

## General Terms and Conditions for Sale of Goods

### 1. Definitions

“**Buyer**” The legal entity to which the Seller is selling the Goods.

“**Goods**” Any kind of product, component, material, consumable, expendable and/or any tangible item sold by Seller to Buyer.

“**Order**” or “**Purchase Order**” Any contract between Seller and Buyer for supply of Goods or services resulting from a purchase order placed by Buyer and accepted by Seller as per terms in this General Terms and Conditions for Sale of Goods.

“**Seller**” The legal entity to which the Order was issued.

### 2. Scope

- 2.1 These General Terms and Conditions for Sale of Goods (GTCSG) will apply to all orders placed by buyer and accepted by seller. Buyer’s acceptance of Goods sold by the Seller constitutes Buyer’s agreement and acceptance that sale is subject to and bound by Seller’s GTCSG herein.
- 2.2 Buyer is hereby notified that the Seller objects to and rejects any different or additional terms contained in any Purchase Order or other ordering document unless expressly accepted in writing by Seller for the specific order.
- 2.3 Seller reserves the right to change these GTCSG at any time without notice to Buyer. A change of GTCSG will not affect the terms and conditions which were in force at the time when the Buyer placed an Order for the Goods.

### 3. Quotations – Order confirmation

- 3.1 Unless otherwise specified, all quotations are for immediate acceptance, subject to prior sale of stock and subject to change without notice prior to acceptance unless other agreement of validity has been agreed between Seller and Buyer. All quotations are subject to the terms of this GTCSG.
- 3.2 No purchase order placed by buyer shall be deemed to be accepted by Seller until a written confirmation of such order is issued by seller. Seller may at Seller’s absolute discretion and for any reason accept or reject orders without any liability whatsoever.
- 3.3 Seller shall not be liable for any claims, losses or damages of any nature whatsoever, including consequential losses, loss of production, loss of profits or other indirect losses which the Buyer may suffer as a result of any failure, delay or partial or imperfect performance in connection with the Seller’s quotations and any other messages to Buyer.

### 4. Prices

- 4.1 Seller reserves the right to adjust its prices commensurate with the rise and fall in Seller’s purchase prices, taxes, duties, transport, wages and currency fluctuations occurring from the time of quotation until the time of delivery of the Goods. Except in the case of written agreement to the contrary, prices of Seller are quoted exclusive of value Added Tax (VAT), custom duty or any other taxes or levies imposed on the Goods and Ex-Works Seller’s warehouse (or other notified location) with the INCOTERMS in force at the time of the order confirmation. Freight and insurance shall be borne by Buyer.

- 4.2 The Goods are supplied in standard packaging free of charge. Cost of special packaging required by Buyer, cost of hazardous material paperwork, hazardous material packaging is not included in any of Seller’s quotations, unless expressly stated therein, and will thus be charged to the buyer.

### 5. Payment

- 5.1 Buyer shall make payment by SWIFT wire transfer against any invoice from the Seller within thirty (30) calendar days of the date of such invoice.
- 5.2 If Buyer must prepay invoice, the payment must be received within two (2) weeks from date of invoice otherwise Seller reserves the right to cancel the order.
- 5.3 Seller reserves the right to revise payment terms at any time without notice and to request guarantees, security or cash in advance for the Goods and services. The seller may, at its sole discretion, and without giving a reason, refuse or limit deferred payment terms to any customer.
- 5.4 In the event that the Buyer fails to effect payment within the due date for payment under Articles 5.1-5.2 hereof, interest at the rate of 1,5% per month shall be charged, such interest being deemed to accrue on a day-to-day basis from the due date.
- 5.5 The buyer is not entitled to set off any claim relating to other legal matters against payment for the Goods to Seller and shall have no right to retention or non-payment as a result of any delay, complaint or alleged counterclaim against Seller.
- 5.6 Notwithstanding risk in the goods passing in accordance with article 6.1 hereof, title in the Goods shall not pass to Buyer until payment for the Goods in full in addition of any interest and cost incurred in connection with the delivery has been received by Seller.

