

1 Definitions

In these Terms and Conditions, unless the context requires otherwise:

Authorized Repair Facility means the facility indicated in the Exchange Order Document.

BER means beyond economical repair which is defined as a repair of the Core Exchange Unit which exceeds 70% of the outright Price or in respect of which the repair is practically impossible as further set out in Clause 5 hereafter.

CMM means the Component Maintenance Manual.

Component means an aviation component or components.

Consignor means the owner of the Components who has consigned the Components to the Supplier.

Contract means the agreement arising when any quotation made by the Supplier is accepted by the Customer, or when the Customer's Order is accepted by the Supplier through an Exchange Order Document, under these Terms and Conditions of Exchange and Loan of Components ("**Terms and Conditions**").

Core Days Term means the term as set out in the Exchange Order Document for the Exchange Transaction.

Core Exchange Unit means the Component owned by the Customer and offered to the Supplier as part of an Exchange Transaction.

Customer means the person, firm or company submitting an Exchange Order to the Supplier from time to time.

Delivery shall have the meaning ascribed to it in Clause 6.

Exchange Order Document means the exchange order document containing the special terms and conditions of exchange and loan of components signed between the Supplier and the Customer for the specific Exchange Unit and Core Exchange Unit.

Exchange Fee means the fee for the Exchange Transaction as specified in the Exchange Order from Supplier to Customer.

Exchange Transaction means the transaction whereby the Customer exchanges a Core Exchange Unit with an Exchange Unit for the Core Days Term pursuant to the terms and conditions as set out herein.

Exchange Unit means the Component owned by the Supplier offered and delivered to the Customer.

Loan means the loan to a Customer of a Loaned Unit from Supplier for a defined period ("**Loan Period**") as specified in the Loan Order Document.

Loan Fee means the fee for the loan of the Loaned Unit from the Supplier to the Customer.

Loan Order Document means the loan order document containing the special terms and conditions of loans of the Loaned Unit from the Supplier to the Customer.

Loaned Unit means the Component owned by the Supplier lent to the Customer for the Loan Period.

Order means the Customer's order for the Components to be confirmed by an Exchange Order Document.

Outright Sale means the outright sale of an Exchange Unit by Supplier to the Customer.

Outright Value means the value of the Exchange Unit converted from exchange to sale as shown on the Exchange Order Document.

Overhauled means the restoration of a Component in accordance with the instructions defined in the CMM supplied by the original equipment manufacturer.

Recertification means the recertification of the Core Exchange Unit pursuant to Clause 4.3.

Serviceable means the condition of a Component which has been repaired and classified as fully functioning and able to be fitted to an airworthy aircraft as stated by EASA and/or the FAA.

Supplier means AERO CONSULTING & TRADING COMPANY, abbreviated ACTC having its registered office at Priorijstraat 12, 9950 Lievegem, Belgium or other such address as may be notified by the Supplier from time to time.

Terms and Conditions of Sale of Components means the terms and conditions applicable to the sale of an Exchange Unit at Outright Value.

2 Application and Precedence

2.1 Any quotations supplied by the Supplier shall remain open for acceptance for a period of 30 (thirty) days from the date of the quotation, unless in the quotation some other period is specified or the quotation is withdrawn by the Supplier. All quoted items are subject to prior sale and availability.

2.2 These Terms and Conditions shall apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing, other than the Terms and Conditions of Sale of Components of the Supplier which will apply to any sale of Exchange Units in addition to these terms and conditions.

2.3 Any special conditions relating to an Order for the supply of any of the Components and agreed between the Supplier and the Customer shall be in writing and such special conditions shall take precedence over these Terms and Conditions in respect of that Order.

3 The Customer's Order and Duties

3.1 The Customer shall be responsible to the Supplier for ensuring the accuracy of the terms of any Order submitted by the Customer.

3.2 The Order shall only be deemed to be accepted when the Supplier issues an Exchange Order Document, at which point the Contract shall come into existence.

