



VALLAIR SOLUTIONS GENERAL TERMS & CONDITIONS FOR PURCHASE OF PARTS

Article 1. Purpose

The present General Terms define the terms and conditions under which VALLAIR SOLUTIONS commits to purchase Parts from the Supplier. Save as otherwise agreed, these General Terms shall be applicable to all Orders placed by VALLAIR SOLUTIONS.

Article 2. Definitions

Any capitalised words, terms or abbreviations used in the present General Terms shall, unless otherwise agreed, have the meaning set forth here under:

“Aviation Authority” shall mean the competent body responsible for the safety regulation of civil aviation in any relevant country.

“Day” shall mean a day other than Saturday, Sunday or public holiday in France.

“Euro”, “euro” or “€” shall mean the lawful currency of the European Monetary Union.

“Facility” shall mean VALLAIR SOLUTIONS’s principal place of business, International Airport of Luxemburg, EBBC Bloc B, Route de Treves, L-2633 Senningerberg, Grand Duchy of Luxemburg and any other facility specified to the Supplier by VALLAIR SOLUTIONS.

“General Terms” shall mean the present terms and conditions.

“Incoterms” shall mean regulations of the International Chamber of Commerce for freight forwarding, including transportation insurance, as published by the International Chamber of Commerce as “Incoterms 2010”.

“Part” shall mean any aircraft component or rotatable specified in an Order.

“Quote” shall mean a commercial offer issued by the Supplier in relation to a request by VALLAIR SOLUTIONS for a Purchase.

“Order” shall mean any purchase order issued by VALLAIR SOLUTIONS to the Supplier for a Purchase.

“Purchase” shall mean the outright sale and purchase of a Part by the Supplier to VALLAIR SOLUTIONS.

“Supplier” shall mean the company from whom VALLAIR SOLUTIONS purchases the Part.

“U.S. Dollars”, “Dollars”, “USD” or “\$” shall mean the lawful currency of the United States.

Article 3. Application in time

The General Terms applicable to a specific Order shall be the ones in force on the date of issuance of the specific Order by VALLAIR SOLUTIONS, unless otherwise agreed.

Article 4. Price Quote Issuance & Validity

4.1 Each time VALLAIR SOLUTIONS will be interested in the Purchase of one or several Parts, the Supplier shall issue and transfer a Quote, based on the current price of materials, labour and other prime costs, including the rate of exchange of euros.





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4.2 All Quote shall mention the price for the Purchase exclusive of any VAT payable.

4.3 Quote shall remain valid for acceptance by VALLAIR SOLUTIONS for thirty (30) Days following its issuance, save that the Supplier reserves the right to revise or retract the Quote if the corresponding Part is no longer available.

4.4 In case of acceptance of the Quote, and for all Parts to be sold and purchased thereunder, VALLAIR SOLUTIONS shall issue an individual Order to the Supplier. Such Order may be materialized on the Quote itself, through its formal acceptance by VALLAIR SOLUTIONS, or on a separate form, provided such form appropriately refers to the Quote.

4.5 In case of inconsistency or conflict between the terms of a Quote or an Order and the provisions of these General Terms, the provisions of the General Terms shall prevail, save as otherwise agreed.

4.6 The receipt of the Order by the Supplier shall render the agreement between the Parties regarding the relevant Purchase final and irrevocable.

Article 5. Authorizations & Compliance

5.1 The Supplier agrees that it has complied with export control laws applicable to Parts provided under these General Terms. Export control laws shall mean laws, regulations and orders applicable to the export or re-export (including but not limited to international transfers, disclosure or release) of Parts and includes, without limitation, (i) US export controls administered under the Export Administration Regulations ("EAR") and the International Traffic in Arms Regulations ("ITAR"); (ii) United Kingdom export controls and sanctions; (iii) EU and EU Member State export controls administered pursuant to Council Regulation (EC) 428/2009 and the various national export control laws, regulations of the French and EU Member States regulating dual-use and military items and related activities; and (iv) similar export control laws, regulations and orders of other jurisdictions to the extent applicable to any activity conducted in furtherance of these General Terms.

5.2 In performing its obligations under the General Terms, the Supplier shall:

- a) comply with all applicable Laws, statutes, regulations and codes from time to time in force; and
- b) using reasonable skill and care and in a professional and diligent manner that is fit for the purposes required by VALLAIR SOLUTIONS.

5.3 VALLAIR SOLUTIONS and the Supplier are required to conducting their business with the highest standards of ethics and in accordance with applicable Laws. The Parties undertake to conduct the business under these General Terms with the highest standards of integrity.

5.4 The Supplier warrants that it has a fully auditable recognized quality management system for the supply of the Parts.





