

1. General provisions

1.1 These Conditions of Purchase are exclusively valid; General Standard Terms and Conditions of the supplier that conflict or deviate from these Conditions of Purchase shall be recognized by Moog Brno s.r.o., a company with its registered office at Trnkova 3129/119a, 628 00, Brno – Líšeň, Czech Republic, Reg. No.: 24308480, entered in the Commercial Register kept by the Regional Court in Brno, Section C, File 81684 (“MOOG”) only if MOOG gives its consent in writing. These Conditions of Purchase are also then valid if MOOG, in knowledge of General Standard Terms and Conditions of the supplier that conflict or deviate from these Conditions of Purchase, accepts delivery or the delivery has been paid for. This applies accordingly to any additionally agreed Special Conditions of Purchase.

1.2 Within the framework of ongoing business relations these Conditions of Purchase also apply to all future transactions with the supplier, provided they are of the same kind.

1.3 Orders, transactions as well as amendments and modifications thereof and of these Conditions of Purchase shall be made in writing. Verbal agreements of any kind – including subsequent amendments to and modifications of these Conditions of Purchase – shall require confirmation in writing by MOOG to be legally effective. The written form shall also be satisfied by email or other electronic means.

1.4 All business correspondence shall be in Czech, unless agreed otherwise.

2. Ordering, confirmation of order

2.1 MOOG shall be able to cancel the order without being invoiced for the costs thereof if the supplier fails to confirm the order in writing within a period of two weeks of receipt of the order, unless the deliveries or performances are provided in the intervening period.

2.2 Orders by MOOG shall only then be binding if they have been placed in writing. Confirmation of the order containing addendums, objections, limitations or other changes, is considered as a rejection of the order and is considered to be a new proposal by the supplier for entering into a purchase contract. In that case, a purchase contract is entered into only in the case that this new proposal is confirmed by MOOG without any changes and delivered back to the supplier. The input and output data of MOOG’s server and send reports from MOOG electronic systems that indicate the fault-free transmission of the data shall suffice to establish a proof of receipt. The party which disputes the content of the stored data or sends reports or puts forward the assertion to the effect that they are inconsistent bears the burden of proof.

2.3 MOOG reserves proprietary rights and copyright in tools, moulds, patterns, models, profiles, drawings, standard sheets, setting copies and gauges which are entrusted to the supplier. These objects as well as objects manufactured thereafter may not be passed on to third parties or used for purposes other than the contractual purposes without the written consent of MOOG. They must be secured against unauthorised use. Subject to further rights, MOOG shall be able to demand recovery of possession.

2.4 The assignment of or the intention to assign rights and obligations arising from the purchase contract between MOOG and the supplier to sub-supplier/third parties shall only be permitted after the prior written consent of MOOG. Notification must be made in writing within 5 working days of receipt of order and addressed to the MOOG employee mentioned by name in the order.

2.5 If the business between MOOG and the supplier concerns the delivery of ordered goods which are manufactured according to technical specifications of MOOG, such as for example technical drawings of MOOG, then the supplier must carry out on its own premises and on its own machines all those manufacturing steps which have a determining influence on the dimensions, tolerances and decisive quality characteristics usual in the industry. The duty to notify as specified in Point 2.4 applies accordingly.

3. Invoices

3.1 Invoices must include the following details: the price, the MOOG order, MOOG article and item numbers, the time of the delivery or performance, as well as the quantity and standard designation of the objects supplied or the scope and nature of the other performance. Furthermore, the details stipulated by generally binding legal regulation as compulsory must also be given, such as for example full names and full addresses of the supplier tendering performance and of the recipient of performance, taxpayer’s account number or turnover-tax identification number of the supplier tendering performance, time of the delivery or performance, consideration broken down according to tax rates or exemptions, each reduction agreed in advance of the consideration – insofar as it has not already been taken into account in the consideration, or reference to tax exemption.

3.2 Invoice copies must be marked as duplicates.

3.3 MOOG and the supplier can agree on an electric format of tax documents.

3.4 In case the invoice – tax document doesn’t include all the requisites or contains data that violate the purchase contract, MOOG is entitled to refuse it within 15 days from its issuance and will return it for completion or correction immediately, without MOOG going into default.

4. Pricing, payments

4.1 The price indicated in the order shall be binding. In the absence of a deviating agreement in writing, the purchase price includes all expenses related to

the ordered goods including expenses for the preservation, packaging, transport, removing documents from the ordered goods, labelling, duties, etc.

4.2 Quotations shall be given by the supplier free of charge. Cost estimates shall be binding and shall not be remunerated, unless otherwise agreed.