3.3 The Contract constitutes the entire agreement between the parties. The

Customer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of the Supplier which is not set out in the Contract.

4 Exchange Fee

4.1 Customer shall pay to the Supplier the Exchange Fee for the Core Days Term as set out in the Exchange Order Document.

4.2 The terms set in this clause will apply, regardless of whether Customer returns the Exchange Unit used or unused. Supplier will charge additional handling fee of ten percent on top of the Core Charges (as defined hereafter), minimum of \$150.

4.3 In addition to the Sales Exchange Fee, Customer shall pay to the Supplier the additional costs ("**Core Charges**") which include (i) the actual costs and fees incurred by the Supplier in connection to, and as a consequence of, certifying the airworthiness of the Core Exchange Unit by an airworthiness authorization or the Authorized Repair Facility in accordance with the aviation regulations ("**Recertification**") and (ii) the costs incurred to return the Core Exchange Unit to a condition at least equal to the condition of the Exchange Unit, including without limitation, overhaul, repair, evaluation, test or flat replacement fees set by the Authorized Repair Facility, evaluation fees result in a determination that the Core Exchange Unit is BER, shop fees, transportation costs, custom charges, taxes, insurance fees, charge-backs, collection fees and any other cost related to the return of the and the Exchange Unit and the Core Exchange Unit. The fee is exclusive of all taxes and duties which shall be paid by the Customer and which the Customer hereby undertakes to pay without delay. Should the Supplier be required to pay any such taxes or duties on behalf of the Customer the Customer shall reimburse the Supplier forthwith upon demand.

4.4 This Agreement does not provide the Customer the option to purchase the Exchange Unit offered by Supplier under the terms of this Agreement or to convert this transaction to Outright Sale. The Supplier at its sole discretion may accept or reject Customer's request to charge the Outright Value in addition to any Exchange Fee or Additional Exchange Fee previously invoiced and/or to relieve the Customer from the obligations set in this Agreement such as delivering a Core Exchange Unit and a sole discretion to waiving any Exchange Fee or the accrual of any additional fees.

4.5 Quotations in a currency other than US Dollars are based on the rate of exchange at the time of quoting and unless otherwise stated the price may at the Supplier's discretion be subject to revision up or down if any different rate of exchange shall apply at the date of invoice.

5 Beyond Economical Repair

5.1 If the Supplier estimates that the cost to repair a Customer owned Component will exceed 70% of the current catalogue price, such Component shall be deemed to be in a condition beyond economical repair. Supplier shall notify the Customer accordingly. Charges for cleaning, inspecting, scrapping or redelivery shall be borne by the Customer in addition to the full Outright Value as set out below.

5.2 In case the Core Exchange Unit is BER, the Supplier will be entitled to charge the Customer the full Outright Value and the Core Exchange Unit will be rejected.

5.3 In case of market shortage for the Core Exchange Unit's repair parts (over 90 days delivery from date the Exchange Unit became available to the Customer) or obsolete spares, Supplier will have the privilege to charge the Customer the full Outright Sale and the Core Exchange Unit will be rejected accordingly.

6 Delivery of Components

6.1 the Supplier shall notify the Customer (either written or oral) that the Components are ready for collection from Supplier's Premises on the date specified ("**Due Date**"). Unless expressly provided otherwise, delivery of the Components shall be effected by the Supplier making the Components available for collection by the Customer on the Due Date ("**Delivery**") pursuant to the terms and conditions set out in clause 7.

6.2 Each Delivery of Components shall be treated as taking place under a separate contract and default or delay by the Supplier in any single Delivery of Components shall not entitle the Customer to repudiate any previous or subsequent contract.

6.3 Right in the Exchange Unit(s) will pass to the Customer on Delivery.

6.4 If the Supplier and the Customer agree that the Supplier shall arrange or undertake the insurance and transport of the Components beyond the point of Delivery at Supplier's Premises, such costs shall be for the Customer's account and shall not affect the provisions of the Contract as to the passing of risk at Suppliers warehouse.

