

General Terms and Conditions of Sale

1. – General

Any quote and/or offers and any sale of goods and/or associated services (“Products”) by LISI AEROSPACE and/or any of its affiliated companies (“Supplier”) to the purchaser (“Customer”) shall only be governed by these terms and conditions. Only these terms and conditions including Supplier’s General Logistic Conditions (available on Supplier’s Web Site www.lisi-aerospace.com under Terms & Conditions), are incorporated into and made part of each quote, offer and Customer’s purchase order (the “PO”) once acknowledged by Supplier. Supplier’s quotes and offers are subject, at any time until Supplier’s acceptance of any PO, to changes and/or termination upon Supplier’s notice to Customer.

2. – Scope of the Agreement

These terms and conditions including Supplier’s General Logistic Conditions, Supplier written acceptance of PO and PO a shall be the complete and final agreement (“Agreement”) between Supplier and Customer. However, no preprinted or form language contained in PO shall be part of Agreement and Supplier expressly rejects any additional or different terms and conditions, whether set forth in the PO or otherwise, irrespective of the date on which they are brought to the attention of Supplier. Supplier will not be deemed to have waived these terms and conditions if it fails to object to provisions contained in PO or other forms. Any other documents, such as catalogues, advertising material, and price lists not expressly included as part of the Agreement as provided above do not form part of the Agreement between Customer and Supplier. The Agreement, including these terms and conditions, may not be cancelled, terminated or amended except in writing signed by an authorized signatory of Supplier.

3. – Purchase Orders

All PO are subject to specific commercial and delivery terms such as minimum order quantity or batch size delivery as determined by Supplier from time to time. Customer is not entitled to cancel, terminate or modify any accepted PO without Supplier’s prior written consent. If Supplier consents to any termination requested by Customer, Supplier may condition such consent on the payment by Customer of reasonable termination or cancellation charges computed by Supplier. For any accepted PO cancellation, Customer will pay all costs and expenses including but not limited to work in process, raw materials, components and nonrecurring costs, or liquidated damages to be calculated as following:

Period of cancellation of the PO (before the delivery date)	% of the added value of the cancelled goods, and full costs of raw materials and components to be paid by Customer
> 6 months	30% of the added value + 100% of raw materials & components
6 months to 3 months	50% of the added value + 100% of raw materials & components
3 months	80% of the added value + 100% of raw materials & components

Any changes to an accepted PO requested by Customer shall be subject to Supplier’s consent and equitable price adjustment and such other conditions as Supplier may impose.

4. – Ownership and Use of Information and Tools

All oral or written, tangible or intangible information including, but not limited to, plans, descriptions, technical documents, discussions, know-how, quotes, prototypes, and/or samples disclosed to Customer (the “Information”) shall remain the exclusive property of the Supplier. All Information shall be returned to Supplier upon request and shall not be provided to any third party without Supplier’s prior written consent. Tools designed by Supplier and/or adapted to its methods and equipment and any manufacturing improvements, shall remain the exclusive property of Supplier, and shall remain in its workshops. Supplier is entitled to destroy the tools in the event they remain more than two (2) years without receipt of a new PO of satisfactory quantity.

No license or conveyance of any rights under any discoveries, inventions, patents, trade secrets, copyrights or other form of intellectual property is granted or implied to Customer nor confer or grant to Customer in any manner whatsoever any right or interest of any kind in the event of Customer’s participation in designing and creating any tools.

All intellectual property rights as well as know-how incorporated into the Information disclosed, the tools used by Supplier and the services performed shall remain the exclusive property of Supplier.

