

## 1. Contract formation and offer

1.1 These ("TCs") conditions apply to all deliveries made by Moog Brno s.r.o., with its registered office at Mostecká 992/26, Husovice, 614 00 Brno, Czech Republic, Reg. No.: 24308480, entered in the Commercial Register kept by the Regional Court in Brno, Section C, File 81684 ("Moog") to the Buyer. Deviating provisions of the Buyer shall only apply if agreed to by Moog in writing. Delivery shall not be deemed consent with any such deviating provision. If Moog agrees to deviating provisions of the Buyer these shall only apply to the transaction for which they are concluded.

1.2 Technical documents, drawings and calculations which are provided to the Buyer in connection with the order negotiations and the execution of the contract are confidential and shall not be used for other purposes, duplicated or disclosed to third parties by the Buyer. Moog reserves title, copyright and other rights in such documents.

1.3 Moog's offers shall be subject to confirmation. Only written offers shall apply. Any alteration contained in the confirmation shall be considered as forming a counter-offer. Additional verbal consent or descriptions shall only apply if confirmed by Moog in writing. The documents, drawings, delivery periods, weights and dimensions, which are part of the offers, are non-binding guidelines to the extent that they are not expressly confirmed as binding by Moog in writing. Moog retains title and copyrights in offers, illustrations, drawings, calculations, samples and other documents. These may not be disclosed to third parties without Moog's express written consent. If Moog is not awarded a contract, all documents shall be returned to Moog.

## 2. Terms of payment

2.1 All payments are to be made in the currency as specified in the order, and without expense to Moog.

2.2 Where not otherwise agreed in writing, Moog's invoices shall be due and payable within thirty days from issue date. However, notwithstanding the foregoing, Moog retains the option to refuse or to revoke credit, and to require immediate payment of all outstanding balances and payment on delivery for all future deliveries.

2.3 If the Buyer is in default of payment, Moog is entitled to charge default interest to Buyer in the amount of 0.05% for each day of delay. Buyer also agrees to pay any expenses incurred in collecting any unpaid balance of the purchase price, or in recovering possession of goods including reasonable attorney's fees.

2.4 If Moog extends credit to the Buyer, then for the purpose of securing payment and performance of all Buyer's obligations hereunder, Moog shall retain a security right in all of the goods being sold pursuant to this contract.

## 3. Project execution/ acceptance tests

3.1 If applicable, the contract shall include date(s) before which design data shall be provided by the Buyer to Moog, as required by Moog for the adaptation of the product to the Buyer's specification, as agreed upon.

3.2 If the contract provides for design review meetings to be held by the Buyer and Moog, the meeting(s) shall be held at Moog's premises, unless specifically agreed otherwise. At such design review meetings, Moog shall provide system design information, interface data and/or acceptance test criteria to the Buyer. Unless specifically agreed otherwise, the Buyer shall strictly adhere to such information, data and/or criteria, in order to ensure successful product use, installation, acceptance and/or integration into Buyer's equipment.

3.3 If the Buyer causes delay, including delay in providing the required design data, delay of planned design reviews, delay in delivery of equipment to be supplied by the Buyer or a third party, or delays in activities as described in Clause 3.4, Buyer shall nevertheless pay according to the originally agreed payment schedule dates. In addition, the Buyer shall compensate Moog for any additional costs Moog incurs as a result of this delay.

3.4 Acceptance tests provided for in the contract shall, unless otherwise agreed, be carried out at the place of manufacture during normal working hours (i.e. Factory Acceptance).

3.5 If the contract does not specify the technical requirements, the tests shall be carried out in accordance with general practice in the appropriate branch of industry concerned in the country of manufacture.

3.6 At Buyer's request, Moog shall notify the Buyer in writing of the acceptance tests in sufficient time to permit the Buyer to be represented at the tests. If the Buyer is not represented, the test report shall be deemed to be accurate and shall, at Buyer's request, be sent to the Buyer.

3.7 If the contract provides for installation activities and/or acceptance tests to be performed by Moog after arrival of the product at the site of the Buyer (i.e. Site Acceptance), the Buyer shall ensure that, prior to arrival of Moog personnel, any preparatory work, agreed to be performed by the Buyer, shall be completed. The Buyer shall also ensure that the following conditions are satisfied.