### 6. Delivery – passing of risk and Force Majeure

- 6.1 Unless otherwise agreed, delivery shall be made Ex-Works Seller’s warehouse (or other notified location) as per specified delivery schedule and according to INCOTERMS in force at the time of order confirmation. Consequently, the risk of loss passes to the Buyer upon Buyer’s or Buyer’s freight forwarders receipt of goods.
- 6.2 Delivery schedule is approximate only and subject to delays due to causes beyond Seller’s control (“**Force Majeure**”) including, but not limited to, wars, riot, strikes, lockouts, civil unrest, cyber-attacks, public restrictions, requisition, seizure, ban of imports or exports or other public interventions, freight embargoes, natural disasters, vandalism, theft, significantly more expensive supplies from sub-suppliers, trade disputes, insurrection and civil commotion, shortage of transport, general shortage of materials, defects or delays in deliveries by sub-suppliers and service providers or any other similar events beyond the Seller’s control.
- 6.3 The seller shall not be liable for consequential losses, loss of production, loss of profits, or other indirect losses due to late delivery or non-delivery.
- 6.4 Seller shall be entitled to delay or cancel agreed deliveries in the event that the Buyer exceeds the time of payment in relation to any contract with Seller, suspends payment, goes

bankrupt, enters into liquidation or, through other acts or omissions, gives justified cause for concern as to his liquidity.

## **7. Acceptance of goods, notice**

- 7.1 Upon delivery the Buyer is obliged to carry out a thorough inspection of the Goods supplied. Defects or shortages, which should or could reasonably have been detected during such inspection and weren't detected, shall not entitle the Buyer to advance a claim against the Seller.
- 7.2 Complaints about any noticeable lack of conformity shall be given to Seller immediately after the Buyer has discovered it and no later than seven (7) business days after delivery.
- 7.3 The Buyer loses the right to make any claim in respect of defects or shortages in the Goods supplied if the Buyer does not give written notice to Seller specifying the nature of the non-conformity in question immediately after he has discovered it or should have discovered it.

## **8. Return of Goods & Cancellation (non-Exchange transactions)**

- 8.1 Return of already delivered Goods shall only be made with the prior written consent of Seller. Special Goods, i.e. made to order parts or non-stock parts, cannot be cancelled.
- 8.2 In the event that, by way of exceptions, Seller accepts a cancellation or return of already supplied Goods, not being warranty claimed or Goods covered by exchange agreement, the Buyer shall indemnify Seller fully against all costs connected with the cancellation and pay a cancellation fee of 20% of the invoice price. In no event shall the cancellation fee be less than USD 500.
- 8.3 Any return of Goods shall be for the account and at the risk of the Buyer.
- 8.4 Goods returned, not covered by exchange agreement, the originally invoiced amount will be credited with deduction of the cancellation fee and any special costs borne by Seller in relation to the returned Goods.
- 8.5 Return of already delivered Goods will only be accepted when Seller has established by inspection that Good is in same condition as delivered. Original paperwork, certificate, shop report and unused statement must be received with returned Good. Otherwise, Seller reserves the right to reject the Good. Furthermore, rotatable part (serialized) must be in original unbroken sealing. In case sealing is broken Seller is entitled to ship part for recertification at the expense of the Buyer including freight and handling.

## **9. Warranty Coverage and Warranty Period**

- 9.1 Subject to the provisions of clauses 9.2 – 9.3 hereunder, the warranty coverage and period shall be agreed upon by Seller and Buyer (in accordance with the kind and condition of the Goods) prior to and as a precondition to the sale of the Goods.
- 9.2 Disclaimer – Notwithstanding anything contained in the warranty coverage and period to be agreed upon to the contrary, any warranties, obligations and liabilities of Seller thereunder, shall be expressly in lieu of, and Buyer hereby waives and releases Seller from, any and all other warranties, agreements, guarantees, conditions, duties, obligations, remedies or liabilities, express or implied,

arising by law or otherwise, including without limitation any warranty of merchantability or fitness for intended use, with respect to Seller's performance hereunder and Buyer agrees that Seller will not be liable for any damage or loss (including, but not limited to consequential damages) suffered by Buyer, directly or indirectly, whether in tort or contract, because of any defect in material or workmanship warranted hereunder. No agreement or understanding varying, altering or extending Seller's liability hereunder will be binding on Seller unless in writing signed by a duly authorized officer or representative of Seller.

- 9.3 In no event will Seller's liability under the warranty exceed the purchase price actually paid for the Goods.

