



SALES TERMS & CONDITIONS (GY-ST&C)

DEFINITIONS. In these general sales terms and conditions, the following words shall have the following meanings:

- "Agreement" shall mean this agreement composed by 12 articles and all other documents incorporated by reference, all as amended from time to time in accordance with the provisions hereof.
- "Buyer" shall mean the purchaser of the Products from GELBYSON.
- "GELBYSON" shall mean "GELBYSON S.R.L. having its principal place of business in ITALY, 00135 Rome - Via P. Sagramoso, 31 (VAT: IT00940671001).
- "Lead Time" shall mean the timeframe from the moment GELBYSON accepts/confirms the Buyer's order to the moment GELBYSON notifies to the Buyer that the Products are ready to be collected.
- "MRO" shall mean Maintenance, Repair and Overhaul.
- "Products" shall mean the goods or services sold by GELBYSON.
- "Sales Order" shall mean the GELBYSON order issued to the buyer to confirm the sale of the products to the buyer.
- "Work Order" shall mean the GELBYSON order issued to the buyer to confirm the sale of the MRO and/or calibration of the goods to the buyer.

Unless otherwise specifically agreed to in writing and signed by an authorized representative of GELBYSON, the following general terms and conditions of sale ("Agreement") apply to all quotes, Proforma Invoices and Sales/Work orders issued by GELBYSON to Buyer for the sales of Products. Any different or additional terms and conditions proposed by Buyer in its purchase order, or otherwise, are objected to by GELBYSON. Buyer's assent to this Agreement is conclusively presumed from Buyer's failure to reasonably object in writing and from Buyer's acceptance of all or part of the products ordered. This Agreement represents the entire agreement of the involved parties and all proposals, negotiations, representations or agreements made or entered into prior to or contemporaneously with this Agreement, whether verbal or written, are cancelled and superseded by this Agreement.

1. **PRICES.** All quotations are made for immediate acceptance and are, in the event of manufacturer price increase and/or fluctuation in exchange rate, subject to change without notice prior to acceptance by Gelbyson with a sales/work order. Prices are based on line items and quantities quoted. Prices are stated in United States Dollars (USD), Euro (€) or other currency as reported on the GELBYSON quotation, exclusive of V.A.T., fees or any other taxes, and are subject to any price adjustment necessitated by GELBYSON's compliance with any act of government. Any tax or other governmental charge upon the production sale, shipment or use of the product which GELBYSON is required to pay or collect from Buyer shall be paid by Buyer to GELBYSON unless Buyer furnishes GELBYSON with a tax exemption certificate acceptable to the appropriate taxing authority.

2. **PAYMENT.** Unless GELBYSON has extended credit terms to Buyer in writing or unless other terms are included in the delivery documents issued by GELBYSON for the products, payment terms are cash with order. All wire transfer fees, including GELBYSON's bank fees, are at Buyer's charge and must be paid in full prior to pick-up of the ordered products. GELBYSON reserves the right to modify or withdraw any credit terms previously approved at any time without notice and to require guarantees, security, or payment in advance of the amount of credit involved. Buyer agrees to pay interest on all past due invoices at the highest legal rate of interest permitted by the law of The Netherlands. GELBYSON must receive all payments in the same currency as invoiced. Should GELBYSON receive payments in any other currency and/or a different account number as indicated on its Invoice or Proforma Invoice, Buyer will be responsible for any bank fee necessary to transfer such payment on the correct account and any loss in exchange rate necessary to convert such payment in the same currency as reported on the original GELBYSON invoice or Proforma invoice. In the event that an invoice is not paid when due or If Buyer fails to fulfill all or part of his payment obligations when due, GELBYSON shall have the right to suspend performance, defer further shipment to Buyer, or, at its option, cancel the unshipped portion of Buyer's order, all without liability. Any suspension of performance lasting more than thirty (30) days will be treated as a termination for Buyer's Default. GELBYSON shall have the right to impose, and Buyer agrees to pay a 100% cancellation fee in addition to a finance charge of the highest legal rate of interest permitted by the law of The Netherlands, per month on any unpaid balance from the date when such payment was due until paid, and to recover the reasonable costs and expenses incidental to the collection of any overdue account, including attorneys' fees and

associated court costs.