6.5 The Exchange Unit(s) will be packed in suitable packaging for onward transportation by air and road. The Supplier reserves the right to charge for any special packaging requirements of the Customer. Packing materials, containers etc, provided by the Supplier are returnable. Where such packing materials are charged as an extra, a partial credit will be given if return carriage has been paid and the packing is received in good condition.

7 Exchange

7.1 Supplier shall deliver the Exchange Unit EXW (Incoterms 2020) at Supplier's premises. Core Exchange Units are to be delivered to Supplier (DDP Incoterms 2020) within 14 days of receipt of the Exchange Unit by Customer. Failure thereof will result in the Customer being charged an additional Exchange Fee on the 15th day, equal to a new 14-day term. If Supplier has not received the Customer Core Exchange Unit within this additional 14 days period, Customer will be invoiced the Outright Value in addition to both Exchange Fees already invoiced (no exceptions). Invoicing will be at the full Outright Value plus all charges accumulated by Supplier e.g. Exchange Fee plus any assessed late fee(s). Customer Core Exchange Units that Supplier deems beyond economical repair (BER) will be invoiced at the full Outright Value plus the Exchange Fee plus any repair shop evaluation fee. Supplier will charge a 10% handling fee on all repairs carried out on exchange cores, exchange cores must be approved by the customer within 5 working days, if not approved within the 5 working days Supplier will continue with the repair and re-charge to the customer.

