

Article 1 – Application of the General Terms of Sale – Binding nature of the General Terms of Sale

These General Terms of Sale (hereafter the “General Terms of Sale”) apply to all the sales by AEROTEC GROUP of aeronautical equipment. Consequently they do not apply to equipment fitted during operations to renovate and modernize helicopters by AEROTEC GROUP which are the subject of specific contracts or services to maintain, renovate or modernize helicopters.

These General Terms of Sale are sent or handed over with the purchase order to any buyer of aeronautical equipment from AEROTEC GROUP to enable it to place orders.

Consequently, unless specifically agreed, the act of placing an order entails the Buyer’s unreserved acceptance and its complete compliance with the General Terms of Sale which take precedence over any other document from the Buyer and in particular any general purchase conditions, apart from AEROTEC GROUP’s prior written agreement to the contrary. Any term which is contrary to the General Terms of Sale invoked by the Buyer is, unless expressly accepted, not binding on the Seller irrespective of when it is brought to the Seller’s attention.

Any document other than the General Terms of Sale issued by the Seller and in particular catalogue, prospectuses, advertisements, notices only have an informative, indicatory and noncontractual value apart from technical and commercial offers.

No special condition can take precedence over the General Terms of Sale, unless formally agreed in writing by the Seller.

The fact that the Seller does not invoke any of these General Terms of Sale at any time cannot be interpreted as being a valid waiver of its rights to subsequently invoke any of the said General Terms of Sale.

Article 2 – Definitions

The terms below beginning with a capital letter will be considered to have the following meaning each time they are used in the body of these General Terms of Sale :

- ‘Buyer’ means the physical or legal person or the State designated in this capacity in the purchase order ;
- ‘Delivery’ means the delivery of the Equipment to the Buyer’s carrier in accordance with the terms in article 6 of this document ;
- ‘Equipment’ means all the equipment designated in the purchase order and the subject of the order ;
- ‘Seller’ means AEROTEC GROUP, a limited liability company with capital of €200,000, the registered office of which is at Valence Airport, Chabreuil, La Trésorerie (26120) registered on the Romans Trade and Companies register under the number 429 609 282 ;

Article 3 – Order – Acceptance of the order

To be valid, the order must be placed by the Buyer transmitting the following to AEROTEC GROUP by any means:

- the purchase order in accordance with the model established by AEROTEC GROUP duly completed and signed by the Buyer ;
- these General Terms of Sale duly initialed by the Buyer ;
- An irrevocable letter of credit in AEROTEC GROUP’s favour for the whole balance of the price referred to in article 5.2 of the General Terms of Sale and in accordance with the characteristics mentioned in article 5.2 aforementioned.

The contract of sale is only formed and considered to be firm and irrevocable after (i) AEROTEC GROUP has received all the above documents (ii) AEROTEC GROUP has accepted the order in writing (iii) AEROTEC GROUP has encashed the down payment stipulated in article 5.2 of these General Terms of Sale. The contract of sale is formally considered to be firm and irrevocable on the date that the last of the above-mentioned conditions is performed. The Buyer is irrevocably bound by the order transmitted to AEROTEC GROUP as soon as the purchase order is signed.

Article 4 – Changes to the Order

AEROTEC GROUP will only take a request to change the composition or volume of the order placed by the Buyer into account, if the request is made in writing and reaches AEROTEC GROUP eight days at the latest after AEROTEC GROUP receives initial order.

If the Buyer modifies the order, AEROTEC GROUP will be released from the indicative lead-times agreed to perform it.

Article 5 – Price – Payment Terms

5.1. Price

The Buyer undertakes to pay AEROTEC GROUP the price mentioned on the purchase order.

The price is firm and final and is only applicable to the order which is the subject of the purchase order.

The price covers an Ex-works delivery (Incoterms 2000) in AEROTEC GROUP’s premises at Valence airport (26120) Chabreuil – France. The currency of invoicing and payment is the euro (€).

This price is exclusive of VAT, charges or costs under the laws in force in the Buyer’s State, which, if any, will be payable by the Buyer as stipulated in article 15 of these General Terms of Sale.

5.2. Payments

The Buyer’s payments to AEROTEC GROUP will be made to the bank and to the bank account stipulated by AEROTEC GROUP in its written confirmation of the order.