4.3 The due date of the purchase price is stipulated in the purchase contract. In case the due date of the purchase price is not stated in the purchase contract, MOOG is required to pay the purchase price within 60 days from the day of receiving the goods.

4.4 If, in the course of existence of the obligations constituted hereby, the supplier is awarded the status of an unreliable payer pursuant to Section 106a of the Czech VAT Act on the basis of a decision of the tax administrator, and fails to inform MOOG about this fact within 3 days after such a change occurs, at the latest, MOOG may follow Section 109a of the Czech VAT Act and pay the taxes on behalf of the supplier to the tax administrator. In such a case, the value-added tax paid will be deducted from the agreed purchase price. The supplier agrees to indicate the account in its invoice and published by the tax administrator in a manner allowing for remote access. If an account different from the account stipulated in the preceding sentence is indicated in the invoice issued by the supplier, MOOG may send the invoice back to the supplier for correction without MOOG going into default.

5. Delivery and shipping

5.1 If the place of delivery of the ordered goods is the headquarters or place of business of MOOG, the supplier is required to deliver the ordered goods during workdays and the general business hours of MOOG, unless stipulated otherwise in the purchase contract. Arrival at another, not previously agreed upon time and unconfirmed time will not be considered delivered, while the expenses associated with it are to be paid for by the supplier.

5.2 Agreed time limits and deadlines shall be binding. The punctuality of deliveries is determined by the date on which they arrive at the receiving point specified by MOOG in the order. The punctuality of deliveries with accompanying erection or assembly work and of performances is determined by the date of their acceptance.

5.3 The supplier shall undertake to notify MOOG immediately and in writing of circumstances – stating the reason for and the anticipated duration of the delay – which may lead to the delivery date not being met. The notification must be sent to MOOG employee mentioned by name in the order. Incidentally, MOOG reserves all contractual and legal rights.

5.4 In the event of a delay in delivery, MOOG shall be entitled to demand a contractual penalty for delay in the amount of 0.5 % of the ordered goods order value/purchase price for the partial delay or performance affected by the delay per completed week, but not more than 5 %; more far-reaching statutory claims (rescission and compensation in damages instead of performance) remain unaffected. The supplier shall have the right to prove to MOOG that the latter has incurred no or significantly lower loss as a result of the delay. Possible claims for compensation with regard to more extensive damages for delay are unaffected by the acceptance of a late delivery. Contractual penalties are due within 30 days of the day of delivering the billing of the contractual penalty to the supplier.

5.5 The ownership rights are transferred onto MOOG immediately upon the physical receipt of ordered goods, unless otherwise agreed upon in the contract.

5.6 Early delivery is possible only upon prior written consent of MOOG. MOOG reserves the right, at its sole discretion, to return, or delay payment, for any ordered goods which are received 15 or more days earlier to the terms of the order.

6. Packing

6.1 If it is necessary to use special tools or equipment for installation or general or extraordinary maintenance or repairs, the supplier is required to notify MOOG of this situation in writing before entering into a purchase contract and likewise inform of the availability and price of such equipment.

6.2 For the purposes of transportation, the supplier is required to wrap the ordered goods or in some other way suitably ensure them in accordance with these Conditions of Purchase. If the method of wrapping or securing the ordered goods for transport is not explicitly set forth in the purchase contract, the supplier is required to secure the ordered goods for transport in such a way during the course of transport (including loading) that it is not possible for them to be damaged or for devaluation to occur.

6.3 The good’s packaging must enable the safe and effective storage of ordered goods without damaging their quality. Packaging must likewise allow for handling with a forklift truck. On the package of ordered goods, there must be markings in a visible place showing: supplier, MOOG, order number, ordered goods code, data on the number and type of ordered goods according to the specifications in the purchase contract and instructions on storage and safe handling (handling tags for marking transport packaging, identifying markings for return packaging and markings required by legal regulations for production, use and other handling of ordered goods).

6.4 The supplier is required to ensure the return delivery of packaging for return to the place from which the ordered goods were delivered. The return packages will be taken back by the supplier or an individual authorized by him at the time of another delivery of ordered goods at the latest, as long as MOOG doesn’t specify in writing another date for the returning of packaging.

6.5 If MOOG has been billed for return packaging, the supplier is required to deliver to MOOG a credit note, whose contents are payment for the returned packaging, within 30 days, at the latest, from the time of the return delivery of packaging.

6.6 Unless otherwise agreed, recyclable materials must be used for the padding and packing. MOOG shall otherwise be entitled to send these materials back at the supplier's expense.