5. – Inspection, Acceptance and Rejection

Customer shall inspect the Products after receipt and in no event later than five (5) calendar days from the date of delivery and notify Supplier in writing of any duly evidenced non-conformity. The Products shall be deemed to have been accepted by Customer unless rightfully rejected within five (5) calendar days from the date of delivery of Products. Customer shall obtain Supplier prior written authorization before returning rejected Products. No return shall be authorized in case of processing, modification, or assembly of Products, by Customer or any third party without Supplier prior written approval. **RIGHTFULLY REJECTED PRODUCTS SHALL BE REPAIRED, CORRECTED, OR REPLACED IN ACCORDANCE WITH CLAUSE 8 (WARRANTY), AND SUCH REPAIR, CORRECTION, OR REPLACEMENT SHALL CONSTITUTE CUSTOMER'S SOLE REMEDIES AND SUPPLIER'S SOLE OBLIGATIONS WITH RESPECT TO PRODUCTS RIGHTFULLY REJECTED BY CUSTOMER.**

Any claim by Customer relating to shipped quantity shall be made within ten (10) calendar days from the date of shipment of the Products. Due to the general accuracy of the weighting tools in the aerospace industry, Customer agrees that the delivered Products will be invoiced by Supplier with the tolerance of more or less three percent (3%) of the value of the delivered Products. Within such limits, Customer shall not be entitled to any credit, nor ask for additional invoicing. Any delivery by Supplier that is more or less ten percent (10%) than the quantity ordered by Customer under the relevant PO, shall be deemed to be fully performed.

6. – Confidentiality

Customer and Supplier are mutually bound by a general obligation of confidentiality concerning the Information disclosed in connection with the preparation and performance of the Agreement. The confidentiality obligations contained herein shall continue during a ten (10) year period following the delivery of the last PO to Customer.

7. – Delivery and Transportation

Lead times and delivery dates are estimates only and do not include transportation time. For long term, contractual orders, such lead times and delivery dates are based on regular and reliable forecasts provided by Customer. A delay in delivery will not result in payment of any damages or losses, nor allow cancellation by Customer of the related Purchase Order.

Unless otherwise agreed by Supplier, all liabilities, costs and risks associated with transportation shall be borne by Customer as per FCA Supplier’s facility for Products to be delivered outside European Union, or per DAP (Incoterms® 2020) Customer’s facility for Products to be delivered within European Union. If FCA is used for EU deliveries, Customer shall provide a copy of proof of delivery at each Supplier’s delivery without any request and/or reminder from Supplier. Should Customer fail to do so, it shall indemnify and hold Supplier harmless from any and all claims, actions, judgments or any other damages that may arise from or be related to the breach of the foregoing provision.

8. – Warranty - Limitation of Liability

Supplier warrants that the Products are, at the time of shipment, (i) free from defects in material or workmanship and (ii) conform to the drawing issue number stated in the PO accepted by Supplier or the drawing issue number in Supplier's possession at the date of shipment without any modifications. Such warranty is limited to twelve (12) months from the date of shipment to Customer or for the lifetime of the Products, whichever is the earlier. All claims related to the warranty shall be made within this time period and must be notified to Supplier within ten (10) calendar days from discovery of the defect affecting the Product, or from delivery of the Product if the defect is visible. Such warranty will only apply to Products that are properly installed, maintained, and/or operated under normal conditions. The warranty shall be excluded in the event the alleged defects arise from (i) normal wear and tear, (ii) modification or repair of the Products without prior Supplier's consent, (iii) non-compliance with Supplier's specifications and / or instructions (iv) storage (v) negligence in the handling, and/or installation of the Products and/or with normal usage.

THE WARRANTIES SET FORTH IN THIS CLAUSE ARE EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTIES, WHETHER EXPRESS, STATUTORY, OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SUPPLIER MAKES NO WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS SET FORTH IN THESE TERMS AND CONDITIONS. If Supplier accepts the Customer's warranty claim, Supplier's sole obligation, notwithstanding any provisions of the applicable laws, shall be, at its option, either to repair, to replace, or to reimburse the price of the Product giving rise to the warranty claim.