- (i) Moog personnel shall be informed of all relevant safety and/or security regulations in force at the site;
- (ii) Suitable office space and telecommunication facilities shall be made available to Moog personnel;
- (iii) Suitable lifting and/or handling devices along with operating personnel shall be made available to Moog personnel;
- (iv) Protected storage facilities shall be provided for Moog property and/or the personal effects of Moog personnel.

## 4. Packing and shipment

4.1 Packing and shipment shall be in accordance with good commercial practice.

4.2 Moog is entitled to charge the Buyer a storage fee in case that the Buyer fails to take over the goods within fourteen days upon the take-over notification. The storage fee is 0.35 % of the goods purchase price for each commenced week of storage.

## 5. Delivery and title

5.1 Delivery shall be FCA Moog's factory Mostecká 992/26, Husovice, 614 00 Brno, Czech Republic or such other location as specified in Moog's offer, in accordance with INCOTERMS 2010. Risk of loss shall pass to the Buyer as provided for by INCOTERMS 2010 at signature of the handover protocol by the last party. Title shall pass to the Buyer once the goods have been paid for in full.

5.2 Under no circumstances shall Moog have any liability whatsoever for delays, loss of use, or for any indirect or consequential damages arising from any delay or loss of use.

5.3 No claim for shortage in packaging shall be allowed unless reported to Moog, in writing, within ten days after receipt of goods.

5.4 In case Moog uses returnable containers, Moog charges the Buyer their wear and tear, which is not included in the contract price. In case that a returnable container is not returned within thirty days, Moog is entitled to charge the Buyer full amount of the container price.

## 6. Force majeure

Moog shall not be responsible for the failure to perform any obligation arising hereunder due to events beyond its control. These Force Majeure events shall include, but are not limited to, fire, storm, flood, earthquake, war, explosion, accidents, acts of public enemy, sabotage, strikes, labour disputes, work stoppages, transportation embargoes or delays, failure or shortage of materials or machinery used by Moog in the manufacture of the goods supplied hereunder, acts of God, failure of suppliers or subcontractors to satisfactorily meet scheduled deliveries, and generally binding acts or regulations, government contracts or shipments to Buyers to fulfill government contracts.

## 7. Patents

7.1 The Buyer shall not receive, as a result of the sale of goods hereunder, any right or license of any kind under any patent owned or controlled by Moog, or under which Moog may be licensed. However the foregoing provision shall not limit the right of the customer to use and sell such goods, in the event such goods are covered by any such right or licence under any patent owned or controlled by Moog.

7.2 Moog agrees to defend any suit, foreign or domestic, that any party may institute against the Buyer for alleged infringement of a patent or patents relating to specific goods of Moog's own design and furnished to the Buyer under the contract. However, this paragraph shall apply only to such infringements that arise from the use of such specific goods themselves and not as a result of the use of such goods in combination with any other devices, apparatus, and/or parts.

7.3 Moog's obligations under this paragraph shall arise only if the Buyer (a) shall have made all payments then due under the contract; (b) shall give Moog immediate notice in writing of the alleged infringement and of the institution of any suit; (c) shall permit Moog to defend such suit; and (d) shall furnish to Moog all information, assistance, and authority which, in the opinion of Moog's attorneys, is necessary to defend such suit. Moog shall have no liability under this paragraph for any compromise reached without Moog's written consent. Unless arising as a direct consequence of litigation which Moog has itself defended under the terms of this paragraph, Moog shall have no liability for any patent infringement. Moog shall also not be required to defend any suits or pay any damages which may arise, directly or indirectly, by reason of the use of any part, device, apparatus, and/or design not furnished by Moog.

## 8. Indemnity and liability

8.1 If any goods are made in compliance with Buyer's plans, designs, specifications or instructions, Buyer shall indemnify and hold harmless, and defend Moog from and against any damage, loss, expense, liability, claims, suits, judgments, decrees and costs caused by or relating to the plans, designs, specifications or instructions for such goods, including any patent infringement or alleged infringement.