7. Export-law provisions

If the ordered goods are subject to export-law restrictions or if the export thereof is expected to require an export authorization by MOOG, then MOOG must be notified immediately in writing. This notification shall be especially necessary if the item to be delivered to MOOG is by its very nature subject to export control. This is for example the case when an applicable product description is recorded in relevant lists of the export-control authorities. The notification must be sent to the MOOG employee mentioned by name in the order. If the supplier does not comply with its duty to notify, MOOG reserves the right to rescind the contract.

8. Certificate of origin and supplier's representations

8.1 Along with the ordered goods, the supplier is required to furnish MOOG with documents which are explicitly stated in the purchase contract. Unless such documents aren't explicitly defined in the purchase contract, the supplier is required to transfer all documents necessary for receiving, free use of, for customs and use of the ordered goods, and also a statement on the conformity with the order, documents addressing the technical conditions of installation, operation and maintenance of ordered goods and conditions for their storage, to MOOG. Among the necessary requisites of the order are: the delivery note with the number of the order and individual delivered items.

8.2 If requested to do so, the supplier shall make available free of charge a certificate of origin for its production. The product must be sufficiently described at least according to type and quantity and its origin certified by the relevant agency vested with sovereign powers in the country of origin. If requested, a supplier's declaration must be drawn up in accordance with Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code. In this connection the statistical product number must also be specified in accordance with foreign-trade statistics.

8.3 Documents that the supplier is required to furnish, according to the contract, these Conditions of Purchase or generally binding legal regulations, along with the ordered goods must be legible, well-arranged, without mistakes and in the language required by MOOG.

8.4 Supplier represents and warrants that „counterfeit goods“ are not contained in ordered goods delivered to MOOG. In the event supplier becomes aware or suspects that it has furnished counterfeit goods, it shall immediately notify MOOG and observe its instructions.

8.5 The goods bear the CE mark (confirmation européenne) as far as the law provides. The supplier declares that the goods have been evaluated before being placed on the European market and thus meet the requirements of generally binding legal regulation for sales on the European market.

8.6 The supplier is aware of its liability for direct and indirect damages arising out of the unauthorized use of the CE mark.

9. Compliance

9.1 MOOG must be notified immediately if the supplier's delivery contains hazardous substances as contemplated by generally binding legal regulation. The notification must be sent to MOOG employee mentioned by name in the order.

9.2 The supplier shall undertake on its own initiative to make available prior to delivery the EC Safety Data Sheet in accordance with DIN 52900. The statutory requirements, in particular the REACH legislation in the latest applicable version, must be observed.

9.3 The supplier represents and warrants that it shall perform all obligations under the order in compliance with all applicable generally binding environmental, health, and safety laws and regulations.

9.4 The supplier agrees that it has reviewed and that it shall comply with applicable provisions of the Moog Statement of Business Ethics, available at: <http://www.moog.com/investors/corporategovernance/moog-statement-of-business-ethics/>

9.5 The supplier warrants that neither it nor any of its employees, agents, or representatives have offered or given, or will offer or give, any gratuities to MOOG's employees, agents, or representatives for purposes of securing the order or securing favorable treatment under the order. If it is found that gratuities (in the form of entertainment, gifts or otherwise) are offered by supplier, or any agent or representative of supplier, to any employee of MOOG or its agents or representatives with a view toward securing favorable treatment with respect to the awarding or performing of any order issued by MOOG to supplier, MOOG may, by written notice to supplier, terminate the relevant order in addition to the exercise of any other rights or remedies provided to MOOG by law.

9.6 In the event the delivery incorporates or embeds „open-source“ or „free-licence“ software, the supplier shall notify MOOG in advance and on request provide full information concerning such software.

9.7 The supplier accepts not to source „conflict minerals“, specifically tin, tantalum, tungsten and gold from the Democratic Republic of the Congo and adjoining countries.

9.8 The supplier shall comply with all applicable regulations regarding human

trafficking and shall respond promptly to any MOOG requests for information in this regard.

10. Force majeure

Industrial disputes, unrest, official measures and other unforeseeable, inevitable and serious events shall discharge the supplier, for the duration of the interruption and the extent of its effect, from its obligations to perform. This shall not apply if these events begin at a time when the supplier is already defaulting. The supplier shall undertake within the scope of that which is reasonable to provide the necessary information immediately and to adapt its duties and obligations to the changed conditions in good faith. MOOG is entitled to terminate the contract in case a force majeure obstacle on the part of the supplier lasts more than 30 days.

