GENERAL CONDITIONS OF PURCHASE FOKKER SERVICES B.V. (REV 2)

Section 1 Definitions
For the purpose hereof, Seller shall mean the party to whom an Order is directed.
Buyer shall mean Fokker Services B.V. Defects shall mean any non-compliance with the terms and conditions specified in the Offer and of the Product or any loss, theft, or damage to services.
Any Order means a contract or contract for services including the purchase of goods, services, or products.
Delivery shall mean the transfer of goods, products or services to Buyer.
Article 2 Applicability and Scope
These General Conditions of Purchase apply to all transactions regarding the supply of Products to Buyer. The applicability of Seller’s general conditions is expressly excluded. Deviations from or additions to these General Conditions shall only be binding if and to the extent Buyer has given its consent thereto in writing.

Section 3 Order Confirmation
Within seven (7) days after receipt of an Order, Seller shall duly sign and send an Order Confirmation by e-mail to Buyer. Buyer shall have the right to cancel Orders free of costs up to fourteen (14) working days after receipt by Buyer of the confirmation copy; cancellation by Buyer of Orders, subsequent to the above term, can only be effected on reimbursement by Buyer of reasonable costs incurred by Seller as a direct result of such cancellation. Changes to Orders shall only be valid if agreed upon by Buyer in writing.

Section 4 Price and Payment
The Order shall specify prices exclusive of BTW (VAT) in the currency mentioned in the Order. Any changes to prices mentioned in the Order must be confirmed in writing by Buyer. Payment shall be made sixty (60) days after the date of the relevant and correct invoice, but in any case no sooner than after receipt of the Product by Buyer. Seller shall forward one (1) hard copy of each and every invoice to the Accounts Payable Department of Buyer, to the address as mentioned in the relevant Order. Or, as preferred by Buyer, Seller shall forward one (1) digital copy of each and every invoice to the following email address: accounts payable@fokker.com. The invoice shall fully comply as to form and contents with the specifications mentioned in Buyer’s instructions for packing, marking and transport documentation. In case of late payment by Buyer the Seller is entitled to charge an amount of EUR 40.00 - for extrajudicial recovery costs. Supplier is not entitled to a higher amount, regardless of the actual costs made by Supplier.

Section 5 Certification
The Product shall be delivered with all relevant certificates or documents as mentioned in the Order. Failure to deliver the Product with such certificates or documents will result in a Discrepancy as defined in Article 8 hereunder.

Section 6 Inspection
Prior to delivery Buyer and/or Buyer’s customer shall have the right to inspect Seller’s Product and production organisation at the site of Seller’s plant or elsewhere on condition that warranty provision contained herein. In no event shall inspection imply acceptance of the Product by Buyer, nor will it constitute a release or waiver of any of Buyer’s rights hereunder.

Section 7 Delivery
Seller shall deliver the Product complete with its accessories in accordance with Buyer’s directions and on the date as specified in the Order. Timely delivery shall under all circumstances be of the essence. Except in case of force majeure, if Seller fails to deliver the Products on the date specified in the Order, Seller shall forfeit a penalty of two percent (2%) of the net purchase price for each calendar week the delivery continues up to a maximum of ten percent (10%), without further action or default notice being required, or if Seller fails to deliver the Products on the date specified in the Order Buyer shall have the right to cancel the Order without cost. This provision shall not affect any rights of Buyer hereunder or under applicable law. Seller shall forthwith inform Buyer in writing of any foreseeable delay in the delivery of the Product, failure of which will deprive Seller of its right to impose a delay to force majeure. Non-performance by Seller’s suppliers shall under no circumstances constitute force majeure. Seller shall compensate Buyer for any reasonable costs due to delivery of the Product prior to the agreed delivery date.

Unless otherwise provided for in the Order, title to and risk of loss or damage to the Product and its accessories shall pass to Buyer upon delivery of the Product. Delivery shall take place Ex Works as defined in the Incoterm Terms issued by the International Chamber of Commerce, latest version, as amended from time to time, or as otherwise provided for in the Order.