7.2 The Core Exchange Unit to be delivered by the Customer in return for the

- Exchange Unit shall be identical to, have a full traceable history, be of same condition, cycles and age unless otherwise mutually agreed to that of the Exchange Unit and be of a modification standard acceptable to Supplier. Supplier reserves the right to reject the Core Exchange Unit if approval is not gained prior to shipping and receipt at Supplier.
- 7.3 Title to the Core Exchange Unit shall transfer to Supplier when the Core Exchange Unit is delivered to Supplier. Title to the Exchange Unit shall transfer to the Customer when the Core Exchange Unit is delivered to Supplier and when Supplier has been paid in full for the exchange. Any Core Exchange Unit exchanged under the provisions of these terms and conditions shall be free of encumbrances or liens.
- 7.4 Supplier shall inspect, test and request to perform the routine maintenance and if necessary, repair, overhaul and modify the Core Exchange Unit. Any cost for aforementioned services shall be charged to the Customer.
- 7.5 If the Core Exchange Unit received from the Customer is not repairable or deemed beyond economical repair (BER), the provisions of Clause 5.2 apply.
- 8 Loan**
- 8.1 The Supplier and Customer may wish to agree on a loan of an Exchange Unit instead of an exchange. In such event, the Supplier shall lend the Loaned Unit to the Customer for the Loan Period for the Loan Fee as set out in the Loan Order Document. These terms and conditions shall apply mutatis mutandis to such Loan.
- 9 Payment**
- 9.1 The Supplier shall render to the Customer invoices showing the sums due under the Contract. All payments due thereunder shall be made by the Customer in the currency and to bank account and within the time period for payment as detailed on the Supplier's Invoice, which will become due at the time of delivery of the Exchange Unit (" **Payment Date**") in cleared funds.
- 9.2 Without prejudice to the Supplier's rights hereunder; if the Customer fails to make any payments within 30 days after the Payment Date the Supplier shall have the right (without prejudice to any other rights or remedies which may be available to the Supplier) forthwith to terminate or suspend all further deliveries until such default is made good. Any additional costs and expenses of whatever nature incurred by the Supplier as a result thereof shall be borne by the Customer.
- Without prejudice to any other of the Supplier's rights or remedies the Customer shall, in addition to payment of the Exchange Fee or Loan Fee, become liable for interest and collection charges in accordance with the Act of 2 August 2002 on combating late payment in commercial transactions (*Wet van 2 augustus 2002 betreffende de bestrijding van de betalingsachterstand bij handelstransacties*) (the "**Act**"), as well as 10% damages in accordance with that same Act on any sum, remaining unpaid after the Payment Date until the actual date of receipt by the Supplier of the payment, such interest being calculated on a daily basis. Interest due on amounts that remained unpaid for more than 12 months shall be capitalised. The Customer shall reimburse all costs and expenses (including legal costs) incurred in the collection of any overdue amount.
- 9.3 If the Customer fails to take Delivery of the Exchange Unit on the date agreed by the parties for delivery or if the Supplier is prevented or hindered from performing any of its obligations under the Contract as a result of any act or omission on the part of the Customer, the Supplier shall be entitled (without prejudice to any other rights or remedies which the Supplier may have) to invoice the Customer for the price thereof and payment shall be due as if Delivery of the Components had been effected. In such event the Customer shall be liable for and shall promptly reimburse the Supplier upon demand for all costs and expenses incurred by the Supplier up to the time of actual collection of the Components.
- 9.4 The Customer hereby grants a pledge on all Components, delivered by Customer to Supplier and which are in possession of the Supplier including any rights in respect thereof as a security of its obligations until full payment of all its obligations hereunder.
- 10 Risk and Title**
- 10.1 The risk in the Components shall pass to the Customer upon Delivery.
