

**GENERAL TERMS and CONDITIONS APPLICABLE TO THE SALE AND
DELIVERY OF PRODUCTS BY AEROVAC (legal entity further identified in the order confirmation/acknowledgement/delivery
documents/invoice) HEREAFTER: AEROVAC**

1. GENERAL

- 1.1 These terms and conditions (the "Conditions") apply to all offers and orders to AEROVAC for the sale and delivery by AEROVAC of products (the "Goods") and services (the "Services") and the contract between AEROVAC and the other party (the "Customer") (the "Agreement") shall be subject to these Conditions.
- 1.2 The applicability of any terms and conditions of the Customer is hereby expressly excluded.
- 1.3 Provisions that deviate from these Conditions can be invoked by the Customer only if and to the extent that these provisions are accepted by AEROVAC in writing.

2. OFFERS, ORDERS AND AGREEMENTS

- 2.1 All offers from AEROVAC are non-binding.
- 2.2 Orders and acceptance of offers by the Customer are irrevocable.
- 2.3 AEROVAC is only bound when it has accepted an offer in writing or has begun performance. AEROVAC is moreover only bound by what was accepted in writing. Verbal commitments or agreements by or with AEROVAC personnel do not bind AEROVAC except and insofar as AEROVAC confirms these in writing.
- 2.4 These Conditions apply to both changes to the Agreement and to separate agreements.

3. PRICE

- 3.1 Prices set by or agreed to by AEROVAC are exclusive of V.A.T. They are valid for Ex Works (EXW) AEROVAC plant as referred to in the INCOTERMS 2010 unless otherwise agreed.
- 3.2 The price of Goods or Services is the price valid at the time of shipment of the Goods or performance of the Services. All shipment and delivery dates are estimated dates only.

4. DELIVERY PERIOD AND DELIVERY

- 4.1 The delivery period starts after the conclusion of the Agreement, and after AEROVAC has received all data to be provided by the Customer and (if appropriate) after advance payment has been received by AEROVAC or security for payment has been put at its disposal.
- 4.2 For Aerospace and Industrial Materials segment sales, AEROVAC's shipment of quantity ordered plus or minus 10% shall be deemed compliant with the order and Customer shall be obliged to pay for the actual quantity shipped. Failure to deliver within an agreed or stipulated delivery period does not entitle the Customer to any damages or to non-fulfillment by it of any of its own obligations arising from the Agreement. The Customer is, however, entitled to rescind the Agreement by written declaration if, and insofar as after a failure to deliver within an agreed delivery period, AEROVAC still fails to deliver the agreed upon Goods or Services within a reasonable period stipulated by the Customer in writing.
- 4.3 Delivery periods will be extended by the amount of time that the implementation of the Agreement is delayed by any event of force majeure. They will also be extended by the time that the Customer is later in the fulfillment of any of its obligations than is agreed to or could reasonably be expected by AEROVAC.
- 4.4 AEROVAC has the right to deliver Goods or Services in parts and/or through an affiliate. Each partial delivery will be deemed a separate delivery with respect to the applicability of these conditions.
- 4.5 AEROVAC shall not be obliged to deliver, in any month, any quantity of Goods in excess of 10% of the Customer's forecasted annual purchase volume for the Goods made known to AEROVAC or, in the absence of a forecasted annual purchase volume, 10% of the historical purchase volume of the Customer over the last six months but subject always to the availability of Goods. AEROVAC reserves the right to allocate available goods amongst its customers.

5. TRANSPORTATION AND EQUIPMENT

- 5.1 In all cases where AEROVAC arranges for transport, it is entitled to solely determine the mode thereof.
- 5.2 AEROVAC is only obliged to co-operate in filling or loading containers, tankers, trucks and/or other means of transportation equipment arranged for by the Customer, if these are in a ready-to-fill position, if they comply with AEROVAC and Government safety laws and regulations, and if all instructions by AEROVAC with respect to loading are followed without delay.
- 5.3 AEROVAC's returnable semi bulk containers and (other) equipment of AEROVAC put at the Customer disposal should be used in conformity with AEROVAC's instructions and returned to AEROVAC in conformity with any express agreement between parties or, in the absence of an agreed date of return, as soon as possible after the agreed or intended use thereof.