Supplier's warranty and liability shall be subject to the lot traceability to be performed by Customer. Customer shall keep lot traceability records for the Products to ensure that lots manufactured by Supplier can be traced through Customer's manufacturing processes and/or Customer's clients and/or Customer's sub-contractors. Unless otherwise provided by law, Supplier's total and cumulative liability, in any cause of action, shall be limited to indemnifying any direct, actual, foreseeable loss incurred by the Customer, and shall not exceed the price of the Products giving rise to such a claim against Supplier, Supplier shall not, under any circumstances, be liable for (i) any indirect, special, incidental, punitive or consequential damages, including, but not limited to, damage or loss of property or equipment, loss of profits or revenue, injury directly or indirectly arising from the installation or use of its Products, and (ii) any amount exceeding the liability cap agreed between Customer and its suppliers or enabled purchasers, for any damages caused in whole or in part by these Customer's suppliers or enabled purchasers.

8. – Indemnity

Customer shall indemnify, defend and hold harmless Supplier and its officers, directors, employees, agents, shareholders or members (collectively "Representatives"), successors and assigns, affiliates and their respective Representatives, against any and all claims, actions, suits, liabilities, losses, damages, fines, penalties, fees, costs and expenses, including, without limitation, reasonable attorneys' fees and costs and other litigation fees, costs and expenses (collectively "Losses"), resulting from, arising out of, or in connection with (i) any claim of infringement of any patent or any other intellectual property rights in connection with the processing of any Products for Customer pursuant to Customer's instructions and specifications, regardless whether such claim is valid, (ii) designs, drawings or specifications given to Supplier by Customer for the manufacturing of Products for Customer, (iii) defective materials or goods supplied by Customer and incorporated by Supplier into Products manufactured for Customer, or (iv) the improper incorporation, assembly, use, processing, storage or handling of Products by Customers or its clients and/or subcontractors, (v) any breach of the Agreement by Customer.

9. – Price and payment

Unless stated otherwise by Supplier, prices are established net of tax "Ex-Works" (Incoterms® 2020). Pricing is subject to change at any time by Supplier for any reason including such as

but not limited to: (i) adjustments per the formula and indices reasonably set by Supplier; (ii) increases in all or any costs and expenses impacting Supplier and its production and supply of Products including but not limited to any new, additional or increased tax, public charge, tariff, or duty of any kind imposed by any governmental authority on the Products; (iii) currency exchange rate adjustments, if applicable; (iv) any changes to Supplier's basis for its price quoted to Customer, including but not limited to changes in market conditions, Customer's demand, or POs; and (v) any other changes beyond Supplier's control or any unforeseen events. Upon any price escalation assessed by Supplier, the price payable for Products may be increased accordingly and immediately effective on all POs including accepted POs and any shipments. Payment shall be made within net thirty (30) calendar days from the date of invoice, by wire transfer to Supplier's bank account as per provided details, in the currency indicated on the invoice. In case of any breach of such contractual terms, the total amount of the sums due by Customer shall be immediately payable. Supplier reserves the right, at any time, to claim payment before consignment of the Products and the right to invoice the Products put at the disposal of Customer, for which the instructions for shipment would have been received.

Any delay of payment may result in the application of an interest charge on the overdue amount at an annual interest rate equal to the most recent refinancing rate of the European Central Bank increased by ten (10) points or any other interest rate as applicable in the related jurisdiction. Additionally, Customer shall be liable to Supplier for all reasonable attorney fees and costs Supplier incurs to effect collection of any invoice unpaid in whole or in part.

In addition, in the event of non-payment by Customer of any amount due to Supplier without any remedy following thirty (30) days from the date of Supplier notice, , Supplier may (i) suspend all future shipments to Customer until full payment, (ii) ask for adequate security for future payments (letter of credit or the like), (iii) keep all advances without prejudice of other damages and costs and/or (iv) cancel POs (current and outstanding).

The transfer of ownership of the Products from Supplier to Customer shall be upon full payment of the invoice.

11. – Assignment

Customer may not assign the Agreement to a third party without the prior written consent of Supplier. The Agreement may be assigned by Supplier at any time and following such assignment Supplier shall have no further obligations hereunder.