- 10.2 Notwithstanding that risk in the Components shall pass to the Customer in accordance with Clause 10.1, title to the Components shall remain with the Supplier or the Consignor until payment in full has been received by the Supplier:
- (i) for those Components;
 - (ii) for any other goods supplied by the Supplier; and
 - (iii) in respect of any other monies due from the Customer to the Supplier on any account.
- 10.3 Any resale by the Customer of Components in which title has not passed to the Customer shall (as between the Supplier or the Consignor and the Customer only) be made by the Customer or the Consignor as agent for the Supplier.
- 10.4 The proceeds of sale of any resale by the Customer pursuant to Clause 10.3 shall be held in trust by the Customer for the benefit of the Supplier and placed in a separate account until accounted to the Supplier.
- 10.5 At any time before title to the Components passes to the Customer (whether or not any payment to the Supplier is then overdue or the Customer is otherwise in breach of any obligation to the Supplier), the Supplier may (without prejudice to any other of its rights):
- (i) retake possession of all or any part of the Components and enter any premises for that purpose (or authorise others to do so) which the Customer hereby authorises;
 - (ii) require delivery up to it of all or any part of the Components.
- 10.6 The Supplier may at any time appropriate sums received from the Customer as it thinks fit, notwithstanding any purported appropriation by the Customer.
- 10.7 Each Clause and sub-clause of this Clause is separate, severable and distinct and, accordingly, in the event of any of them being for any reason whatsoever unenforceable according to its terms, the others shall remain in full force and effect.
- 10.8 Although as a result of the exchange title has passed for the Core Days Term between the parties on the Exchange Unit and Core Exchange Unit, this Agreement, unless parties agree otherwise does not constitute an outright Sale. The intention is that both Components are returned to the Parties at the end of the Core Days Term with a second transfer of title. The return of the Core Exchange Unit to the Customer shall be on EXW basis and the Customer shall return to the Supplier the Exchange Unit on DDP basis (Incoterms 2020).
- 10.9 If the Exchange Unit or the Core Exchange Unit are lost, stolen, damaged, or destroyed after leaving Supplier's facility, while in Customer premises or during transportation to Supplier, the Customer shall be obligated to pay all amounts that would be due and payable to Supplier if no such loss, theft, damage, or destruction occurred. If the lost, stolen, damaged, or destroyed Exchange Unit or Core Exchange unit was shipped as part of the Agreement, the Customer shall be responsible for paying the Outright Value for the Exchange Unit, and any Exchange Fee or Additional Exchange Fee previously paid may be credited to the Customer's account at Supplier's sole discretion. In all events, the Customer is expected to insure the Exchanged Unit or the Core Exchange Unit against loss. If the Customer fails to insure the Exchange Unit or the Core Exchange Unit against loss, then the Customer does so at its own risk
- 11 Technical Terms and Conditions**
- 11.1 Customer agrees that the Core Exchange Unit must be the same OEM part number as supplied and will be certified back to the same or higher level of condition and the same or higher level of repair shop as the Exchange Unit. (i.e., a supplied OEM overhauled unit will return to the OEM for a full overhaul). All Core Exchange Units must be repairable, and be the same Part Number, Dash Number, Model Number and Modification status as the "Exchange Unit" supplied unless agreed in writing by Supplier prior to the Exchange Unit being issued. Exchange Core Units must be free from DER, DOA and PMA parts. If such parts are found to be fitted during the repair, they will be deemed unapproved/missing parts and will be replaced for the full CMM compliance. Customer agrees to pay in addition to the Core Exchange Unit repair charges for all modification charges needed to return the Core Exchange Unit back to the same part number as supplied. In case the Core Exchange Unit cannot be modified back to the same part number as supplied then Supplier reserves the right to invoice the full Outright Value plus the shop evaluation fee and all shipping charges and reject/return (at the Customer's expense) the Core Exchange Unit.