## **10. Limitation of Liability**

- 10.1 Notwithstanding what is otherwise provided in the GTCSG, Seller assumes no liability for any claims, including losses or damages suffered as a result of:
  - 10.1.1 any errors or omissions in any and all agreements including but not limited to quotations, proposals, contracts, order acknowledgements, and amendments thereto;
  - 10.1.2 any failure, delay or partial or imperfect performance in connection with any communication or messages to the Buyer;
  - 10.1.3 errors in e-commerce transactions due to breakdown in communication lines either at the Buyer's end or at Seller's end; and
  - 10.1.4 infringement of patents or any industrial or intellectual or other similar proprietary rights under the GTCSG.
- 10.2 The seller's liability is in any case limited to direct and proven losses or damages not to exceed the invoiced amount for the Goods which give rise to the claim. To the extent permitted by law, these limitations and exclusions shall apply regardless of whether liability arises from breach of contract, indemnity, warranty, tort, operation of law, or otherwise.
- 10.3 THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF SELLER ("SELLER" SHALL INCLUDE SELLER, ANY OF ITS SUPPLIERS AND SUBCONTRACTORS, AND ANY OF THEIR RESPECTIVE INSURERS) AND THE REMEDIES OF THE BUYER SET FORTH IN THE GTCSG ARE EXCLUSIVE AND IN SUBSTITUTION FOR, AND THE BUYER HEREBY WAIVES, RELEASES AND RENOUNCES ALL OTHER WARRANTIES, OBLIGATIONS AND LIABILITIES OF SELLER AND RIGHTS, CLAIMS AND REMEDIES OF THE BUYER AGAINST SELLER, EXPRESS OR IMPLIED HOWSOEVER, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY GOODS AND SERVICES DELIVERED UNDER THE GTCSG INCLUDING BUT NOT LIMITED TO: (I) ANY WARRANTY AGAINST HIDDEN DEFECTS; (II) ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; (III) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR

USAGE OF TRADE; (IV) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY, WHETHER IN CONTRACT OR TORT AND WHETHER OR NOT ARISING FROM SELLER'S NEGLIGENCE, ACTUAL OR IMPUTED; AND (V) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR LOSS OF OR DAMAGE TO ANY GOODS AND SERVICES. SELLER SHALL HAVE NO OBLIGATION OR LIABILITY, HOWSOEVER ARISING, FOR LOSS OF USE, REVENUE OR PROFIT OR FOR ANY OTHER INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY GOODS AND SERVICES DELIVERED UNDER THE GTCSG.

- 10.4 In no event will Seller be liable for any special, incidental or consequential damages including but not limited to lost revenues, lost profit, or loss of prospective economic advantage, resulting directly or indirectly from this transaction or the use of the Goods or any inability to use such either separately or in conjunction with other parts or equipment.

## 11. Indemnification

Buyer hereby releases and agrees to defend, indemnify and hold Seller; its Directors, officers, employees and agents harmless and against any and all liabilities, claims, demands, suits, damages and losses (including, without limitation all attorney's fees costs and expenses in connection therewith or incident thereto) for deaths of or injuries to any persons whomsoever (including, without limitation Buyer's employees) and for loss of, damage to destruction of, or delay in the delivery of any property whatsoever (including, without limitation, aircraft of Buyer) in any manner arising out of or in connection with the Goods subsequent to their delivery by Seller hereunder regardless of the negligence, active or passive, of Seller its Directors, officers, employees or agents. Buyer will, at the request of Seller negotiate any claim or defend any action or suit brought against Seller or in which Seller is joined as a party defendant based upon any matters for which Buyer has released and indemnify Seller hereunder.

## 12. Sanctions and Export Control

- 12.1 Definition for the purpose of this Clause:
- 12.1.1 "Sanctions and Export Control Laws" means any sanctions laws, regulations, trade embargoes, license requirements, export regulations or similar restrictive measures imposed, administered or enforced by a Sanctions Authority.
- 12.1.2 "Sanctions Authority" means the Government of the United States of America (including, without limitation, the Department of State, the Department of Commerce and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury), the United Nations Security Council, the European Union, the United Kingdom or the government of any country with jurisdiction over Seller and the Buyer.
- 12.1.3 "Sanctioned Person" means (i) any natural or legal person in any list of sanctioned persons of any Sanctions Authority (including List of Specially Designated Nationals (SDN) and

Sectorial or Sanctions Identifications (SSI List); or (ii) any natural or legal person directly or indirectly owned or controlled by one or several person(s) designated under (i) here above.