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Article 6. Insurances

The Supplier shall maintain insurance appropriate to its operations and in accordance with best aviation industry practice. Those insurance shall include: a reputable insurance company, aviation liability insurance, professional indemnity insurance, product liability insurance and public liability insurance to cover the liabilities that may arise under or in connection with these General Terms, and shall, on VALLAIR SOLUTIONS' request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

Article 7. Delivery of Parts

7.1 The Parts shall be delivered DAP in accordance with Incoterms 2010 at VALLAIR SOLUTIONS Facility.

7.2 The Supplier shall provide an estimated delivery date, on request by VALLAIR SOLUTIONS and will use reasonable endeavours to meet any such estimated delivery date or any delivery date that may be requested by VALLAIR SOLUTIONS. Delays in the fulfilment of an Order entitle VALLAIR SOLUTIONS to refuse to take delivery of the completed Order or claim damages.

7.3 Parts dispatched by the Supplier shall be in packaging suitable for transportation IAW ATA Spec 300 requirements.

7.4 Each delivery of a Part shall be accompanied by a delivery note which shows the date of the Order, the Order number, the type and quantity of the Part (including part number and serial number if any).

Article 8. Inspection and Acceptance

8.1 All Parts shall be subject to an inspection by VALLAIR SOLUTIONS upon delivery at its Facility.

8.2 Failure by VALLAIR SOLUTIONS to inform the Supplier, in writing, of rejection, of any received Part within ten (10) Days after receipt will constitute its acceptance of the Part.

8.3 The Supplier shall replace all rejected Parts with replacement Parts within ten (10) Days of receiving written notification from VALLAIR SOLUTIONS.

8.4 VALLAIR SOLUTIONS reserves the right to return any Parts to the Supplier which do not comply with the requirements as set out in these General Terms.

8.5 All transportation costs incurred for redelivery of a replacement Part in lieu of a rejected Part shall be borne by the Supplier.

Article 9. Title to and Risk on the Parts

9.1 Title to and ownership of Parts subject to a Purchase by the Supplier shall remain vested with the Supplier until it has received from VALLAIR SOLUTIONS full payment in accordance with these General Terms.





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9.2 The Supplier warrants that it has full legal and beneficial title to the Parts free from all charges, liens, and security interests.

Article 10. Condition of Parts and Warranties

10.1 The Supplier shall have the sole responsibility for ensuring that the Services requested and performed under these General Terms satisfy the requirements of the relevant Aviation Authority. However, and when possible, VALLAIR SOLUTIONS shall assist and support the Supplier with all reasonable means in its relationship with such Aviation Authority regarding the compliance to the said requirements.

10.2 The Supplier warrants and represents that all Parts supplied in new, overhauled, repaired or serviceable condition, will be released in accordance with EASA/JAR and/or FAR regulations as applicable and will be free from defects in material and workmanship under normal use and service in accordance to the following:

- a) For any new Part which is factory new, for twelve (12) months from the date of delivery by the Supplier or the OEM's new product warranty whichever is the longer.
- b) for overhauled and repaired Parts: relevant MRO warranty and no more than six (6) months from the date of delivery by the Supplier. All MRO warranties shall be listed, and the list transferred to VALLAIR SOLUTIONS and approved in writing by VALLAIR SOLUTIONS as well as their transfer to VALLAIR SOLUTIONS. The Supplier shall assist VALLAIR SOLUTIONS in making any claims under such assignable and/or assigned warranties.
- c) For serviceable Parts, three (3) months from the date of delivery by the Supplier.

10.3 All the documentation listed in Appendix 1 shall be provided for any Part supplied by the Supplier.

10.4 The Supplier guarantees that all Parts supplied in "As Removed" condition, will be repairable.

10.5 Any claim related to a part that is supplied by the Supplier in "overhauled", "inspected" "tested" "repaired" or "serviceable" condition which is to be later found defective and unserviceable must be made within ten (10) Days of discovery. Full shop report is required and parts requiring CDR/DER repair will not be included in the scope of the part being declared un-repairable and or unserviceable.

10.6 Any claim related to a part that is supplied by the Supplier in "As Removed" condition which is to be later found defective and unserviceable must be made within ten (10) Days of discovery. Full shop report is required and parts requiring CDR/DER repair will not be included in the scope of the part being declared un-repairable and or unserviceable.

10.7 If the Parties do not reach an amicable agreement on whether or not a defective Part is subject to the above warranties, the Parties, acting reasonably, will appoint an independent technical expert who will give its advice on the application of the warranty as described herein. The Parties hereby accept to be bound by the advice of such expert, the costs of which shall be shared equally between the Parties, regardless of his advice.





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Article 11. Payment Terms

11.1 Supplier may invoice VALLAIR SOLUTIONS for price of the Parts plus VAT at the prevailing rate (if applicable) on or at any time after completion of delivery. Supplier shall ensure that the invoice includes the date of the Order, the invoice number, VALLAIR SOLUTIONS' Order number, the Supplier's VAT registration number and any supporting documents that VALLAIR SOLUTIONS may reasonably require.

11.2 VALLAIR SOLUTIONS shall pay correctly rendered invoices within thirty (30) days of receipt of the invoice. Payment shall be made to the bank account nominated in writing by the Supplier.

11.3 If VALLAIR SOLUTIONS wishes to dispute any invoiced amount, it shall notify the Supplier as soon as practical and in any event within 21 days of the date of invoice. If VALLAIR SOLUTIONS does not notify the Supplier of a dispute within such time period, the invoice shall be deemed accepted. If VALLAIR SOLUTIONS does notify the Supplier of a dispute in the time frame required, VALLAIR SOLUTIONS shall pay that part of the invoice not in dispute when due.