- 11.2 For Landing Gear / Engine related components which are Life Timed/Cycle limited, the Core Exchange Unit(s) must have the same or less Hours/Cycles and if applicable, a longer date of expiration than the Exchange Unit. Customer agrees that if the returned Core Exchange Unit is older or has higher times/cycles than the supplied Exchange Unit, Supplier reserves the right to reject the Core Exchange Unit and/or invoice additional pro-rate charges to compensate for the depreciation in Exchange Unit Outright Value.
- 11.3 For Escape Slides - Rafts and Cylinders, the Core Exchange Unit returned must have the Same or Newer Date of Manufacture than the Exchange Unit supplied by Supplier. Otherwise, Customer agrees to pay in addition to any other charges a further additional differential charge of ten percent (10%) of the above mentioned Outright Value will be charged for EVERY complete year (where differences are in months and not complete years the charge will be calculated on a proportional basis, i.e., 6 months = 5%, 18 months = 15%) that the Core Exchange Unit is older than the supplied Exchange Unit. Supplier reserves the right to reject any Escape Slide, Raft or Cylinder Core Exchange Unit that has a Date of Manufacture of twelve (12) years or greater.
- 11.4 Customer's re-certification of the "Core Exchange Unit" is only acceptable with Supplier's prior written consent. The Customer "Certified Core" must be the same OEM part number as supplied, with a tag date within the past 30 (thirty) days and certified back to the same or higher level of condition and the same or higher level of repair shop as the Original Exchange Unit. (i.e., A supplied OEM overhauled unit will require a return of a freshly OEM overhauled core). Customer is to provide a full warranty coverage for the "Customer Certified" core; 6 months for SVC, 12 months for OHC from date of dispatch, not tag date. Due to lack of warranty coverage, Supplier will not accept any "Customer Certified" core which has only been inspected/tested. If the Core Exchange Unit is returned to Supplier "Customer Certified" without the aforesaid consent, the certified Core Exchange Unit will be subject to Supplier's acceptance and additional recertification charges may apply until complied to this agreement. The same charges will apply in case of receiving a Core Exchange Unit with missing and/or non-original airworthiness certification and teardown report.
- 11.5 Core Exchange Units must be accompanied by the following certification documents:
- a. Unserviceable tags, containing "Reason for Removal" information.
 - b. A certificate of origin (e.g., ATA106 form) that includes:
 - Source of the Core Exchange Unit. Unit must be fully traceable showing clear change of ownership and documentation from a FAA Part 121, 129 or 135 certificated Carrier or the OEM.
 - Statement directly from the 121, 129, or 135 Operator that the Core-Exchange Unit (a) is not incident related and has not been subjected to any unusual stress or heat, and (b) was not obtained from any government or military source.
 - Statement directly from the 121, 129 or 135 Operator that Core-Exchange Unit was produced by the OEM.
 - c. If the Core Exchange Unit is a time or cycle life limited part, full records and traceability documents to original manufacturer are required.
 - d. If the Core Exchange Unit is rejected per Supplier's Quality System and such reject cannot be resolved within 5 days after written notification by Supplier, the Core Exchange Unit will be returned to the Customer and Supplier will invoice the Customer per Clause 4 and/or Clause 5 of these Terms and Conditions.
- 12 Warranty**
- 12.1 Warranty terms and definitions are as per standard warranty of the actual Authorized Repair Facility that last certified the Exchanged Unit, unless otherwise agreed between Supplier and the Customer. Supplier will not be responsible to supply a warranty replacement Exchange Unit. Warranty shall be granted only subject to warranty approval of the failed unit by the Supplier's Authorized Repair Facility. The choice to issue a warranty RMA shall be at Supplier's sole discretion.