6. RISK, TITLE, INTELLECTUAL PROPERTY

- 6.1 Risk of loss of any Goods shall transfer to the Customer upon delivery to a carrier or when AEROVAC has complied with its delivery obligations, whichever comes first.
- 6.2 All Goods sold and delivered by AEROVAC remain the property of AEROVAC until such time as the Customer has paid in full all that which is owed to AEROVAC in connection with this Agreement or any other agreement between AEROVAC and the Customer, including damages, costs and interest. At such time Customer will receive good title to all such Goods free from any lien or encumbrance.
- 6.3 AEROVAC may, by giving notice to the Customer, pass legal and beneficial ownership of the Goods (or any of them) to the Customer at any time before such ownership would otherwise have passed to the Customer.
- 6.4 In case the Customer incorporates or transforms the Goods into another product prior to the full settlement of that which is owed to AEROVAC under article 6.2., Customer assigns herewith to AEROVAC title to the other product resulting from such incorporation or transformation, in proportion to AEROVAC's goods incorporated or transformed.
- 6.5 In case the Customer sells Goods or a product into which the Goods have been incorporated and/or transformed prior to the full settlement of that which is owed to AEROVAC under article 6.2., the Customer assigns herewith to AEROVAC any receivables and claims in relation to the sale of the goods or the product into which the Goods have been incorporated or transformed.

- 6.6 The industrial and intellectual property rights to or associated with the Goods delivered remain with AEROVAC or third parties entitled thereto and are never transferred to the Customer.
- 6.7 The Customer shall not market, sell or trade any Goods under AEROVAC's trademark without AEROVAC's prior written permission.

7. INSPECTION, ACCEPTANCE

- 7.1 The Customer is obliged to take physical acceptance of the Goods at the agreed location at the time of arrival. All costs of AEROVAC associated with a failure to take acceptance are for the account of the Customer, costs of transport and storage included.
- 7.2 The Customer is obliged to inspect the Goods with respect to weight, quantity and immediately noticeable defects at the time of physical acceptance.
- 7.3 Claims with respect to immediately noticeable defects should be notified to AEROVAC in accordance with clause 9 of these Conditions and AEROVAC's obligations are as set out in that clause.
- 7.4 Claims with respect to shortages (weight, quantity) should be notified to AEROVAC in writing within 14 days after physical acceptance. In the case of a justified complaint made in a timely fashion AEROVAC shall, at the option of the Customer, either arrange for an additional delivery or credit the Customer in proportion to the extent of the shortage. With respect to shortages, AEROVAC shall have no further liability than the above obligations.

8. FORCE MAJEURE

- 8.1 AEROVAC is entitled to invoke force majeure if the implementation of the Agreement is, in whole or in part, temporarily or not, prevented or impeded by circumstances reasonably out of its control, including natural disasters, epidemics, war, mobilisation, revolution, site or building blockades, strikes, specific work interruptions or work-to-rule slowdowns and lockout, transport interruptions, shortage of raw materials or energy, delay in the provision to AEROVAC of Goods or Services ordered from third parties, equipment failure, accidents and interruptions of business operations.
- 8.2 In the case of force majeure on the part of AEROVAC, its obligations are suspended. If the force majeure lasts longer than (4) weeks, AEROVAC and the Customer are both authorized to rescind the non-feasible parts of the Agreement by a written declaration, without prejudice to the provision of article 12.