8.2 Moog shall not be responsible for any type of damages occasioned by failure of any item supplied by Moog in which a component manufactured by Moog is incorporated. In the event that the Buyer has not complied with all warnings, labels, maintenance and/or instructions provided by Moog into its own product literature, documentation, system/installation, safety, operational and maintenance requirement documents, the Buyer will indemnify Moog from any and all claims.

8.3 Except for gross negligence or willful misconduct, Moog shall not be liable for any indirect, consequential, special, punitive or exemplary damages, whether foreseeable or unforeseeable.

## 9. Moog standard product warranty

9.1 Moog warrants that each item of its manufacture shall, at the time of shipment to Buyer, conform to applicable specifications and drawings, and be free from defects in material and workmanship. Design, essential performance, or other provisions expressly stated to be goals or objectives shall not be deemed to be requirements subject to this warranty ("Warranty").

**9.2** Unless otherwise specified, Moog's obligation under this Warranty shall be limited to repair or replacement, at Moog's option, of any item which within twelve months from date of shipment to Buyer is proven to Moog's satisfaction to have been nonconforming at the time of shipment. As a condition of this Warranty, Buyer shall notify Moog in writing of any claimed non-conformance immediately upon discovery and shall return the item to Moog for inspection. Moog shall not be responsible for any work done or repairs made by others at any time. Disassembly by anyone other than persons authorized by Moog will void the terms of this Warranty.

**9.3** Moog shall not be responsible for the performance of any product which incorporates items manufactured by Moog unless such performance is expressly designated as Moog's responsibility under the terms of the written contract between Moog and the Buyer.

**9.4** Moog shall not be liable for improper storage, use, installation, accidents, operation or maintenance of items manufactured by Moog, nor for any damage resulting there from, or from negligence on the part of Buyer's employees or agents.

**9.5** Unless previously agreed to in writing, Moog shall not provide field repairs, modifications, or any other field service under this Warranty.

**9.6** THE WARRANTIES CONTAINED HEREIN ARE EXCLUSIVE AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED, IMPLIED OR STATUTORY, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER OBLIGATIONS AND LIABILITIES. WITH RESPECT TO CONTRACTS DIRECTLY BETWEEN MOOG AND THE U.S. GOVERNMENT OR ANY OF ITS AGENCIES, THE RIGHTS AND REMEDIES AFFORDED TO THE GOVERNMENT OR AGENCY BY THIS STANDARD PRODUCT WARRANTY ARE IN ADDITION TO AND DO NOT LIMIT ANY RIGHTS AFFORDED BY ANY OTHER PROVISION OR PROVISIONS OF THE CONTRACT.

#### **10. Information, data and design**

Unless agreed by the parties otherwise, any proposals, prints, brochures, drawings, designs, data or other information furnished to the Buyer by Moog before, after, or contemporaneously with the execution of the contract are intended for confidential use by the Buyer, shall remain the property of Moog, and shall not be used to the detriment of Moog's competitive position. When given, all such proposals, performance and production projections, prints, brochures, drawings, designs, data and other information are based on Moog's knowledge and understanding, but are, in all events, estimates only and are not guaranteed or warranted in any respect. The providing of any design information by Moog shall not constitute an assumption of design responsibility unless otherwise expressly assumed by Moog.

#### **11. Cancellation of contract**

Under no condition may the Buyer cancel his obligations under the contract. Any attempt to do so will entitle Moog, in its sole discretion, to either (a) recover all direct, indirect, and consequential damages arising by reason of such attempted cancellation, or (b) retain as liquidated damages any Buyer deposit made under the contract.

#### **12. Applicable law and jurisdiction**

The legal relationships between the Buyer and Moog shall be subject to the Czech law, excluding the United Nations Convention on Contracts for the International Sale of Goods. To the extent permitted by law, any disputes arising out of or in conjunction with the contract, shall be submitted to the competent court in Prague 1, Czech Republic.

#### **13. Assignments**

The Buyer's rights may not be assigned or otherwise transferred to any other person, whether by operation of law or otherwise, without Moog's prior written approval.

#### **14. Waivers**

Waiver by Moog of any breach of any of these provisions, or its failure to exercise any right, shall not be construed as a waiver of any other breach, or a waiver to exercise any other right.