The price will be paid in accordance with the following terms and conditions :

- Thirty percent (30%) of the price as a down payment, on order as stipulated in article 3 by bank transfer to AEROTEC GROUP’s bank account;
 - the balance i.e. seventy percent (70 %) of the price, cash on the day of Delivery. Therefore as stipulated above in article 3, the Buyer must, when it orders, supply an irrevocable letter of credit in AEROTEC GROUP’s favour for the whole of the balance of the price, i.e. 70% of the price.
- The Buyer will therefore request the bank it chooses from amongst the leading European banks, to open a documentary credit, in the form of an irrevocable letter of credit in AEROTEC GROUP’s favour, which will designate a leading bank as the notifying bank to receive the irrevocable letter of credit and confirm payment. The balance of the price will be paid on the day of Delivery after AEROTEC GROUP makes a written request to the Buyer’s bank referred to above with the following substantiating documents :
- conformity report ;
 - documents certifying that the carrier has collected the sold equipment
 - export certificate

The Buyer will pay all the costs and charges connected with the documentary credit.

Article 6 – Delivery – Transfer of risks – Transport

6.1 Delivery – Transfer of risks – Costs – Transport

The Equipment is delivered Ex-works (Incoterms 2000) in AEROTEC GROUP’s premises at Valence Airport (26120) Chabreuil – France after the acceptance test formalities stipulated in article 6.4.

The Buyer must take possession of the Equipment on the date of Delivery, which it will be given at least eight days notice of in writing. This letter of information will mention the list of the Equipment to be delivered, its estimated weight and volumes.

The risks in the Equipment sold by AEROTEC GROUP will be transferred to the Buyer when the Equipment is handed over to the Buyer’s mandated carrier in AEROTEC GROUP’s premises at Valence airport (26120) Chabreuil – France.

The Buyer is responsible for making all necessary reserves with the carrier especially in the event of damage or shortages to the delivered Equipment.

Any Equipment which has not been the subject of reserves to the carrier by recorded delivery letter with acknowledgement of receipt, with a copy being sent simultaneously to AEROTEC GROUP, within eight days of the date it is handed over to the Buyer, will be considered to be accepted by the Buyer.

AEROTEC GROUP can never be held liable for the events notably destruction, damages, loss or theft which occur during transport.

6.2 Delivery of documents

AEROTEC GROUP will hand the following documents over to the Buyer’s mandated carrier on Delivery, copies of which will also be sent to the Buyer :

- the sales invoice (2 original copies),
- the export certificate signed by the French customs authorities,
- a copy of the authorization to export armaments,
- A list of a Delivery inventory including the information on weight.

The sales invoice will mention: the currency of payment, the description and origin of the Equipment, the quantity, the price, the Delivery terms. It will be signed and stamped by AEROTEC GROUP.

6.3 Delivery lead-times

The Delivery lead-times for the order are given for guidance only and cannot constitute a firm undertaking.

Failure to respect them can never result in the termination of the Buyer’s order recorded by AEROTEC GROUP or the payment of damages by AEROTEC GROUP.

AEROTEC GROUP will endeavour to respect the Delivery lead-times which it indicates when it accepts the order and to execute the order, except for an event of force majeure as defined by French case law, and defined as any event which is outside of AEROTEC GROUP’s reasonable control, because it is external to, and unforeseeable and unstoppable by AEROTEC GROUP.

The following are considered to be events of force majeure without this list being restricted: government decisions, fire, war, embargo, insurrection, strike, hostilities, acts of terrorism, sabotage, flooding, explosion, epidemics, quarantine restrictions, factory closure and labor disputes, the delay of a subcontractor or supplier when confronted by an event of force majeure defined above.

If an event of force majeure occurs, the Delivery lead-times will be prolonged by the number of days interruption to the services due to the event of force majeure.

The Buyer must be notified of any event of force majeure or any other incident liable to delay the performance of the order within 72 hours following the start of the event or the incident invoked.

6.4 Acceptance check procedure

AEROTEC GROUP inspects the Equipment ordered by the Buyer before Delivery and systematically subjects it to standard control operations and tests in AEROTEC GROUP’s premises at Valence airport (26120) Chabreuil – France.

Acceptance checks are performed on the day of Delivery in AEROTEC GROUP’s premises at Valence Airport (26120) Chabreuil – France, in order to check that the Equipment delivered conforms to the technical specifications on the purchase order.