3. PACKING, SHIPMENT, TITLE, RELEASE OF GOODS. All sales of products by GELBYSON are either ex-works GELBYSON's warehouse located in Rome (ITALY – EU) or ex works GELBYSON'S located in Oude Meer, The Netherlands (EU). GELBYSON will prepare products for pick-up in accordance with instructions supplied by Buyer, but if Buyer fails to furnish such instructions, GELBYSON will select what is, in its opinion, the most satisfactory routing for shipment to the Buyer. When Buyer is to pick up products and has not done so within seven (7) calendar days after notification that they are ready, GELBYSON may ship or deliver the Products at its own discretion. The title of the products passes from GELBYSON to the Buyer at the same time as risk of loss, regardless if the shipment has been paid or prepaid by GELBYSON, in accordance with the Incoterms specified above. Any prepayment by GELBYSON of freight charges shall be as stated in the delivery documents of the products. By accepting products from the carrier, Buyer agrees that they are free of defects, which a reasonably careful inspection would disclose. The Products shall be packed in accordance with ADR, RID, ADN, IMDG or IATA shipping methods requirements as requested by Buyer and accepted by GELBYSON at time of order for a one-way shipment only. Any subsequent request for change of shipping agent or shipping method that may require a change in packaging and/or shipping documentation is subject to additional charge to be paid by Buyer to GELBYSON.

4. LEAD-TIME. Lead-time is always estimated and given at the best of GELBYSON's knowledge based upon conditions existing at the time of quote and sales/work order. GELBYSON will, in good faith, endeavor to ship by the estimated date but shall not be responsible for any delay or any damage arising from its failure to prepare products for pick-up by the estimated lead-time. Estimated lead-time is always quoted in working days therefore excluding any company as well as city, region or country public holidays and may be subject to change at time of order. Stock products are subject to prior sale and will be shipped within 5 working days from receipt of order and, when applicable, payment posted on the GELBYSON account. **Release of products in less than 5 working days is subject to EXPEDITE FEE.** Lead-time quoted will never include any time necessary to obtain any Sovereign Government export authorization. GELBYSON reserves the right to partially ship Products on order at any time.

5. CANCELLATION OF ORDER BY BUYER. Buyer's order may not be modified or rescinded except in writing signed by GELBYSON and Buyer. If all or part of Buyer's order is terminated by such modification or rescission, Buyer, in the absence of a contrary written agreement between GELBYSON and Buyers, shall pay 100% of termination charges.

6. RETURN OF PRODUCTS, GELBYSON's written consent must be given in advance of Buyer's return of products, at buyers charge, for any reason.

7. FORCE MAJEURE. GELBYSON shall not be liable for any failure to perform its obligations under this Agreement resulting directly or indirectly from or contributed to by any acts of God, acts of Buyer, acts of civil or military authority, priorities, fire, strikes or other labor disputes, accidents, floods, epidemics, war, riot, delays in transportation, lack of or inability to obtain raw materials, components, labor, fuel or supplies, or other circumstances beyond GELBYSON's reasonable control.

8. DISCLAIMER OF ANY WARRANTY AND/OR SHELF LIFE. BUYER ACKNOWLEDGES THAT IT IS PURCHASING PRODUCTS FROM GELBYSON IN GELBYSON CAPACITY AS A DISTRIBUTOR OF SUCH PRODUCTS FOR THE MANUFACTURERS OF SUCH PRODUCTS. BUYER ACKNOWLEDGES, WHERE APPLICABLE, THAT HE IS PURCHASING LIMITED SHELF-LIFE PRODUCTS FROM A DISTRIBUTOR WHO, UNLESS OTHERWISE STATED, HAS PRICED SUCH PRODUCTS ACCORDINGLY. BUYER ACKNOWLEDGES THAT IT WILL LOOK SOLELY TO THE WARRANTY(IES), IF ANY, PROVIDED BY THE MANUFACTURER AND THAT GELBYSON MAKES NO WARRANTIES ON ITS OWN BEHALF WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT BY WAY OF LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. THEREFORE BUYER ACKNOWLEDGES THAT THE PURCHASING OF PRODUCTS UNDER THIS AGREEMENT ARE TACIT ACCEPTANCE THAT GELBYSON'S PRICES ARE CONSIDERED TO BE BOTH FAIR AND REASONABLE.

9. EXCLUSIVITY OF REMEDY, LIMITATION OF LIABILITY. In the event Buyer claims that GELBYSON has breached any of its obligations under this Agreement, GELBYSON may request the return of the products and tender to the Buyer a 5% value of the purchase price therefore paid by Buyer and, in such event, GELBYSON shall have no further obligations under this Agreement except to refund such amount upon redelivery of the products. If GELBYSON so requests the return of the products, the products shall be redelivered to GELBYSON in accordance with GELBYSON's instructions at buyer's expense. THE REMEDIES PROVIDED FOR IN THIS PARAGRAPH SHALL CONSTITUTE THE SOLE RECOURSE OF BUYER AGAINST GELBYSON FOR CLAIMS RELATING TO THE SALE OR USE OF PRODUCTS WHETHER THE CLAIM IS MADE IN TORT OR IN CONTRACT INCLUDING CLAIMS BASED ON

WARRANTY, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE. IN NO EVENT SHALL GELBYSON BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL DAMAGES, ANY DAMAGE TO AIRCRAFT, or LOSS OF USE. NOR SHALL GELBYSON'S LIABILITY FOR ANY CLAIMS OR DAMAGES ARISING OUT OF OR CONNECTED WITH THIS AGREEMENT OR THE MANUFACTURE SALE, DELIVERY OR USE OF THE PRODUCTS EXCEED 5% PURCHASE PRICE OF THE PRODUCT.