11. Warranty and claims for defects

11.1 The supplier shall guarantee that its deliveries and performances conform to all the recognized standards of technology, safety regulations and agreed technical data, demonstrate the agreed quality and durability, and are not encumbered with miscellaneous defects. Every change to the delivery item shall require the prior written consent of MOOG.

11.2 Acceptance shall be carried out subject to an inspection for freedom from defects. MOOG shall inspect the delivery items on delivery only with regard to identity, quantity and externally discernible transportation damage, insofar and as soon as this is feasible in accordance with due and proper business. Notice shall be given of defects immediately on discovery by MOOG. The supplier shall in this respect waive the defence of late notice of defects.

11.3 Acceptance shall require a written declaration by MOOG.

11.4 The limitation period for claims for defects against the supplier shall be 26 months, counted from acquisition of the product, insofar as a different limitation period has not been agreed in an individual contract or longer statutory limitation periods apply.

11.5 If the supplier fulfils its duty of subsequent performance through substitute delivery, the limitation period for the rights pertaining to the product delivered as a substitute shall start to run again.

11.6 Unless stipulated otherwise in the purchase contract or these Conditions of Purchase, MOOG will draft a report on discovered defects, in which there will be data on the delivery of ordered goods, date of the defect discovery, an assessment of the characteristics of the defect, undertaken by MOOG. MOOG will deliver this report without unnecessary delay to the supplier, along with a request for a proposed method of removing the defect and arranging for it. A report on defects must be sent to the supplier in writing.

11.7 The supplier is required, without unnecessary delay - within 2 days of notification of the faulty ordered goods or within the deadline according to valid framework contract or the purchase contract, to:

(a) visit the headquarters of MOOG to assess the properties of the defect, and, on the basis of these findings, propose to MOOG a method and term for removing defects from the ordered goods, or

(b) notify MOOG of a proposal for a specific procedure, for how the defects on the ordered goods will be removed, including the planned term for realizing the stipulated measures.

11.8 If the supplier does not start to rectify the defect immediately after being requested to do so by MOOG, then MOOG shall be entitled in urgent cases, particularly to ward off acute dangers and/or to avoid excessively high losses, to perform this work itself or have it carried out by third parties at the supplier's expense.

11.9 If the same product is repeatedly delivered defective, MOOG shall be entitled after issuing a written warning to rescind the contract also for the scope of delivery not yet fulfilled.

11.10 The liability for defects on the part of the supplier shall be limited as follows. MOOG shall in the case of ordinary negligence waive claims for damages for loss of prospective profits. In individual cases the claims for damages from a value perspective shall be limited to the higher of the following two amounts: EUR 1,000,000 or the value of the billings between MOOG and the supplier of the previous calendar year. Defective ordered goods of the same kind delivered within a period of 3 months shall in this respect be combined into a single case.

11.11 Incidentally, the statutory provisions for claims for defects shall apply.

12. Product liability and insurance cover

12.1 Insofar as the supplier is responsible for product damage, it shall undertake to exempt MOOG upon first demand from claims for damages by third parties inasmuch as the cause is placed in its area of control and organization and it is liable itself in its rights and duties as to third parties.

12.2 The supplier shall within this framework also undertake to repay any expenses resulting from or in connection with a recall campaign or product failure caused by the supplier. MOOG shall notify the supplier - insofar as it is possible and reasonable - of the content and scope of the recall measures to be carried out and give the latter the opportunity to make a statement.

12.3 The supplier shall undertake to take out product liability insurance with an appropriate amount insured, but at least in the amount of EUR 1,000,000 per personal injury and damage to property, and to furnish proof thereof upon request.

13. Third-party rights and industrial property rights

13.1 The supplier shall vouch that all deliveries are free from third-party industrial property rights and that patents, licenses or other third-party industrial property rights are not infringed on an international level by the delivery and use

of the delivery items.

13.2 The supplier shall upon first demand exempt MOOG from all claims made against MOOG for infringement of an industrial property right and other third-party rights and bear the costs of protecting the rights if these claims are based on the culpable violation of a duty by the supplier.

14. Moog tools

14.1 MOOG Tools, such as models, patterns, materials, drawings and the like (“**MOOG Tools**”), remain the property of MOOG. They must be separately stored, marked and managed. They shall only be permitted to be used for MOOG orders. If MOOG Tools are materially damaged or lost, then the supplier must pay compensation.

14.2 MOOG Tools which have not been consumed must be sent unsolicited to MOOG after successful performance of the contract, unless there is a follow-up order which likewise requires the use of the MOOG Tools. MOOG shall bear the costs of MOOG Tools being returned. MOOG shall reserve the right to determine how MOOG Tools are to be returned.