9. WARRANTY

- 9.1 Subject to clause 10.1 below, AEROVAC warrants that on delivery its Goods will conform with the attached specification, if any, and otherwise to the AEROVAC's standard specification in all material respects. NO OTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR AGAINST INFRINGEMENT OR OTHERWISE, IS MADE AS TO THE GOODS SOLD OR ANY INSTRUCTIONS OR TECHNICAL ADVICE PROVIDED. In case of defects for which claims are submitted in a timely fashion, AEROVAC will at its own option either redeliver conforming Goods to Customer at no cost, or, credit the Customer as far as reasonable in whole or in part for the invoice value of the Goods in question.
- 9.2 With respect to immediately noticeable defects, the Customer must submit a claim no later than (14) days after delivery of the Goods, on penalty of loss of any warranty entitlement towards AEROVAC.
- 9.3 Claims with respect to other defects must be made within (14) days after their appearance and while still within the warranty period, on penalty of loss of any warranty entitlement towards AEROVAC.
- 9.4 Any right to a warranty lapses if:
 - a) directions given by AEROVAC (or if there are none, good trade practice) for storage, commissioning, installation, use or maintenance are not followed exactly;
 - b) the Customer makes use of the Goods after giving notice in accordance with clause 9.2 or 9.3 above;
 - c) the defect arises as a result of AEROVAC following any drawing, design or specification supplied by the Customer;
 - d) the Customer alters or repairs the Goods without AEROVAC's prior written consent;
 - e) the defect arises as a result of fair wear and tear, willful damage, negligence or abnormal storage or working conditions;
 - f) the Goods differ from their description or the specification as a result of changes made to ensure that they comply with applicable statutory or regulatory requirements;
 - g) Goods are used improperly or not in conformity with the agreed to or usual purpose; or
 - h) the Customer has not fulfilled or has not fulfilled adequately or on time any of its obligations towards AEROVAC arising from this Agreement.
- 9.5 AEROVAC's warranty liability in connection with any defects in Goods it delivers is limited to its obligations under the warranty described in this clause 9.
- 9.6 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from this Agreement.
- 9.7 These Conditions shall apply to any repaired or replacement Goods supplied by AEROVAC.

10. LIABILITY

- 10.1 Nothing in these Conditions shall limit or exclude AEROVAC's liability for:
 - a) death or personal injury caused by negligence or the negligence of its employees, agents or subcontractors (as applicable);
 - b) fraud or fraudulent misrepresentation;
 - c) breach of the terms implied by section 12 of the Sale of Goods Act 1979;
 - d) defective products where such liability arises under the Consumer Protection Act 1987; or
 - e) any matter in respect of which it would be unlawful for AEROVAC to exclude or restrict liability.
- 10.2 Subject to the provisions of clause 10.1 above:
 - a) AEROVAC shall in no circumstances whatsoever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit (whether direct, indirect or consequential),

or any direct, indirect or consequential loss arising under or in connection with this Agreement; and

- b) AEROVAC's total liability to the Customer in respect of all other losses arising under or in connection with this Agreement, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed AEROVAC the invoice value of the Goods or Services delivered whereby or in connection with which the damage was caused.
- 10.3 Any claim against AEROVAC, except those recognized by AEROVAC, shall lapse after a period of twelve (12) months from the time the right to claim arose.
- 10.4 AEROVAC's employees, agents, subcontractors or independent contractors brought in by AEROVAC for the purposes of this Agreement, shall be entitled invoke against Customer all means of defenses afforded by this Agreement as if they themselves were party to it.
- 10.5 The Customer will hold harmless and indemnify AEROVAC, its employees, agents, subcontractors and independent contractors brought in by AEROVAC for the purposes of this Agreement for any claim by third parties in connection with this Agreement, insofar as those claims are greater than or different from those to which the Customer is entitled from AEROVAC.
- 10.6 The Customer agrees to protect, defend and hold harmless AEROVAC from and against all claims, demands, causes of actions, damages, losses, liabilities, costs, expenses (including reasonable legal fees), penalties, and judgments ("Claims") associated with the processing, transportation, delivery, unloading, discharge, storage, handling, sale or use of any Goods after delivery which is (i) inconsistent with any information provided to the Customer by AEROVAC; or (ii) in violation of any applicable statute, ordinance or regulation of any governmental authority.
- 10.7 This clause 10 shall survive the termination of the Agreement.

11. PAYMENT AND SECURITY

- 11.1 Payment must take place within (30) days after the invoice date unless agreed otherwise in writing. AEROVAC has however at all times the right to claim full or partial payment in advance, and/or otherwise to obtain security for payment.
- 11.2 AEROVAC may, at any time, alter or revoke any credit terms offered to the Customer.
- 11.3 If, in the opinion of AEROVAC (in its absolute discretion), the financial responsibility of the Customer shall at any time become impaired, AEROVAC may decline to make further shipments to the Customer unless advance payment or satisfactory security is received.
- 11.4 The Customer waives any right to set off amounts charged by and between parties. Warranty claims do not suspend the payment obligations of the Customer.
- 11.5 If the Customer does not pay any amount it owes pursuant to the foregoing, it is in default without notice. As soon as the Customer is in default on any payment, all AEROVAC's remaining claims on the Customer become due, and the Customer is immediately in default without notice with respect to those claims. As from the day on which the Customer is in default, the Customer owes AEROVAC late interest of 1% per month or part of a month during which the default continues.

