

KONGSBERG ACTUATION SYSTEMS LTD's GENERAL CONDITIONS OF SALE

Industrial Customers

1. Order and Acceptance

1.1. The terms and conditions set out in this document (the "**Conditions**") apply to the contract between Kongsberg Actuation Systems Limited with company registration number: 06444481 and with registered address at: Foxbridge Way, Normanton Industrial Estate, Normanton, West Yorkshire, WF6 1TN, the United Kingdom ("**Seller**") and the company that purchases a product, goods, component or spare part ("**Product**") from Seller (such company, "**Buyer**").

1.2. These Conditions exclusively apply to Sale of Products by Seller to Buyer to the exclusion of any other terms that Buyer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

1.3. Buyer's purchase order ("**Order**") for Products constitutes an offer by Buyer to purchase Products in accordance with these Conditions. The Order shall only be deemed to be accepted when Seller issues a written acceptance of the Order, at which point a contract ("**Contract**") shall come into existence.

1.4. Buyer waives any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of Buyer that is inconsistent with these Conditions.

2. Products, Prices and Payment Terms

2.1. Unless otherwise agreed by the parties, invoices are payable thirty (30) calendar days ("**Days**") as from the invoice date by wire transfer, and no discount shall be applied in case of early payment. Time for payment is of the essence.

2.2. If Buyer fails to make any payment due to Seller under the Contract by the due date for payment, then Buyer shall pay interest on the overdue amount at the rate of eight (8) % per annum above the Bank of England's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. Buyer shall pay the interest together with the overdue amount.

2.3. All Products sold remain the exclusive ownership of Seller until full payment of the price thereof by Buyer. Until title to and ownership of the Products supplied by Seller passes to Buyer: (i) Buyer shall hold all such products as the Supplier's fiduciary agent and bailee; (ii) Buyer shall keep all such Products separate from those of Buyer and any third parties and properly stored, protected and insured and identified as Seller's property; (iii) Buyer shall not permit any charge, security interest or other encumbrance to affect any such Products; and (iv) Seller may at any time require Buyer to deliver up all such products to Seller and, if Buyer fails to do so, enter on any premises of Buyer or any third party where any such products are stored and repossess them.

2.4. The price of the Products excludes amounts in respect of value added tax (VAT), which Buyer shall additionally be liable to pay to Seller at the prevailing rate, subject to the receipt of a valid VAT invoice.

2.5. The Seller reserves its right to revise the price for the Products annually and the new prices for the Products will come into effect immediately.

3. Termination

3.1. Without limiting its other rights or remedies, each party may terminate the Contract with immediate effect by giving written notice to the other party if the other party:

- a) Commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within thirty (30) Days of that party being notified in writing to do so;
- b) Takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed

- to any of its assets or ceasing to carry on business; or
- c) Suspends, threatens to suspend, ceases or threatens to cease to carry on all or a substantial part of its business.

3.2. Without limiting its other rights or remedies, Seller may terminate the Contract with immediate effect by giving written notice to Buyer if Buyer fails to pay any amount due under the Contract on the due date for payment.

4. Delivery and Delivery Term

4.1. Unless otherwise provided in the Seller's Order acceptance, Seller shall deliver the Products to the location and on the dates accepted in the Order acceptance or such other location and date as the parties may agree. Unless otherwise agreed, all Products are sold Ex-Works at Seller's facility (Incoterms 2010).

4.2. If the Products are not delivered on the agreed delivery date, Buyer shall have the right to claim compensation for direct losses incurred by Buyer which are directly attributable to Seller's failure to deliver the Products on time.

5. Quality and Warranty

5.1. Seller warrants that the Products shall be (a) in accordance with the agreed specifications, and (b) be free from defects in material and workmanship. Except as specifically provided in the preceding sentence or as required by law, the warranties stated above are exclusive and in lieu of all others, oral or written, express or implied. The warranty period for the Products begins at the date of delivery of the respective portions of the Products and expires twelve (12) months thereafter.