The Buyer is asked to participate, either in person or through an agent, in the acceptance checks and will be given at least eight days notice of them. If the Buyer cannot attend or be represented at the acceptance checks, the said checks will be performed in his absence.

The results of the acceptance checks will be the subject of a conformity report drawn up by AEROTEC GROUP and submitted for signature to AEROTEC GROUP and the Buyer or its agent, if an agent is present.

If the Buyer cannot attend or be represented at the acceptance checks, AEROTEC GROUP will be authorized to sign the conformity report alone, which will have the same value and effects as if it had been signed by the Buyer.

If the Buyer or its agent attend the acceptance checks and the Buyer or its agent refuses to sign the conformity report, it will inform AEROTEC GROUP of the reasons for this refusal within 48 hours following the presentation date by AEROTEC GROUP.

AEROTEC GROUP will assess the reasons given by the Buyer or its agent and will, if required, correct the nonconformities as quickly as possible and submit a new conformity report for acceptance.

If the Buyer or its agent refuse to sign the conformity report without giving a valid reason within 48 hours following the presentation of a new conformity report, AEROTEC GROUP will be authorized to sign the said conformity report alone which will have the same value and consequences as if it had been signed by the Buyer.

Delivery is deemed to occur from the date and the time that the conformity report is signed in accordance with the above conditions.

Article 7 – Possession – Ownership Title

The Buyer will have possession of the Equipment sold by AEROTEC GROUP from the date of Delivery.

The ownership title in the Equipment sold by AEROTEC GROUP will only be transferred to the Buyer providing that the Buyer pays the whole of the balance of the price referred to in article 6.2 i.e. seventy percent (70%) of the price.

Article 8 – Acceptance

The signature of the conformity report by the Buyer or its agent during the acceptance check procedure covers all visible defects and/or shortages.

If the Buyer or its agent do not attend the acceptance checks stipulated in article 6.4 the Buyer is responsible, without prejudice to the measures it must make vis-à-vis the carrier as described in article 6.1, in the event of visible defects or shortages, for making any claim against AEROTEC GROUP in writing by recorded delivery letter with acknowledgement of receipt within [8] days of the carrier handing the Equipment over to the Buyer.

The Buyer must provide all substantiating documents concerning the existence of the defects or shortages found. AEROTEC GROUP reserves the right to carry out any inspection and verification on-site either directly or indirectly at the Buyer’s costs.

No returns of the Equipment can be made by the Buyer without AEROTEC GROUP’s prior express written agreement.

The costs of return will only be payable by AEROTEC GROUP if the defect or shortages is effectively established by AEROTEC GROUP or its agent.

The Buyer will pay AEROTEC GROUP’s inspection costs if AEROTEC GROUP or its agent does not find any visible defects or shortages.

Only the carrier chosen by AEROTEC GROUP or chosen by the Buyer and previously approved by AEROTEC GROUP is authorized to return the Equipment concerned.

If a visible defect or shortage is effectively established by AEROTEC GROUP or its agent during an inspection, the Buyer can only demand that AEROTEC GROUP replaces the non-conforming article and/or the supplement to be provided to rectify this shortage at its costs, without the Buyer being able to claim any indemnity or termination of the Order and the sale.

Warranty for the Equipment

9.1 Warranty period and scope of application

AEROTEC GROUP warrants the Equipment which is the subject of the order against operating malfunctions and defects caused by a manufacturing error (hereafter the “Warranty”) within the following limits and conditions :

The Equipment is covered by a 12 month Warranty period from the date of the Delivery, and the above-mentioned Warranty will expire when this date is reached.

Under the Warranty, AEROTEC GROUP will only be obliged to replace or repair defective parts without charge.

The Warranty does not cover wearing parts such as: joints, seals, notably.

The Warranty will be automatically revoked and therefore cannot be invoked by the Buyer if :

- the Equipment has been used in breach of the instructions in the User Manual if the Equipment was delivered with a User Manual ;
- the Equipment has not been maintained in accordance with the instructions in the maintenance manual if the Equipment was delivered with a maintenance manual ;
- the Buyer or any user has modified the Equipment after its Delivery without AEROTEC GROUP’s express prior agreement ;
- the Buyer or a third party has repaired the Equipment without AEROTEC GROUP’s express prior agreement ;
- the maintenance, storage or conservation of the Equipment has been defective ;

- AEROTEC GROUP or its agent have established the existence of a visible defect or failure, but the Buyer did not make a claim to AEROTEC GROUP concerning this visible defect or failure in writing by recorded Delivery letter with acknowledgement of receipt within the period stipulated in article 8 above of [8] eight days from the carrier delivering the Equipment to the Buyer.

