



**Lowland Aerospace
General Terms and Conditions of Purchase**

1 Acceptance or acknowledgement

This purchase order becomes a contract when Lowland Aerospace, (hereinafter referred to as LA) placing the purchase order receives written acceptance thereof or upon Seller making shipment or delivery of the item(s) ordered. LA recognizes that Seller, for its own convenience, may wish to use its own form of acknowledgement or acceptance. In such event, or in the event of shipment or delivery of the ordered items without a written acknowledgment or acceptance by Seller of this purchase order, Seller, by delivering such form of acknowledgment or acceptance to LA, or by such shipment or delivery, shall be deemed to understand and agree that the terms and conditions in this purchase order, including, but not limited to, arbitration, shall bind both LA and Seller and that any terms or conditions which may be contained in Seller's own form of acknowledgment or acceptance, or any other terms or conditions which may be indicated by Seller (whether oral, typed, written or printed) shall be deemed to be null and void and of no effect, notwithstanding the fact that such form of acknowledgment or acceptance may be issued, or that such other terms and conditions may be indicated, on a date later than the date of this purchase order.

2 Seller's Quotations

Reference, if any, in this purchase order to Seller's offer does not imply acceptance of any terms or conditions as stated in such offer unless such terms or conditions are expressly adopted herein. Any terms and conditions in such offer which amend or add to or are inconsistent with the terms and conditions contained in this purchase order shall be deemed to be null and void and of no effect.

3 Prices, Terms, Certification & Shelf life

Packing, export packaging and certification is included in the price quoted. All ordered items shall be packed in accordance with the guide lines of the Air Transport Association of America (ATA 300) for the type of products ordered to insure safe transportation and storage. Risks of loss remain with Seller until goods reach LA's specified destination. Incoterms 2010 shall be applicable. All ordered items shall be accompanied by documents (certificates and packing lists) showing full traceability of the items to the original manufacturer or approved source. Shelf life limited items shall have at least 90% shelf life remaining at time of delivery to LA. This purchase order may not be filled at prices higher than those specified herein, unless LA expressly accepts such higher prices in writing.

4 Delivery

Time is of the essence and the delivery schedule specified in this purchase order is firm and binding. If Seller fails to deliver all items in accordance with the purchase order requirements or delays occur in making delivery, LA may, at its option, cancel this purchase order or any part thereof without incurring any obligation or liability to Seller and at no cost to LA. Seller shall be liable to LA for all losses and damages suffered or incurred by LA and arising out of or resulting from such failure or failures by Seller, including loss of profits. Seller shall immediately report to LA in advance all events or circumstances which may result in failures of or delays in delivery of the purchase order. The delivery schedule specified in this purchase order may not be modified unless LA expressly agrees thereto in writing. No such modification, however, shall relieve Seller of its other obligations and liabilities to LA pursuant to this purchase order. Upon delivery of items made using shop drawings, programs, tooling and/or prototypes or samples owned or furnished by LA, Seller shall be surrendered such items to LA without delay and in its original condition.



5 Inspection

Neither the performance of any inspection or test, nor the payment by LA of all or any part of the purchase price, shall be evidence of acceptance of any items by LA. Upon request, Seller shall give to LA, or to LA's customer or to any regulatory authority unconditional right of access to Seller's facility strictly for the purpose of inspecting any and all records and other matters related to the purchase order.

6 Cancellation by LA

In addition to LA's other rights to cancel this purchase order as stated in these General Terms and Conditions of Purchase, LA may cancel this purchase order without incurring any obligation or liability to Seller, other than the obligation to pay for ordered items previously delivered in accordance with the purchase order requirements, in the event of insolvency of Seller, the appointment of a trustee, receiver or liquidator for all or a portion of Seller's property or the institution of any bankruptcy, reorganization, arrangement, liquidation or similar proceedings by or against Seller or an assignment by Seller for the benefit of creditors.

In addition, LA reserves the right to cancel this purchase order at any time, in its sole discretion, without cause, without incurring any obligation or liability to Seller, other than the obligation to make an equitable adjustment by reimbursing Seller for Seller's actual costs properly incurred until the time of cancellation in performing its obligations pursuant to this purchase order.

7 Seller's warranty

Seller expressly warrants that the goods supplied are of good quality, are fit and sufficient for the purpose intended, are merchantable and free from patent or latent defects in design, material or workmanship and are conforming to the specifications mentioned in the purchase order and/or to the samples and drawings provided. Seller warrants that it has title to the goods sold hereunder and that they are free and clear from all liens or encumbrances, and of any claims by third parties. Seller further warrants that Seller shall not supply LA with any products obtained, either directly or indirectly, from any military or government sources and that none of the parts it supplies against the purchase order has been subjected to severe heat, stress or other extreme conditions. Seller further warrants that all services or work (whether design, engineering, manufacturing, repair, modification, installation, or otherwise) rendered by Seller, its agents, employees or its subcontractors, in connection with this order, shall be performed in a highly competent manner and to the entire satisfaction of LA. In the event that Seller has knowledge that the goods ordered by LA are non-conforming, defective or suspected to be non-conforming or defective, Seller shall immediately, upon such determination, inform Seller in writing and provide product identification and full description of the non-conformance or defect. Seller shall immediately inform LA in writing of any changes in product specification as they occur. Seller's warranty shall run to LA and all subsequent purchasers and users of the ordered items. All warranties herein shall be construed as warranties as well as conditions and guarantees.

8 Defective items

If any of the ordered items is found to be defective in design, material or workmanship or otherwise not in strict conformity with the specifications or requirements of the purchase order, Seller shall immediately remedy the situation to the full satisfaction of LA and shall be liable to LA for all damages, consequential or otherwise, arising by reason thereof.



