



## **BARFIELD GENERAL TERMS AND CONDITIONS OF SALE**

**1. General:** These General Terms and Conditions of Sale (the "Terms") shall apply to all quotations, proposals ("Proposal") and sales made by BARFIELD, INC. and its wholly-owned affiliate – BARFIELD PRECISION ELECTRONICS, LLC (hereinafter collectively referred to as "BARFIELD") for the performance of services and/or sale of goods to the customer ("Customer") in relation to aircraft maintenance support and ground support test equipment.

**2. Order:** Any Order placed by the Customer with BARFIELD or the acceptance of, or the payment for any product or service shall be deemed as Customer's unconditional acceptance of these Terms. Notwithstanding the foregoing, (i) should the Terms conflict with the conditions contained in a specific agreement entered into between BARFIELD and Customer, the conditions of such specific agreement shall govern, and (ii) the specific conditions of the Order (as defined herein) having a technical, commercial or administrative purpose prevail over the Terms. The Terms shall prevail over any general purchase terms and conditions related to or contained in a purchase order or other document submitted by Customer.

Any Proposal issued by BARFIELD constitutes a firm and valid offer for the duration specified in such Proposal, or (if not specified) for duration of thirty (30) calendar days from the date of the Proposal issuance. Any supply of products and/or performance of service shall be subject to due ordering by Customer in writing and acceptance or confirmation of the Order by BARFIELD. An order issued by Customer is only binding (i) upon acceptance or confirmation by BARFIELD of the Order, or (ii) if BARFIELD starts performing the services or delivering the goods (the "Order").

**3. Cancellation:** An Order placed by Customer and confirmed by BARFIELD cannot be cancelled by CUSTOMER without BARFIELD's written consent. Customer is fully liable and shall indemnify BARFIELD for any applicable cancellation charges, including but not limited to, restocking fee, not to exceed the full sales price of the services and/or goods ordered and, in any event, shall not be less than U.S. \$250. Without derogating from the above, in no case may goods be returned without BARFIELD's prior written permission. All such approved returns must be shipped with transportation charges prepaid.

Modification or reduction to the Order may result in an additional charge to Customer and/or an additional lead-time.

**4. Prices:** The prices are quoted in U.S. Dollars (USD) and do not include any duties, taxes, freight, packing or other charges, except when otherwise expressly agreed in writing between the parties. Charges are subject to currency exchange rate changes between repair estimate and invoice date. All taxes, duties, fees or other assessments, including interests and penalties in connection therewith are for Customer's account, with the exception of those imposed on corporate income and net profit of BARFIELD levied by the United States Government.

**5. Invoicing and Payment:** For any new Customers, pre-payment by wire transfer, check or credit card (American Express, Visa, MasterCard) may be required by BARFIELD. Any amount due by Customer to BARFIELD is payable, upon delivery of the goods or performance of work and/or service, unless credit terms of Net 30 days are extended by BARFIELD to Customer. Payment shall be made by wire transfer to the relevant bank account as specified by BARFIELD, in the currency indicated on the invoice. In case of payment in any other free convertible currency, the exchange rate valid on the day of actual money transfer shall be applied for conversion. If any payment due to BARFIELD is not received on the due date, a demand to pay shall, *ipso facto*, be deemed given as of that date and BARFIELD shall have the right, without prior written notice, to claim interest from Customer at the rate of one and one half percent (1.5%) of the invoice price per month calculated *prorate* as from the due date until the day when full payment is received. Such right shall be without prejudice to BARFIELD's other rights including, but not limited to, the right to suspend deliveries to Customer until such due payment is received or to claim for the immediate payment of any outstanding amount. In the event of Customer's failure to pay the outstanding balance, Customer will be subject to pay BARFIELD's reasonable costs of collection, including, but not limited to, attorney fees and court costs. Customer shall not be entitled to withhold any payment of any part of an invoice, nor shall Customer set off any amount against invoices. Any invoice not disputed in writing with detailed indication of the reason thereof within fifteen (15) calendar days from the invoice issuance date will be deemed irrevocably accepted by Customer. Customer agrees that a mechanic's or materialman's lien exists on equipment or property (including aircraft or data) which is in the custody of BARFIELD or present within BARFIELD' premises, to the extent of Customer's debts.