5.2. If Buyer (i) gives notice in writing to Seller during the warranty period without undue delay of discovery, or when Buyer ought to have discovered, that some or all of the Products do not comply with the warranties set out in section 5.1; (ii) Seller is given a reasonable opportunity of examining such Products; and (iii) returns such Products to Seller's place of business at Buyer's cost; Buyer shall have the right to: (a) reject the Products (in whole or in part); (b) require Seller to replace the rejected Products, or to provide a full refund of the price of the rejected Products (if paid); and (c) claim compensation for direct losses and damages incurred by the Buyer which are directly attributable to the Seller's failure to deliver the Products according to section 5.1.

5.3. Seller shall not be liable for the Product's failure to comply with the warranty set out in section 5.1 in any of the following events:

- a) Buyer makes any further use of the Products after giving notice in accordance with section 5.2;
- b) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, commissioning, installation, use and maintenance of the Products or (if there are none) good trade practice regarding the same;
- c) the defect arises as a result of the Seller following any drawing, design or specification supplied by Buyer;
- d) the defect results from the usage of the Product for purposes it was not designed;
- e) Buyer or a third party alters or repairs such the Products without the written consent of Seller; or
- f) the defect arises as a result of wear and tear, wilful damage, negligence, or abnormal storage or working conditions.

5.4. 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 the Contract.

5.5. These Conditions shall apply to any replacement Products supplied by Seller.

6. Limitation of Liability

6.1. Nothing in this Contract shall limit or exclude Seller's liability for:

- a) death or personal injury caused by its 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; or
- d) any matter in respect of which it would be unlawful for the Supplier to exclude or restrict liability.

6.2. Subject to section 6.1: Seller shall under no circumstances whatsoever be liable to Buyer, whether in contract, tort (including negligence), misrepresentation, breach of statutory duty, or otherwise, for:

- a) any indirect, special, consequential or pure economic loss or damage;
- b) any loss of profits, anticipated profits, revenue or business opportunities; or
- c) damage to goodwill.

(in each case arising as a direct or indirect result of the relevant claim).

6.3. Seller's total liability to Buyer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed two hundred thousand pound sterling (£ 200,000.00).

7. Indemnity

7.1. Buyer shall indemnify Seller against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity) and all other professional costs and expenses) suffered or incurred by Seller arising out of or in connection with any claim made against Seller by a third party for death, personal injury or damage to property arising out of or in connection with:

- a) defective Products, to the extent that the defect in the Product is attributable to the acts or omissions of Buyer, its employees, agents or subcontractors; and
- b) products or systems which Products have been incorporated into, except if and insofar as Buyer proves that the damage was caused by Products.

8. Confidentiality

8.1. A party shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other party (disclosing party), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Agreement, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Agreement. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction.

9. Force Majeure

9.1. Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under this Contract if such delay or failure result from an event or circumstance beyond a party's reasonable control. If the period of delay or non-performance continues for four (4) weeks, the party not affected may terminate this Contract by giving thirty (30) Days written notice to the affected party.

10. General

10.1. The Contract constitute the entire agreement between Seller and Buyer concerning the Products and may not be modified or amended except in writing and signed by both parties.

10.2. No variation of this Contract shall be effective unless it is in writing and signed by the parties (or their authorized representatives).

10.3. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall



constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

10.4. If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

10.5. No one other than a party to this Contract shall have any right to enforce any of its terms.

11. Governing Law and Dispute Resolution

11.1. The Contract, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

11.2. If Buyer is an entity incorporated under the laws of England and Wales, Scotland or Northern Ireland, each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Contract or its subject matter or formation.

11.3. If Buyer is incorporated in any other jurisdiction than under the laws of England and Wales, Scotland or Northern Ireland, all disputes, divergence or differences that may arise under or in relation to the Contract which cannot be settled amicably through consultation between representatives of the parties shall be submitted to arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be London, United Kingdom and the arbitration proceedings shall be conducted in English. The Contract shall be governed by and shall be interpreted in accordance with the law of England and Wales.

11.4. Notwithstanding the foregoing provisions, Seller shall be entitled to bring action against Buyer before any competent court or other authority to collect payment of any invoice overdue.