Section 8 Acceptance
Upon actual receipt thereof, the Buyer shall inspect the Product and its accessories on manifest discrepancies, defects or damage (hereafter collectively referred to as “Discrepancies”). In the event Buyer identifies a Discrepancy upon inspection of the Product or its accessories, Seller shall be entitled to give notice of non-acceptance of the Product within thirty (30) days of receipt thereof. Notwithstanding notice of non-acceptance, Buyer may at its sole option reject the Product. Seller shall then replace the Product or to restore any Discrepancy to the Product or its accessories, at no additional costs to Buyer. If Seller does not restore such Discrepancy or supply the required certificates or other accessories within the term indicated by Buyer, then Buyer may at its sole option either (i) dissolve the agreement under the Order by written notice, (ii) restore the Discrepancy itself or have such Discrepancy restored by a third party, at Seller’s costs, or (iii) certify the Product itself or arrange for the required accessories, at Seller’s costs. The above rights of Buyer are without prejudice to any additional or other rights Buyer may have hereunder (including the warranty and remedy provisions) or under applicable law.

Section 9 Warranty
The Seller explicitly warrants that Products will:
(a) be complete in every respect, in good working order and condition, fit for the purpose for which they are intended and will be free from defects in design, manufacture, workmanship and material;
b) comply with the requirements as per the Order, specifications, drawings, calculations and other documentation supplied by Buyer and comply with applicable civil aviation authority and other regulations.
c) not infringe on any patents or other applicable intellectual property rights.

Section 10 Remedies
In the event of any Defects becoming apparent during a term of (i) twelve (12) months for factory new parts, (ii) three (3) months for serviceable parts and (iii) six (6) months for overhauled parts, as of the date of first use of the Product by Buyer or its customer, Buyer shall have due dispatch inform Seller in writing of such Defect stating the required remedy. In case of any Defect, Buyer shall have the following remedies (at its sole option): (i) replacement of the defective Product, (ii) correction or repair of the Defect or (iii) dissolution of the agreement under the Order. Disassembly and return transportation of a defective Product shall be for the risk and the account of Seller. If Seller does not or not within the term indicated by Buyer correct or repair the Defect, then Buyer may either correct or repair such Defect itself or have such Defect corrected or repaired by a third party, at Seller’s costs. In the event the agreement under the Order is dissolved by Buyer pursuant to Article 8 or 10 hereof, then any losses (including transportation expenses) shall be for the account of Seller. Title to and risk of loss of or damage to the Product shall upon dissolution automatically revert to Seller and the Buyer shall have a right of pledge on the defective Product for costs or damages resulting from the dissolution of the agreement under the Order.

Section 11 Indemnity
Seller shall indemnify and save harmless Buyer from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorneys fees, arising out of claims, suit, allegations or charges, (i) of Seller’s failure to comply with Article 14, and/or (ii) resulting from or relating to any Defect in the Product, and/or (iii) resulting from or relating to any infringement by Seller (and/or its subcontractor) of any patent or other applicable intellectual property rights of a third party and/or related raised.

Section 12 Buyer Furnished Goods and Information
Any tooling, equipment, materials or other goods as well as technical information contained in documents, drawings or soft ware provided by Buyer to Seller in relation to Buyer’s Order shall at all times remain the property of Buyer and to the extent it concerns technical information, be kept confidential by Seller. In the event that the above goods are manufactured or technical information is developed by Seller at the instruction of Buyer under an Order, then such goods or information shall become the property of Buyer unless otherwise agreed in writing.

Section 13 Termination
Without prejudice to any rights of Buyer hereunder or under applicable law, Buyer may terminate the agreement under an Order by written notice if a petition for Seller’s bankruptcy is filed, Seller applies for bankruptcy or suspension of payment or if circumstances arise in relation to Seller under which bankruptcy or suspension of payment could arise, without any liability of Buyer towards Seller for costs or damages resulting therefrom.

Section 14 Compliance with Laws and Regulations
Seller shall comply with all laws and regulations, including export control laws as regulations which may govern the Product such as, but not limited to, the U.S. Export Administration Regulations and the U.S. International Traffic in Arms Regulations) to the extent applicable to Seller’s performance under these terms and conditions and/or a specific Order.

Section 15 Governing Law and Jurisdiction
Any Order and the contractual relationship resulting there from between Buyer and Seller shall be governed by the laws of The Netherlands with the exclusion of the provisions of the United Nations Convention on Contracts for the International Sale of Goods of 1980 as amended.
Any dispute between Buyer and Seller regarding an Order or the contractual relationship resulting there from between Buyer and Seller shall be finally settled by a court of competent jurisdiction in Amsterdam, The Netherlands.