**ALL GOODS OR PRODUCTS IN THE CARE OR CUSTODY OF BARFIELD ON WHICH SERVICES (QUOTATION, REPAIR, STORAGE...) HAVE BEEN PERFORMED AND REMAIN UNPAID FOR A PERIOD OF TWO (2) MONTHS AS FROM DUE DATE OR WHEN CUSTOMER FAILS TO TAKE DELIVERY OF THOSE PARTS WITHIN A PERIOD OF SIX (6) MONTHS AS FROM AGREED DATE, AT THE EXPIRATION OF THOSE TIME LIMIT, WHICHEVER OCCURS FIRST, CUSTOMER AGREES TO IRREVOCABLY TRANSFER ITS TITLE OF OWNERSHIP IN THOSE GOODS, PRODUCTS TO BARFIELD UPON WRITTEN NOTICE BY BARFIELD ADDRESSED TO THE CUSTOMERS AT THE ADDRESS STATED IN THE BARFIELD INVOICE WITHOUT FURTHER LEGAL PROCESS OR DEMAND AND CUSTOMER HEREBY APPOINTS BARFIELD, THROUGH ITS OFFICERS, AS CUSTOMER'S TRUE AND LAWFUL ATTORNEY IN FACT TO EFFECT THE SALE, TRANSFER AND DISPOSITION OF TITLE TO THE PROPERTY TO BARFIELD FREE AND CLEAR OF ANY LIEN OR ENCUMBRANCE.**



**6. Delivery and Transportation:** Goods sold or products on which work and/or services are to be performed shall be sent DELIVERED DUTY PAID (DDP - Incoterms ICC 2020) to BARFIELD' facilities and (re-)delivery by BARFIELD shall occur EX WORKS (EXW - Incoterms ICC 2020) BARFIELD' facilities, except if otherwise agreed or specified herein. Any item shall be transported in accordance with ATA 300 standards (for air transport), ADR regulations (for transportation by road), and regulations of the country of destination and/or manufacturers' requirements. For any shipment of dangerous goods, the relevant item shall be packed in accordance with the latest IATA "Dangerous Goods Regulations". Neither party shall bear any risk associated with transportation in the event of faulty or unsecured packing under the other party's responsibility and not in accordance with the above. Should BARFIELD and/or its subcontractors be in charge of shipment, the liability of BARFIELD for any loss or damage to goods and for any consequences thereof attributable (in whole or in part) to the shipment operation undertaken by BARFIELD and/or its subcontractors, is strictly limited to the indemnification ceilings as fixed by the Geneva Convention 19 May 1956 in case of carriage by road (national or international) or by the Warsaw Convention 12 October 1929 as amended by Montreal Convention 28 May 1999 in carriage by air (national or international). Delivery times indicated on Order are approximate and non-binding, unless specifically agreed to in writing by BARFIELD. BARFIELD shall not be responsible for any consequences of delays in delivery, including lack of notification thereof.

**BARFIELD RESERVES THE RIGHT TO APPLY STORAGE FEES TO ANY GOODS SOLD OR PRODUCTS ON WHICH WORK AND/OR SERVICES HAVE BEEN PERFORMED AND HAVE NOT BEEN COLLECTED BY CUSTOMER TO A FLAT RATE EQUAL TO US\$ ONE HUNDRED (US\$ 100) PER WEEK STARTING THIRTY (30) CALENDAR DAYS AS FROM AGREED DELIVERY DATE. AT THE EXPIRATION OF A PERIOD OF SIX (6) MONTHS, BARFIELD MAY EXERCISE RIGHT TO DISPOSE OF THE GOODS AS MENTIONED UNDER ARTICLE 5 HEREIN.**

**7. Quality Requirements:** Customer acknowledges that BARFIELD is a CFR Part 145 organization, and Customer accepts to cooperate under the requirements set out by the applicable aeronautical authorities. Customer shall supply to BARFIELD all up-to-date technical data and information deemed reasonably necessary by BARFIELD. BARFIELD shall be entitled to subcontract performance of the services to a duly qualified party, including to its affiliates.