- The Customer shall inspect the Exchange Unit delivered to Customer within five business days of receipt and must notify Supplier in writing of any alleged discrepancies found during the inspection. No claims of discrepancies will be accepted beyond the five business days' period specified above. Unless written pre-approval is authorized by Supplier, all warranties, expressed or implied, shall immediately cease if the Exchanged Unit are compromised or tampered with by the Customer, an unauthorized repair facility, or other facility opening the Exchanged Unit or tampering with or removing any protective warranty label or sticker from the Exchanged Unit. The Customer here by undertakes to accept any findings, investigation and conclusion made by an authorized repair shop, related to any dispute regarding the functionality and/or the condition of the Exchange Unit and the Core Exchange Unit. Supplier will have the sole discretion to approve a quote for the repair/overhauled Core by authorized repair shop, and the Customer's approval will not be required.
- 12.2 The Supplier will provide the following warranties unless otherwise specified in the Supplier's acknowledgement of Order:
- for any new Component which is factory new, the Supplier will provide a warranty of 12 months from the date of Delivery or the balance of any warranty given to the supplier, whichever is the greater;
 - for any Component which has been overhauled, the Supplier will pass on the workshop warranty as applicable to the Customer; the Supplier may also provide additional warranty at his own discretion;
 - for any Component which is classified as Serviceable, the Supplier will provide a warranty of 3 months from the date of Delivery, or 500 flying hours, whichever occurs first.
- 12.3 If any of the Components do not conform with the warranty in Clause 12.2, the Supplier will repair or replace such Components (or the defective part).
- 12.4 The Customer will inspect the Components and may reject any that do not comply with Clause 12.2 and must inform the Supplier of any claim or rejection within 10 calendar days after Delivery. If no notice of rejection or claim is received in accordance with this Clause 12.4, the Customer will be deemed to have accepted the Components.
- 12.5 The warranty in Clause 12.2 is subject to the following conditions:
- that the Components have been stored, maintained, installed, operated and used in accordance with the CMM and not subject to wilful damage; and
 - that the Component, or the aircraft it was fitted to, has not been subject to any misuse nor have they been involved in any Incident.
- 12.6 The Supplier shall not be responsible for costs of fit or removal from an aircraft.
- 12.7 Title to the Components or any parts thereof which are returned to the Supplier by the Customer and which the Supplier subsequently replaces pursuant to the terms of this warranty shall revert in the Supplier.
- 12.8 The Suppliers obligations under this warranty shall not apply:
- if the Customer has failed to make payment in accordance with Clause 9;
 - if any defect arises from fair wear and tear, wilful damage or abnormal working conditions (such as installation and storage mal practice or Component misuse outside of the Component CMM, aircraft operating procedures, AMM and applicable AD's, SB's, SIL's); or
 - if the Component or the aircraft it was fitted to has not been subject to any misuse or has been involved in any incident.
- 12.9 A claim by the Customer in respect of any defect in the Components or in respect of any delay in Delivery shall not entitle the Customer to cancel or refuse such Delivery or payment for such Components.
- 12.10 The provisions of this warranty represent the entire liability of the Supplier, its officers, employees and agents with respect to any matter arising out of or in connection with the quality or condition of the Components any part thereof, and all other warranties, guarantees, terms, conditions, representations or liabilities (whether for direct, indirect or consequential loss or damage or otherwise) as to quality, description, standard of workmanship, condition, fitness for purpose or otherwise (whether express or implied by statute or common law) are hereby excluded to the fullest extent permissible at law.
- 13 Limitation of Liability**
- 13.1 The Supplier shall not be liable to the Customer whether in contract or in tort (including but not limited to negligence) or for breach of statutory obligation or otherwise for any loss of profits (direct or indirect), business interruption, loss of sales, loss of use, loss of opportunity, loss of goodwill and loss of turnover and whether arising directly or indirectly out of or in consequence of any act, default or omission of the Supplier, and the Supplier shall not in any circumstances be liable for any losses, actions, claims, proceedings, judgements, damages, compensation, obligations, injuries, costs and expenses or other liabilities, whether direct or consequential, and any other remedy which would otherwise be available in the law to the Customer is hereby excluded except to the extent that such exclusion is prohibited by law.
- 13.2 The Supplier's or the Consignor's (if applicable) total liability in contract (including for any statutory interest payable, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, shall be limited to the Order value/to the value of the Component.
- 14 Indemnity**
- 14.1 The Customer will on demand indemnify the Supplier and (when applicable) the Consignor in full against all losses, liabilities, actions, claims, proceedings, judgements, damages, compensation, obligations, injuries, costs, and expenses (including legal costs and expenses) of whatever nature suffered by the Supplier and (when applicable) the Consignor to the extent that the same are caused or related to:
- any claim for personal injury or death or loss or damage or indirectly occasioned by default (including non-compliance with any legal or other obligation in relation to the Goods), failure to follow the Supplier's instructions (whether written or oral) or misuse or mis-operation of the Components by or on the part of the Customer or any person or persons other than the Supplier; or
 - the improper incorporation, assembly, use, processing, storage or handling of the Components by the Customer.

