-contractual rights arising out of it or in connection with it or its subject matter shall be governed by and construed in all respects: in accordance with English law. The parties each submit to the exclusive jurisdiction of the English Courts as regards any claim or matter arising in relation to this Agreement which cannot be resolved amicably between the parties.

**21. ASSIGNMENT:** Except as otherwise expressly provided herein, no assignment of this order or Buyer's rights under this order shall be made by Buyer without the prior written agreement of the Seller. However, Seller may assign this order and its rights and obligations to any of its affiliates or subsidiaries in its sole discretion at any time and without additional consideration.

**23. FORCE MAJEURE:** In addition to other liability limitations herein contained neither party shall be responsible to the other for any loss or damage due to failure or delay in performance or delivery of any of the items or services required under this order when such delay or failure is due to causes beyond the failing or delaying party's reasonable control. Such causes shall include without limitation fires, floods, epidemics, quarantines, unusually severe weather, embargoes, wars, political strife, riots, delays in transportation, compliance with any regulation or directives of any national, state or local municipal government or authority and unforeseeable shortages in fuel, power, materials or labor.

**24. TERMS EXCLUSIVE:** These Terms constitute the entire agreement between the parties concerning the subject matter hereunder and the parties acknowledge and agree that none of them has made any representation with respect to the Terms or any representations including the execution and delivery hereof except as specifically set forth herein.

**25. MODIFICATION:** These Terms and the terms of any resulting order may not be modified except by written instrument executed by the parties with the same formality.

**26. CHEMICAL COMPOSITION ASSESSMENT AND RESTRICTIONS** – Assessment of Seller for compliance to REACH, RoHS, or any other restrictions of composition or construction shall be supplied by Seller only when requested by Buyer and available or where not available, quoted By Seller and funded by Buyer as a separate line item on the purchase order. The Seller will advise the presence of any SVHC (Substances of Very High Concern) if incorporated in any product sold to the Buyer. Compliance with any composition or construction restrictions may in many cases require consideration from Buyer to Seller, including cost, schedule and/or design modification, and may require Buyer funding if required by the Buyer.

This acknowledgment confirms that Moog Inc., Moog Reading Ltd, has entered your order for the item(s) listed on the reverse side hereof and acknowledgment is valid through manual or electronic signature authorized by Moog Inc., Moog Reading Ltd. If any information identified on the reverse side hereof is incorrect, please inform us in writing immediately.

Thank you for your order!

By \_\_\_\_\_ Date: 01 October 2017  
MOOG INC., MOOG READING LTD

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