12. SUSPENSION, RESCISSION

- 12.1 AEROVAC shall have the right to suspend the implementation of the Agreement or to rescind the Agreement in whole or in part, without prior notice of default, by written declaration, at its option and always without prejudice to any of AEROVAC's rights to compensation for costs, damage and interest in the event that:
 - a) the Customer does not fulfill one or more of its obligations, does not fulfill them on time or adequately; or
 - b) insofar as the Customer suffers an Insolvency Event as defined in clause 12.2 below.
- 12.2 Under this Agreement an Insolvency Event shall have the following meaning:
 - a) the occurrence of any of the following events (or any event analogous to any of the following) in a jurisdiction other than England and Wales in relation to the relevant entity;
 - b) the entity passing a resolution for its winding up or a court of competent jurisdiction making an order for the entity to be wound up or dissolved or the entity being otherwise dissolved;
 - c) the appointment of an administrator of or, the making of an administration order in relation to the entity or the appointment of a receiver or administrative receiver of, or an encumbrancer taking possession of or selling, the whole or part of the entity's undertaking, assets, rights or revenue;
 - d) the entity entering into an arrangement, compromise or composition in satisfaction of its debts with its creditors or any class of them or takes steps to obtain a moratorium or makes an application to a court of competent jurisdiction for protection from its creditors;
 - e) the entity being unable to pay its debts or being capable of being deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or
 - f) the entity entering into any arrangement, compromise or composition in satisfaction of its debts with its creditors.
- 12.3 The parties agree that a resolution by the relevant entity or a court order that such entity be wound up for the purpose of a bona fide reconstruction or amalgamation shall not amount to an Insolvency Event.
- 12.4 The Customer is authorized to rescind only in the cases referred to in clauses 4.2 and 8.2 of these Conditions, and then only after payment to AEROVAC of all amounts owed to AEROVAC at that time, whether or not due.

13. DISPUTES AND APPLICABLE LAW

- 13.1 This Agreement and any non-contractual obligations arising out of or in connection with it will be governed by the laws of England and Wales.
- 13.2 Each party agrees that the Courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with this Agreement.
- 13.3 All judicial and extra judicial costs of AEROVAC incurred in connection with the collection of any claim from the Customer are chargeable to the account of the Customer. Any extra judicial costs shall be deemed to amount to at least 15% of the claim amount.

14. SEVERABILITY

- 14.1 In the event that one or more provisions of these Conditions is held to be invalid or unenforceable, the invalid or unenforceable part or provisions shall be replaced by a provision which accomplishes, to the extent possible, the original intent of such part or provision in a valid and enforceable manner. Failing such replacement, AEROVAC shall have the option to terminate the Agreement or to proceed based on the other provisions which remain valid.

15. REACH

- 15.1 In the event that REACH Regulation No 1907/2006 of the European Parliament and the Council (REACH) applies and if Customer makes a new use known to AEROVAC according to Art. 37.2 of REACH in order to extend the scope of registration of the goods, its chemical elements and/or its compounds as well as each mixture or solution supplied as defined by Art. 3 paragraphs 1) and 2) REACH, it shall be responsible for providing all information and data which are necessary for the update of the registration and bear any related additional costs.

16. EXPORT

- 16.1 Transfer of the materials sold hereunder (and technical data related thereto) from the United States, United Kingdom or the European Union, including transfer to any foreign person, may be subject to appropriate authorisation under the US, European Export Regulations or English Export Control Laws, in particular the US Export Administration Regulations, or the International Traffic in Arms Regulations or according to the European Dual Use Regulations (EC) No 428/2009. AEROVAC's obligations hereunder are subject to obtaining any necessary authorisations under such regulations and compliance with such regulations. The Customer warrants that it is not on any denied parties list and that it will immediately notify AEROVAC if it is placed on any denied parties list. The Customer will fully and truthfully complete any certifications requested by AEROVAC as to the end use and ultimate geographic destination of any materials sold hereunder.
- 16.2 The Customer represents and warrants that it will not export or re-export the Goods or technical data related thereto except in conformity with the laws and regulations referred to at 16.1 above. If the Goods being ordered are for export, the Customer must, upon the request of AEROVAC, provide AEROVAC with the name of the ultimate end-user of the Goods and details of any intermediate consignees or export agents together with a detailed description of the end-use.