12. – Force Majeure

Supplier will not be liable for any delays or failure to perform any obligations under the Agreement, if the performance of the same is partly or wholly delayed, prevented or hindered by an event beyond its reasonable control, which could not have been reasonably foreseen at the signature of the Agreement, and whose effects cannot be avoided, such as but not limited to accidents, labor disputes or disruptions, strikes, shortages of labor, materials, fuel or power, fires, floods or other acts of God, embargoes, acts of terrorism, civil or foreign war, acts or omissions of Customer, restrictions imposed by law or any rules or regulations thereunder, priorities required, requested or granted for the benefit of the government or any other matter beyond Supplier's control.

13. – Termination

Without liability to Customer, Supplier may terminate part or all of the accepted PO placed under the Agreement if one or more of the following events occur : (i) Customer breaches any of its obligations or fails to make payments in a timely manner as required by the terms of the Agreement; (ii) Customer does not provide adequate security for future payments to the satisfaction of Supplier; (iii) Customer change of control; (iv) Customer's bankruptcy or insolvency, or entering of Customer into any composition or arrangement (including a voluntary arrangement) with its creditors; (v) In case of any obsolescence such as but not limited to obsolescence of standards, processes, materials.

14. – Compliance with applicable laws

Customer shall comply with all applicable laws, directives and regulations, particularly with, but not limited to, (i) anti-bribery and corporate duty of vigilance, including Supplier's Anti-Bribery Code of Conduct and with the support of a whistleblowing open line (www.lisi-group.com), (ii) human health and environment including REACH and PFAS regulations.

Customer understands and agrees that Products sold, and any technical data or services provided hereunder may be subject to export and other foreign trade controls restricting resales and/or transfers to other countries and parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States or countries in Europe. Notwithstanding anything to the contrary in the Agreement, Customer agrees that no goods, technical data or services provided hereunder will be sold, reexported or transmitted except in full compliance with all relevant laws and regulations. Customer agrees to and does assume all responsibility for obtaining any required licenses related to the export or reexport of the goods, technical data or services, including any licenses for their export from and their import into any country.

Any violation of this section, as determined solely by Supplier, shall be deemed a material breach of this Agreement and Supplier may in its sole discretion and in addition to any other remedies it may have under applicable law or the Agreement, terminate any and all of its obligations under this Agreement.

Without prejudice of and in addition to any other export control regulations, neither Customer nor Supplier shall sell, export or re-export, directly or indirectly, to Russia or Belarus or for use in Russia and/or in Belarus, any goods or technology supplied under or in connection with any Customer's purchase order and/ or relevant contract that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 or of Article 8g of Council Regulation (EU) No 765/2006.

Customer and Supplier shall ensure that any third parties further down their commercial chain comply with the principles of Article 12g and Article 8g when applicable. Customer and Supplier shall inform each other of any issues in applying such Article 12g and/or Article 8g occurring within the scope of execution of the relevant purchase order and/or contract including any non-compliance with those provisions.

Any non-compliance with Article 12g and/or Article 8g by a party (the "Defaulting Party") shall constitute a breach of the relevant purchase order and/or contract and the other party shall be entitled to:

- a) Suspend or terminate without any liability, the purchase orders and/or the contract impacted by such violation of the Defaulting Party; and/or
- b) Claim at law or under the purchase order and/or the contract for any damages incurred as a consequence of such violation.

The rights and obligations expressed herein shall apply solely to transactions within the scope of Article 12g and Article 8g.

Customer and Supplier warrant and undertake that their processes, services, and treatment of all personal data that it may receive, access, and/or process on behalf of the other party (and/or the other party's employees, customers, or suppliers) or otherwise in connection with the Agreement comply with applicable laws regarding privacy or personal information.

15. – Governing law and Jurisdiction

Any dispute arising out of or in connection with any PO and/or the Agreement shall be submitted to the Courts of Supplier's registered office, which shall have exclusive jurisdiction, regardless

of the place of delivery, even in case of claims for indemnities or in case of plurality of defendants.

The Agreement shall be governed by and construed in accordance with the laws of the country of Supplier's registered office, excluding those relating to choice or conflict of laws and excluding the United Nations Convention on Contracts for the International Sale of Goods.