LA, in addition to its right to such damages, and other rights which it may have under express or implied warranties of Seller or otherwise, shall have the right to reject such defective items. At LA's option, Seller shall promptly reimburse LA the full purchase price for the defective items, or, LA may have the defect items repaired or replaced by Seller or by another party of LA's choice, all at the sole risk, cost and expense of Seller. Seller shall pay all transportation, duty and insurance charges incurred in connection with the transportation of any defective item to and from Seller or to and from such other party as the case may be and shall Seller obtain LA's written approval for non-conforming product disposition.

9 Compliance with laws and regulations

Seller shall comply with all Federal, State and local laws and regulations including but not limited to Federal and Civil Aviation Regulations, export compliance regulations, environmental laws, regulations and directives of the USA, of the European Union and of any country where Seller and LA have legal residence(s).

Seller shall provide to LA product and material composition information enabling LA to meet export regulations and EC Directives. Sale, assignment or transfer by LA of the ordered items

will be in compliance with the applicable export laws and regulations. LA prohibits the sale, assignment or transfer of parts or services to persons, which are denied, debarred or sanctioned by the United Nations or by the governments of the USA or the European Community. Upon request, LA will make known the end-user and the application of the ordered items if so required by law.

10 No assignments

Seller shall not assign this purchase order or any moneys due, or to become due hereunder, without LA's prior written consent.

11 Indemnity

Seller shall indemnify LA (including but not limited to its affiliates, directors, officers, employees, agents and assigns) and all subsequent purchasers and users of the ordered items, services or work, and provide and pay for a full defense, upon LA's notice, and shall save and keep LA and all such purchasers and users free and harmless of, from and against, all without any geographical limitations, any and all actions, proceedings, claims (actual or threatened), losses, judgments, damages, costs, liabilities, charges and expenses (including attorneys' fees) of any nature whatsoever which may be made or incurred by or against LA or against such purchasers or users, or which LA or such purchasers or users may suffer, sustain, incur or be in any way subjected to: (i) by reason of injury to or death of any person or persons, or damage to or loss of property, arising out of the performance of this purchase order by Seller or out of anything undertaken or done in carrying out this purchase order, or out of the manufacture, purchase, sale or use of the ordered items; or (ii) to the extent that the ordered items are not manufactured pursuant to detailed designs furnished by LA, arising out of or in connection with any actual or alleged infringement of any patent, copyright or trademark by reason of the design, manufacture, purchase, sale or use of the ordered items.



Seller agrees that without geographical limitations in addition to defending LA, Seller may be made a party by LA to enforce LA's rights by way of cross claims or any other third party action, to any action or proceeding to which LA is made a party.

12 Taxes

Unless otherwise provided, all Federal, State and local sales, use, excise or similar taxes payable with respect to ordered items shall be paid by Seller.

13 Amendments

LA reserves the right to make any changes, which LA, in its sole discretion, deems desirable, with respect to this purchase order, including, but not limited to, changes in drawings and specifications, methods of shipment and packaging, delivery schedules and places of delivery. If any such change increases the cost to Seller or affects the ability of Seller to make delivery pursuant to the delivery schedule specified in this purchase order, an equitable adjustment will be made by agreement between LA and Seller, but any claim by Seller for adjustment in either price or delivery schedule must be made and presented by Seller to LA in writing ten (10) days after LA has notified Seller of such change.

14 Default

If Seller defaults in performing any of its obligations to LA pursuant to this purchase order, or any agreement between LA and Seller whether or not related to this purchase order, LA may at its option, and without incurring any liability thereby, cancel and terminate this purchase order as well as any or all agreements between LA and Seller. Moreover, in the event of any default by Seller in performing any of its obligations to LA pursuant to this purchase order, LA in addition to all rights and remedies provided for in this purchase order, shall have a right to recover all damages sustained by it, directly or consequently, including loss of profits, as well as the rights and remedies provided a LA, with respect to defaults by a seller, under the Uniform Commercial Code.

15 Applicable law & arbitration

Any controversy or claim arising out of or relating to this purchase order or to LA's purchase or use of goods or services, or out of or related to the supply of goods or services by Seller to LA, including, without limitation, arbitrability and any dispute concerning the scope of this arbitration clause, shall be settled by binding arbitration, using one neutral arbitrator. The binding arbitration shall be held in The Hague, the Netherlands, using the English language and administered by the International Chamber of Commerce using its rules and applying the substantive and procedural laws of the Netherlands, without regard to its conflict of law rules. Judgment upon the award in any arbitration rendered by the arbitrator may be entered in any court of competent jurisdiction.

16 General

No provision of this purchase order may be waived, changed, terminated, modified, discharged or rescinded, except by a writing signed by the party to be charged by any such waiver, change, termination, modification, discharge or rescission. No waiver of any breach of any provision of this purchase order shall constitute a waiver of any similar or dissimilar prior or subsequent breach or shall constitute an amendment or modification of this purchase order, or any provision hereof unless expressly stated to the contrary in writing.



If any provision of this purchase order shall be held to be unenforceable or inapplicable in any respect, such holding shall not affect the enforceability of any other provision of this purchase order under any other circumstances. The provisions of this purchase order shall bind and enure to the benefit of LA and Seller and their respective successors and assigns. Headings of paragraphs and subparagraphs have been inserted for convenient reference only and shall not in any way affect the meaning or interpretation of the text

Koen G. Versseput,

A handwritten signature in blue ink, appearing to read "K. Versseput", with a horizontal line underneath.

Lowland Aerospace
(Sales) Director