- 14.2 This indemnity shall continue in force notwithstanding termination for whatever reason of the Contract.
- 15 Termination**
- 15.1 If the Customer becomes aware of any of the events listed in Clause 15.2 or the Supplier reasonably believes that the Customer is about to become subject to any of them and notifies the Customer accordingly, then, without limiting any other right or remedy available to the Supplier, the Supplier may cancel or suspend all further deliveries under the Contract or under any other contract between the Customer and the Supplier without incurring any liability to the Customer and all outstanding sums in respect of Components delivered to the Customer shall become immediately due.
- 15.2 If the Customer enters into a deed of arrangement or commits an act of bankruptcy or compounds with his creditors or if a receiving order is made against him or (being a company) it shall pass a resolution or the Court shall make an order that the Customer shall be wound up (otherwise than for the purposes of solvent amalgamation or reconstruction) or if a receiver (including an administrative receiver) shall be appointed of any of the assets or undertaking of the Customer or if the Customer suffers the appointment or the presentation of a petition for the appointment of an administrator or if circumstances shall arise which entitle the Court or a creditor to appoint a receiver (including an administrative receiver) or a manager or which entitle the Court to make a winding-up order or if the Customer takes or suffers any similar action in consequence of debt or if the financial responsibility of the Customer shall, in the opinion of the Supplier, become impaired or if the Customer shall commit any breach of any part of the Contract or these Terms and Conditions and the Supplier may terminate the Contract immediately whether in whole or in part.
- 15.3 In addition to any right of lien to which the Supplier may be entitled the Supplier shall in the event of the Customer's insolvency or bankruptcy be entitled to a general lien on all items of or attributable to the Customer in the Supplier's possession (notwithstanding that such items or any of them may have been paid for) for the unpaid price of any Components or other items sold and delivered to the Customer by the Supplier under any other contract.
- 15.4 Notwithstanding any provision in these Terms and Conditions the Customer shall not have the right to set off any claims it might have against the Supplier against any sums otherwise due to the Supplier.
- 15.5 Upon termination of the Contract for whatever reason, the Supplier shall be entitled to set off any claim it might have against the Customer against any sums or otherwise due to the Customer.
- 15.6 Termination of the Contract shall not affect the accrued rights of the Supplier nor the Supplier's other rights and remedies.
- 16 Licences**
- 16.1 The obtaining of any licence or consent for the export of the Components from Belgium shall be the responsibility of the Customer.
- 16.2 The Customer shall be responsible for complying with any legislation or regulations governing the importation of the Components into the country of destination and for the payment of any duties thereon.
- 17 Waiver**
- Any failure delay or indulgence on the part of the Supplier in exercising any power or right conferred hereunder shall not operate as a waiver of such power or right nor preclude the exercise of any other right or remedy hereunder and shall be without prejudice to the legal rights of the Supplier and the obligations of the Customer shall continue in full force and effect.
- 18 Entire Agreement**
- This Contract shall constitute the entire agreement between the Supplier and the Customer in respect of an order for any of the Components and shall supersede and exclude all prior representations, proposals or agreements whether oral or in writing. Any amendment or alteration to the Contract (or these Terms and Conditions) shall not be effective unless it is in writing and signed by the Supplier and the Customer.
- 18.1 The Customer acknowledges that, in entering into this Contract, it does not do so on the basis of, and does not rely on, any representation, warranty or other provision except as expressly provided herein, and all conditions, warranties or other terms implied by statute or common law are hereby excluded to the fullest extent permitted by law.
- 19 Assignment of Contract**
- The Supplier may assign the Contract and the rights and obligations thereunder whether in whole or in part. The Contract is personal to the Customer, who shall not without the prior written consent of the Supplier assign, mortgage, charge or dispose of any of its rights hereunder, or sub-contract or otherwise delegate any of its obligations hereunder.
- 20 Sub-Contracting**
- The Supplier reserves the right to sub-contract its obligations under the Contract or any part thereof.
- 21 Severability**
- In the event of any Clause or provision or part thereof of the Contract or these Terms and Conditions being rendered or declared ineffective or invalid by any legislation or rule of law or by any decision of any Court of competent jurisdiction the remainder of any affected Clause or provision of the Contract and these Terms and Conditions shall remain in full force and effect.
- 22 Cancellation / Returns**
- The Customer shall not be entitled to cancel the Contract without the prior written consent of the Supplier.
- 23 Confidentiality**
- Both the subject matter and the terms and conditions of the Contract shall be treated by the Customer as confidential and shall not without the Supplier's written consent be divulged to any other person.
- 24 Notices**
- Subject to Clause 6.1, all notices and requests required or authorised hereunder shall be given in writing either by personal delivery or recorded mail (return receipt requested) or by telegraph telex or cable or facsimile transmission and the date upon which any such notice or request is personally delivered or if such

notice or request is given by registered or recorded mail, telegraph telex, cable or facsimile transmission the date upon which it is received by the addressee shall be deemed to be the effective date of such notice or request. The parties shall be addressed as per their normal business address for correspondence, or as may otherwise be notified by each party to the other, or in default thereof to their respective Registered Offices.

25 **Interpretation**

Headings are for convenience only and shall not govern the interpretation of the Contract or these Terms and Conditions.

26 **Governing Law and Jurisdiction**

- 26.1 These Terms and Conditions and all non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with Belgian law.

- 26.2 The courts of Ghent, Belgium have exclusive jurisdiction to settle any dispute arising out of or in connection with these Terms and Conditions (including a dispute regarding the existence, validity or termination of these Terms and Conditions) (a "**Dispute**").

- 26.3 The Customer agrees that the courts of Ghent, Belgium are the most appropriate and convenient courts to settle Disputes and accordingly the Customer will not argue to the contrary.

- 26.4 Without prejudice to any other mode of service allowed under any relevant law, the Customer shall provide an agent for Service in Belgium as its agent for service of process in relation to any proceedings before the Belgian courts in connection with these Terms and Conditions and agrees that failure by a process agent to notify the Customer of the process will not invalidate the proceedings concerned.