9.2 Enforcing the Warranty

In order to be able to validly invoke the Warranty, the Buyer must :

- inform AEROTEC GROUP as quickly as possible and provide a written nonconformity report specifying the nature of the defects found and providing all the information in its possession;
- not carry out any work on the Equipment or have worked carried out on it by a third party other than an agent previously approved by AEROTEC GROUP.

The Buyer will return the Equipment or any Equipment component which is found to be defective at its costs and risks within 45 calendar days of AEROTEC GROUP receiving the nonconformity report.

The Buyer will return Equipment or the Equipment component in question CIP (INCOTERMS 2000) to AEROTEC GROUP’s premises at VALENCE Airport, 26 120 CHABREUIL – France.

If the Equipment or the Equipment component concerned is not found to be defective after an examination by AEROTEC GROUP, the Buyer will pay the costs of the examination and transport.

If AEROTEC GROUP’s examination establishes that the Equipment or Equipment component concerned has one or more defects, the transport costs incurred by the Buyer to return the defective component to AEROTEC GROUP will be paid by AEROTEC GROUP on presentation of receipts. In these circumstances, the Warranty is suspended for the time that the defective Equipment or the defective Equipment component is inoperable.

The repaired or replaced Equipment or Equipment components will be delivered EXW (INCOTERMS 2000) in AEROTEC GROUP premises at VALENCE Airport, 26 120 CHABREUIL – France, within a maximum of 90 days from the date that AEROTEC GROUP takes Delivery of the said components.

Article 10 – Intellectual Property

The information and data contained in any document or information support supplied by AEROTEC GROUP concerning the order will remain AEROTEC GROUP’s exclusive property together with all the intellectual property rights relating to it.

The Buyer undertakes not to use the documents in a way which is liable to infringe AEROTEC GROUP’s intellectual or industrial property rights and undertakes not to disclose them to any third parties.

Article 11 – Confidentiality

As an exception to the above-mentioned provisions, AEROTEC GROUP informs the Buyer, which accepts, by signing these General Terms of Sale, that the contractual documents will be communicated to the French State (Direction Générale de l’Armement) and to any French government department which is authorized to examine them to ensure compliance with the legislation in force and in particular the legislation concerning the design, manufacture, holding, use, sale, and export of armaments, the subject of the purchase order.

Article 12 – Notification – Communication

All notifications or written communications between AEROTEC GROUP and the Buyer regarding these General Terms of Sale and the sale in general can be sent by fax or by e-mail unless another method is stipulated in the General Terms of Sale. To AEROTEC GROUP, they must be sent to the following address :

AEROTEC GROUP
Aéroport de Valence
26120 CHABREUIL
France
E-mail : administratif@aerotec.com
Fax : 04.75.61.93.20

To the Buyer, they must be sent to the address given in the purchase order.

Article 13 – Tax, charges and levies – Non reexportation

All the tax, charges and levies due in France under the order will be paid by AEROTEC GROUP.

All the tax, charges and levies due outside France under the order will be paid by the Buyer. In order to obtain the export license stipulated by the French legislation in force for armaments, AEROTEC GROUP will send the Buyer the “CERFA 10919*01” form requested by the French authorities (Non-Reexportation Certificate) 15 calendar days after signing this document. The Buyer undertakes to retransmit this document signed by it, [] at the latest after it receives the said document. Any delay in AEROTEC GROUP receiving this document will result in a corresponding postponement in the indicated delivery lead-times without AEROTEC GROUP incurring any liability.

Article 14 – Competent jurisdiction and Governing law

In the event of a dispute between the Buyer and AEROTEC GROUP concerning the existence, validity, interpretation, performance and the termination of the order, the sale which results from it, or any of the clauses and appendices in the contractual documents which the Buyer and AEROTEC GROUP cannot settle amicably, the said dispute will be definitely settled by arbitration in Geneva (Swiss Confederation) in the French language in accordance with the arbitration rules of the International Chamber of Commerce.

The order and the sale will be subject to the laws and regulations of the French Republic to the exclusion of any other law.