14.3 The supplier shall undertake at its own expense to insure the MOOG Tools for the reinstatement value in line with standard industry practice, in particular against damage by fire, water and theft.

14.4 If MOOG has paid the supplier's tool costs, then MOOG shall be entitled to demand this payment back if the supplier has repeatedly delivered defective ordered goods the cause of which cannot be traced back to such tool wear.

15. Supplier's facilities

15.1 The place of performance shall be that place to which the product is to be delivered as per the order or at which performance is to be tendered.

15.2 MOOG, MOOG's customer and relevant regulatory authorities will have access to supplier's, and all other facilities involved in the order, where they will have access to all procedures, practices, processes, associated documents and records related to quality assurance, quality control and configuration control. MOOG reserves the right to determine and verify the quality of work, records and material. Supplier will notify MOOG of any change in the location of supplier's facility.

16. Data privacy protection, confidentiality, competition

16.1 MOOG and supplier will each keep confidential and protect from unauthorized use and disclosure all (i) confidential, proprietary and/or trade secret information; (ii) tangible items containing, conveying or embodying such information; and (iii) tooling identified as being subject to this provision and obtained, directly or indirectly, from the other in connection with the order (collectively referred to as “**Proprietary Information**”). MOOG and supplier will each use and disclose Proprietary Information of the other only in the performance of and for the purposes of the order.

16.2 However, despite any other obligations or restrictions imposed by this provision, MOOG will own and maintain all rights in any design and/or development work or items, including software, that are produced by supplier under the order and paid for by MOOG. Further, MOOG will have the right to use, disclose and reproduce supplier's Proprietary Information and make derivative works for the purposes of testing, certification, use, sale and support of any item delivered in connection with this order. Any such use, disclosure, reproduction or derivative work by MOOG will include restrictions suitable under the particular circumstances.

16.3 The know-how of MOOG may only be made available to the supplier's vicarious agents insofar as it is necessary for the individual persons in each case to fulfil the order. The supplier and the sub-supplier shall store the data in accordance generally binding legal regulation. MOOG shall be entitled to compensation in damages if the confidentiality agreement is violated.

16.4 To safeguard the confidentiality agreements into which MOOG has entered with its customer and to protect the intellectual property of MOOG, the supplier shall undertake to handle in confidence the know-how passed on. The supplier shall undertake for its part to bind its vicarious agents and eventual sub-suppliers in writing to this obligation to maintain confidentiality. The supplier shall not be permitted to use the know-how obtained from MOOG for purposes other than commissioned output of ordered goods and services.

16.5 The supplier shall undertake, with the performance commissioned by MOOG and the know-how passed on, not to enter into competition – either directly or indirectly – with MOOG or to promote support third parties as competitors. Ordered goods which have been manufactured in accordance with MOOG's technical specifications may not be made accessible to third parties.

17. Jurisdiction and applicable law

17.1 The place of jurisdiction shall be Prague. Unless otherwise agreed, the language of the courts shall be Czech. MOOG shall also be entitled to take proceedings against the supplier in any other permissible jurisdiction.

17.2 Contractual relations shall be governed exclusively by the Czech law excluding Conflict of Laws and the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980.

18. Miscellaneous

18.1 The supplier assumes the risk of change in circumstances pursuant to Section 1765 of the Czech Civil Code.

18.2 The contract may only be amended or cancelled in writing; in case of amendments to the agreement, this should be done by numbered amendments that must signed by authorized representatives of both parties.

18.3 In case of any discrepancies between Czech and English version of these Conditions of Purchase, Czech version shall prevail.

18.4 If any of the claims of the supplier pursuant to the contract is not exercised within a period of 24 months from the moment an event which established such a claim occurred, then such a claim on the part of the supplier shall automatically be time-barred upon the expiration of the mentioned period of time.

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

18.6 MOOG is entitled to unilaterally amend or add to the wording of these Conditions of Purchase to an appropriate extent, if a reasonable need for their change arises. MOOG must alert the supplier to the date of the commencement of the Conditions of Purchase no less than 14 days before they come into effect. If the supplier does not express its disagreement with the new Conditions of Purchase in writing by the date they are expected to become effective, the supplier will agree to the new Conditions of Purchase and they will bind it for the duration of their validity. If the supplier does not agree with the new Conditions of Purchase, it is entitled to terminate the framework contract binding both parties (if any), based on the above stated disagreement within a 3-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 Conditions of Purchase.

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

- **Article 5.4 about payment of contractual penalty in case of late delivery;**
- **Article 9.4 about adhering to Moog Statement of Business Ethics; and**
- **Article 18.4 about the time limitation of the claims.**