#### **15. Indemnification**

**15.1** Buyer will indemnify Moog and hold Moog harmless from any and all claims made by Buyer's employees or agents for injuries or damages including death, arising from or related to tasks performed under the contract.

**15.2** Buyer agrees that any contract between Buyer and Buyer's customer will include an indemnification for Moog from any liability for improper use, accidents, improper operation or maintenance of Buyer's system or Moog product sold under the contract between MOOG and the Buyer, including damage there from or for negligence on the part of Buyer's customer, employees or agents.

**15.3** Buyer shall indemnify Moog from any and all loss, cost or damage resulting from Buyer's negligent or improper installation of Moog products and/or Buyer's system containing Moog product. Buyer assumes all liability for properly imposing/effectively communicating to Buyer's customer any and all warnings, labels, maintenance and/or instructions as defined in Moog's product literature and documentation and any and all higher level system/installation safety, operational and maintenance requirements.

**15.4** Buyer agrees that any contract between Buyer and Buyer's customer will include an indemnification for Moog and hold Moog harmless from any incidental or consequential damage claimed by any third party occasioned by failure of any

items supplied by Moog or by failure of any item in which a component manufactured by Moog is incorporated. To the extent Buyer is the end user or operator of Buyer's system incorporating Moog product sold hereunder, Buyer provides the foregoing indemnification to Moog directly.

#### **16. Default**

If the Buyer fails to pay any invoice when due, or fails to accept shipments as scheduled, Moog may, at its option and without prejudice to other remedies, either defer further shipments until the default is corrected or cancel Moog's remaining obligations under the contract and/or any other agreement with the Buyer.

#### **17. Buyer's authorization**

Buyer represents and warrants that the person representing the Buyer has duly executed the relevant documents on behalf of the Buyer, and is duly authorized to so act.

#### **18. Code of Conduct and Business Ethics**

Moog shall comply with its own Code of Business Ethics which can be found at [www.moog.com](http://www.moog.com). Buyer shall, where applicable, comply with its own ethics and/or anti-corruption policies and in any event shall comply with all applicable law, statutes and regulations relating to anti-bribery and anti-corruption.

#### **19. Compliance with export regulations**

Buyer acknowledges that the technical data or hardware provided under the contract may relate to articles controlled by the EU or the US Government(s) for export and may, therefore, be subject to EU export regulations, US Commerce Department export regulations and/or US State Department export regulations. Buyer accepts full responsibility for and agrees to comply fully with such regulations, including obtaining export licenses and re-export permission unless otherwise agreed by Moog.

#### **20. Miscellaneous**

**20.1** If any of the claims of the Buyer pursuant to the contract is not exercised within a period of twenty-four months from the moment an event which established such a claim occurred, then such a claim on the part of the Buyer shall automatically be time-barred upon the expiration of the mentioned period of time.

**20.2** The parties expressly exclude the application of the Section 1799 and Section 1800 of the Czech Civil Code to the contract.

**20.3** In case of any discrepancies between Czech and English version of these TCs, Czech version shall prevail.

**20.4** Moog is entitled to unilaterally amend or add to the wording of these TCs to an appropriate extent, if a reasonable need for their change arises. Moog must alert the Buyer to the date of the commencement of the TCs no less than fourteen days before they come into effect. If the Buyer does not express his disagreement with the new TCs in writing by the date they are expected to become effective, the Buyer will agree to the new TCs and they will bind him for the duration of their validity. If the Buyer does not agree with the new TCs, he is entitled to terminate the framework contract binding both parties (if any), based on the above stated disagreement within a three-month notice period, which begins with the delivery of the disagreement to Moog. This provision does not affect the rights and obligations created before the effectiveness of the new TCs.

**The Buyer agrees with these TCs and hereby declares that he was able to inspect and become acquainted with the TCs before the conclusion of the contract. The Buyer declares that: i) he does not deem the following Articles to be surprising; ii) he understands the following Articles; and iii) he expressly accepts the following Articles:**

- (i) Article 4.2 about the agreed obligation to pay Moog penalty in the event of default when takeover the goods; and
- (ii) Article 20.1 about the time limitation of the claims.