- 12.2 Each of Seller and the Buyer (i) represents to the other on (a) the date hereof, (b) each date a payment is made hereunder (c) each delivery date and (d) each date Goods, including but not limited to commodities, technology and software, and/or Service is provided hereunder that it, and any natural or legal person that has control over it, is not a Sanctioned Person; and (ii) undertakes at all times to conduct its business in compliance with any applicable Sanctions and Export Control Laws.
- 12.3 The Buyer shall, to the extent permitted by law and promptly upon becoming aware of the same, supply to Seller details of any claim, action, suit, proceedings or investigation against it with respect to Sanctions and Export Control Laws by any Sanctions Authority.
- 12.4 The Buyer shall upon request provide any information related to the compliance of applicable export control law, such as end-use certificate and proof of delivery, e.g. a delivery verification certificate.
- 12.5 No Party (the "Affected Party") shall be obliged to perform any obligation under this Agreement if such performance would be in breach of any applicable Sanctions and Export Control Laws (the "Relevant Obligation"). The Affected Party shall promptly notify in writing the other Party (the "Other Party") of its inability to perform the Relevant Obligation (the "Suspension Notice"). The Affected Party shall be entitled to irrespective of whether or not the Suspension Notice has been issued, suspend the performance of the Relevant Obligation under these GTCSG until such time as the Affected Party can lawfully perform the Relevant Obligation.
- 12.6 The Buyer undertakes to use any Goods and Services procured for the purposes of commercial aviation and that it will not directly or indirectly sell, import, export, re-export, lease, or sublease (i) to (a) any country which is the subject of commercial, economic or financial restrictions according to any applicable Sanctions and Export Control Laws and/or (b) any Sanctioned Person; and/or (ii) in any way that would cause Seller to be in violation of any applicable Sanctions and Export Control Laws.
- 12.7 If the Buyer sells, leases, subleases, disposes of, transfers control of any part thereof, or novates or assigns any of its rights and/or obligations under these GTCSG, to any third party, then the Buyer shall cause, and shall ensure that, such third party agrees to be bound by sanctions and export control provisions on substantially the same terms as set forth in this Clause.
- 12.8 The Buyer shall upon request provide any information related to the compliance of applicable export control law, such as end-use certificate and proof of delivery, e.g. a delivery verification certificate.

## 13. Confidential information

Except in any proceeding to enforce the provisions of the contract or as required by law, neither party will disclose to any third party the financial terms of the contract/order, the terms contained in any attachment or endorsement hereto, or any other confidential information of the other party, including orders, forecasts, financial or any data processing programs, procedures or passwords/ identifications.

hereby submits irrevocably to the jurisdiction of such courts.

**14. Remedies**

The rights and remedies of Buyer under these GTCSG are limited and exclusive. They supersede and replace any other rights or remedies that Buyer may have at law or in equity. Buyer may only pursue the specific remedies outlined in these GTCSG and waives the right to seek any additional or alternative remedies.

**15. Waiver**

The failure of the Seller to enforce at any time any of the provisions of these GTCSG, or to require at any time the performance by the Buyer of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of these GTCSG or any part hereof, or the right of the Seller thereafter to enforce each and every provision of these GTCSG.

**16. Severability**

16.1 Any provision of the GTCSG that is prohibited by or unlawful or unenforceable under any applicable mandatory law actually applied by any court of competent jurisdiction shall, to the extent required by such law, be severed from the GTCSG and rendered ineffective so far as is possible without modifying the remaining provisions. The Parties agree to replace, so far as practicable, any provision which is prohibited, unlawful or unenforceable with another provision having substantially the same effect (in its legal and commercial content) as the invalid provision, but which is not prohibited, unlawful or unenforceable. The invalidity in whole or in part of any provisions of these GTCSG shall not void or affect the validity of any other provision.

16.2 These GTCSG contains the entire agreement between the Parties and no side letter, attachment, amendment or variation shall be of any effect unless in writing.

**17. Assignment**

The Buyer shall not assign or otherwise transfer any of its rights or obligations under these GTCSG to any third party without the prior written consent of the Seller and any attempted assignment or transfer without such prior written consent shall be null and void. For purposes of these GTCSG, a change of control of the Buyer or the sale of substantially all the business of the Buyer as part of a corporate merger, share acquisition, corporate reconstruction, spin-off, rearrangement or similar change shall be deemed to be an assignment.

**18. Choice of law and venue**

18.1 These GTCSG shall be governed, construed and interpreted solely in accordance with the laws of Israel (without giving effect to its principles governing choice of law).

18.2 All disputes arising as a result of or relating to these GTCSG shall be resolved exclusively in the competent courts sitting in Tel Aviv-Jaffa and each of the Parties