10. GOVERNING LAW, VENUE, LIMITATION OF ACTIONS. This Agreement shall be governed by laws of The Netherlands. No action for breach of this Agreement or any covenant or warranty arising under this Agreement, shall be brought more than one year after the cause of action has occurred. Buyer agrees that any legal action or proceeding by Buyer against GELBYSON with respect to this Agreement will be brought in a court of competent jurisdiction located in Den Haag, The Netherlands.

11. MRO AND CALIBRATION ADDITIONAL TERMS. Goods that the Buyer sends to GELBYSON shall be subject to the Buyer's own risk and shall not be covered by GELBYSON's insurance policies at any time. Any delivery by the Buyer to GELBYSON of goods shall constitute the buyer's authority to GELBYSON to strip and inspect such goods for the purpose of preparing the MRO and/or calibration proposal. The buyer shall be liable to pay to GELBYSON all costs incurred by GELBYSON for stripping and inspection whether or not the Buyer subsequently instructs GELBYSON to proceed with the MRO and/or calibration services. GELBYSON reserves the right to withdraw or amend a quotation or a work order at any time for the purpose of addressing additional work and/or spare parts necessary for the return to service of the goods in compliance with the original equipment manufacturer component maintenance and/or repair/service manual, the relevant practices and procedures, the European Aviation Safety Agency (EASA) and Federal Aviation Administration (FAA) airworthiness directives and with any mandatory service bulletins or service letters. In such event the Buyer has the right to decline the revised quotation in which case an inspection fee will become due in addition to all cost necessary for packaging and/or disposal/scrap of the goods. Goods subject to **MRO service** will have a **limited warranty** period equal to three (3) months or 300 Flight Hours, whichever occurs first, from date of certification of such goods by GELBYSON. The MRO warranty affects only the components replaced and defects or failure of the parts and components affected by the MRO service performed by GELBYSON. Goods must be returned to GELBYSON's facility, at the buyers' expense. Any defect or failure of the goods under warranty, which should be notified to GELBYSON in writing within 15 days from receipt of goods by the buyer, will be evaluated and confirmed upon inspection by GELBYSON which however is not responsible for failures due to shipping damages, mishandling, abuse or misapplication on the goods of the buyer. GELBYSON will never be responsible for the cost of MRO and/or calibration service performed by any other company. Warranty claims against GELBYSON will be denied if goods are not stored, handled or operated by the buyer in accordance with the original manufacture and/or A/C manufacturer recommendations. Warranty will be denied if goods are found to have a tampered, broken or removed warranty seal. Calibration services on are only valid for the combined time, environment conditions and use in which they were performed and therefore they cannot be subject to any kind of warranty.

12. INTERNATIONAL TRADE CONTROL LAWS AND REGULATIONS. Buyer will comply with all applicable import and export laws and regulations, including those of the United States of America (USA) and the European Union (EU), and with all applicable export licenses and their provisions. Buyer shall not make any dispositions, re-exports or diversions of the Products purchased from GELBYSON except as USA and EU laws may expressly permit. Buyer shall indemnify and hold GELBYSON harmless for any loss, damage, delay, late delivery penalties or expenses, including lost profits, attorney's fees and court costs, incurred for or as a result of any delay, failure or alleged failure of Buyer to comply with such laws and regulations.

13. CONFIDENTIAL INFORMATION. All drawings, proposals, quotations, specifications, technical descriptions and details of finishing (hereinafter called "information") submitted by GELBYSON to the Buyer are supplied in confidence. The Buyer shall keep the information confidential and shall not (save as required by law or unless the same is already in the public domain other than as a result of the default of the Buyer) disclose the same to any third party without GELBYSON's prior written consent.

14. TRANSPORTATION SECURITY REQUIREMENTS. Buyer agrees to make a good faith effort to require its agents (including, but not limited to, brokers and freight forwarders) to (i) comply with all applicable transportation security laws and regulations, and (ii) provide proper identification and purchase order number when picking up products from GELBYSON.

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