

TERMS AND CONDITIONS OF SALE

Except where otherwise specified on the face hereof, this instrument is subject to the following terms and conditions, as well as those appearing on the face of this instrument.

1. Contract Formation

If this instrument is a quotation, whether or not responsive to a request from the Buyer, it constitutes the offer of Moog Controls Limited (hereinafter "Moog") to the Buyer, and becomes a binding contract under the terms and conditions set forth herein when it is accepted by the Buyer. However, any such acceptance shall be valid only if made within thirty days of the date of this instrument or such other time period specified herein. If this instrument is an acknowledgment, it constitutes Moog's acceptance of the Buyer's order, subject, however, to the terms and conditions set forth herein. Upon the creation of a contract, this instrument will recite the entire agreement between the parties with respect to the goods, equipment or services being purchased, and shall supersede any other agreement, writing, or understanding whether made before or after the date of this instrument. Thus, Moog's contractual obligations are expressly limited to the terms contained herein. The inclusion of any different or additional terms in any other instrument is objected to, and performance by Moog shall occur with the express understanding that only the terms and conditions recited herein shall control unless alternate terms and conditions are formally presented and agreed by both parties.

2. Terms of Payment

- a) All payments are to be made in Pounds Sterling and without expense to Moog.
- b) Payment shall be cash with the Order or sight draft attached to a bill of lading (or other shipping documents) at the option of Moog.
- c) When credit is extended by Moog, invoices shall be due and payable within thirty days from invoice date, unless specifically agreed otherwise. Any amount unpaid thirty days after shipment is subject to a monthly service charge, on the unpaid balance. 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.
- d) Buyer agrees to pay any expense incurred on collecting any unpaid balance of the purchase price, or in recovering possession of goods including reasonable attorney's fees.
- e) 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 interest in all of the goods being sold pursuant to this agreement. At Moog's request, Buyer shall execute and join in executing all financing statements and other instruments, in form satisfactory to Moog, which Moog deems necessary or desirable to perfect its security interest in the goods being sold pursuant to this agreement.

3. Packing and Shipment

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

4. Delivery and Title

- a) Delivery shall be Ex Works Moog factory Tewkesbury. Risk in the goods shall pass at the point of collection from Moog. Title shall pass once payment has been received in full.
- b) 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.
- c) Moog shall not be responsible for the failure to perform any obligation arising hereunder due to events beyond its control. These events shall include, but are not limited to, fire, storm, flood, earthquake, explosion, accidents, acts of public enemy, sabotage, strikes, labour disputes, labour shortages, 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 acts or regulations or priorities of the Government.
- d) No claim for shortage in packaging shall be allowed unless reported to Moog, in writing, within ten days after receipt of goods.

5. Patents

- a) 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 patent.
- b) 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 devices or apparatus of Moog's own design and furnished to the Buyer under this contract. However, this paragraph shall apply only to such infringements as shall arise only from the use of such specific device or apparatus itself and not as a part of any combination of any other apparatus, device and/or part. Furthermore, Moog's obligations under this paragraph shall only arise only if the Buyer (a) shall have made all payments then due under this 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.

6. Indemnity

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.

7. Moog Standard Product Warranty

- a) 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.
- b) 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 nonconformance 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.
- d) Moog shall not be liable for improper use, installation, accidents, operation or maintenance of items manufactured by Moog, nor for any damage resulting therefrom, or from negligence on the part of Buyer's employees or agents.
- e) Moog shall not be responsible for any consequential or incidental damages occasioned by failure of any item supplied by Moog, or by failure of any item in which a component manufactured by Moog is incorporated.
- f) Unless previously agreed to in writing, Moog shall not provide field repairs, modifications, or any other field service under this Warranty.
- g) 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.K. 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.

8. Information, Data and Design

Any proposals, prints, brochures, drawings, design, data or other information furnished to the Buyer by Moog before, after, or contemporaneously with the execution of this 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, estimated 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.

9. Cancellation of Contract

Under no condition may the Buyer cancel his obligations under this 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 customer deposit made under this contract.

10. Applicable Law

In the event of a dispute regarding any of the terms or conditions contained herein, the parties agree that the laws of England will control.

11. 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.

12. 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.

13. Indemnification

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 this quotation or contract.

14. 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.

15. Buyer's Authorization

Buyer represents and warrants that the person who executed the offer which this instrument accepts, or who will execute the Buyer's acceptance of the offer contained in this instrument, has duly executed the relevant documents on behalf of the Buyer, and is duly authorized so to act.

NB. The warranty on Moog repaired items applies to that portion of the product which was repaired, not to the entire unit.