11.4 VALLAIR SOLUTIONS shall be entitled to withhold payment of any sums after they become due by reason of any right of set-off or counterclaim which it may have or may wish to have or for any other reason whatsoever.

Article 12. No representation

12.1 In relation to the Purchase of a Part, VALLAIR SOLUTIONS shall not be liable to the Supplier for:

- a) Any indirect, special or consequential loss or damage; or
- b) Loss of data or other equipment or property; or
- c) Economic loss or damage; or
- d) Incurring of liability for loss or damage of any nature whatsoever suffered by third parties, other than death or personal injury (including in each case incidental and punitive damages); or
- e) Any loss of actual or anticipated profit, interest, revenue, anticipated savings or business or damage to goodwill, including any AOG related losses or claims of any kind.

12.2 VALLAIR SOLUTIONS' total liability in contract (including for any statutory interest payable), tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of an Order (including for any statutory interest payable) shall be limited to the Order value.

Article 13. Termination of an Order

13.1 An Order may be cancelled by VALLAIR SOLUTIONS, provided that such cancellation shall be notified in writing prior to the date specified by the Supplier for delivery.

13.2 In addition to any such rights and remedies to which it may be entitled, VALLAIR SOLUTIONS may terminate these General Terms, without any liability or indemnity, if the Supplier in breach of





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its obligation under the General Terms, a Quote or an Order and fails to cure within fifteen (15) days after written notice.

13.3 VALLAIR SOLUTIONS shall also be entitled to suspend or terminate further Purchase(s) under this and/or any other agreement between the parties hereto, immediately and without any liability or indemnity, if the Supplier:

- a) fails to deliver any Parts; or
- b) becomes bankrupt or suffers any similar or analogous action in consequence of any unpaid debt to any person or company.

13.4 In case of termination of these General Terms for any reason whatsoever, the Supplier shall immediately reimburse to VALLAIR SOLUTIONS the remaining amounts paid by VALLAIR SOLUTIONS and credited on its customer account.

Article 14. Excusable Delay

Neither Party shall be considered in breach of these General Terms nor liable for delay in performing, or failure to perform, any of its obligations under these General Terms if such delay or failure results from events, circumstances or causes beyond its reasonable control, and in such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations, provided that it should use its best efforts to remove the causes of such Excusable Delay.

Article 15. Miscellaneous

15.1 These General Terms cannot be assigned, transferred or sub-contracted to any third party without VALLAIR SOLUTIONS' prior written consent.

15.2 If any provision of these General Terms (or part of any provision) is found by any court or other authority of competent jurisdiction to be invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed not to form part of these General Terms, and the validity and enforceability of the other provisions of these General Terms shall not be affected. In addition, if a part of these General Terms becomes invalid, the parties will endeavour in good faith to reach agreement on a replacement provision that will reflect, as nearly as possible, the intent of the original provision.

15.3 Any failure at any time of a party to insist upon any of its rights under the provisions of the General Terms shall neither constitute a waiver of such provisions nor prejudice the rights of the party to insist upon such provisions at any subsequent time.

15.4 All non-public information obtained by the Supplier from VALLAIR SOLUTIONS, as a result of a Purchase, shall be kept confidential and shared between VALLAIR SOLUTIONS and the Supplier only; they are not to be disclosed by the Supplier, without the prior written consent of VALLAIR SOLUTIONS, to third parties except as required by law.



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Article 16. Governing law and settlement of dispute

These General Terms, and any dispute arising from it (including non-contractual disputes or claims) shall be interpreted in accordance with the laws of the Grand Duchy of Luxembourg (excluding the United Nations Convention on Contracts for the International Sale of Goods) and the parties agree to be bound by the exclusive jurisdiction of the Commercial Court of Luxembourg.



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APPENDIX 1

Part in As Removed CONDITION	Part in SV/OH CONDITION
	EASA Form 1 / FAA 8130-03
	Return to service record
Packing slip or equivalent documentation – stating PN, SN and condition	Packing slip or equivalent documentation – stating PN, SN and condition
Removal Tag – stating PN, SN, MSN and A/C registration	Removal Tag – stating PN, SN, MSN and A/C registration
Repair shop Work Order (WO) – for parts returned from shop in AR/US/BER condition.	Repair shop Work Order (WO)
Repair shop report – teardown report, shop findings or scrap report	Repair shop report, teardown report
Purchase invoice – stating PN, SN and condition (AR parts send to shop and returned in same condition)	Purchase invoice – stating PN, SN and condition
Material Cert ATA-106 - <i>Obtained From (13B)</i>	Material Cert ATA-106 <i>Obtained From (13B) and Last Cert Agency (13C)</i>
NIS from current operator/last operator/seller	
Bill of Sale	
Lease Agreement (if applicable, normally connection is required when Part is removed from Leased Aircraft meaning that BoS and NIS comes from different entities)	