**8. Force Majeure:** BARFIELD shall not be liable nor deemed to be in default for any failure to perform its obligations due to *force majeure* or any other cause beyond its reasonable control and which prevent BARFIELD from performing its obligations, in total or in part, such as but not limited to: (i) acts of God or public enemy, act of civil or military authorities, any law, decision, regulation, directive or other act of any government, or the FAA/EASA authorities, or of any department, commission, board, bureau, agency, or court, war or civil war, armed hostilities, insurrection, riot, acts of nature, fire, flood, explosion, earthquakes, natural disaster, accident, total or constructive total loss, epidemic, quarantine restrictions, labor dispute in particular external strike, lockout or serious accidents (resulting in the cessation, slowdown or stoppage of work), embargoes; (ii) delay or failure of Customer to deliver as agreed the relevant item or supplies, the required documentation or information; (iii) delay or failure on the part of a third party supplier or vendor to procure materials, accessories, equipment, parts, tools and/or documentation, after due and timely diligence; (iv) campaign changes or manufacturer' design defect; (v) unforeseen major defect on the item to which the performance of services are related; or (vi) additional services or changes requested by Customer and not agreed at the time of the Order. When BARFIELD demonstrates that one of the abovementioned events has caused damage or delay, the *force majeure* is presumed.

**9. Acceptance:** In the event that (a) BARFIELD supplies goods to Customer: the goods shall be deemed accepted upon delivery, unless the Customer notifies in writing any non-conformities and/or apparent defects on the accompanying transport document; (b) BARFIELD installs the goods for Customer: the goods shall be deemed accepted upon installation, unless the Customer notifies in writing any non-conformities or apparent defects after inspection and test immediately following installation; (c) BARFIELD perform a service: within seven (7) calendar days from discovery of non-conformity, Customer shall notify BARFIELD of its rejection of the performed service, should it not comply with the one ordered. Any rejection shall specify the nature and scope of the deficiencies in such a service. If no rejection is reported in writing within the term of seven (7) calendar days, the performed service will be deemed definitively accepted by Customer. Notwithstanding anything to the contrary within the Terms, Customer will bear all risk of loss of or damage to or caused by such goods from the time that they are delivered to Customer in accordance with the above.

**10. Liability - Warranty – Remedies:**

**10.1** - Customer waives, releases and renounces any and all claims, remedies and rights of recourse or subrogation (whether in contract, in tort or otherwise) against BARFIELD, its insurers, directors, officers, employees, servants, and agents (collectively "BARFIELD"), and Customer indemnifies and holds BARFIELD harmless against any claim (including from a third party) for any damage whatsoever (including but not limited to death of or injury to persons, and loss of or damage to an aircraft or a good or product incorporated or not) arising out of any cause whichever it may be



(whether or not in the course of performance of work and/or services and/or supply of goods) unless caused by BARFIELD's gross negligence or willful misconduct.

**10.2** - Notwithstanding Article 10.1 but without prejudice to Article 10.4 and 10.5 and subject to the limitations set forth therein, BARFIELD warrants that the services performed by BARFIELD are free from defect in workmanship and installed parts for twelve (12) months for repairs and eighteen (18) months for overhauls from the date of (re-)delivery. The warranty on the sale of Line Replaceable Units (LRU) serviceable (SVC) tagged Repaired is six (6) months, LRU SVC tagged Overhauled is twelve (12) months, LRU tagged - SVC Inspected/Tested there is NO warranty. Ground support test equipment manufactured by BARFIELD are free from defect in material for the warranty period specified by BARFIELD for twelve (12) months from the date of delivery to Customer, except for the BARFIELD DPS1000 and BARFIELD 1811NG which shall be for a period of twenty-four (24) months. This warranty will be applicable provided that: (i) Customer notifies BARFIELD of its claim and delivers a written report to BARFIELD within eight (8) calendar days from discovery of the suspected defect, (ii) the defective item or part has not been altered, repaired or overhauled by a party other than BARFIELD or its duly appointed subcontractors; (iii) the defective item or part has not be subjected to FOD, misuse, neglect, accident, third-party manufacturer design failure, inherent vice or latent defect; and (iv) the defective item or part has not been stored, handled, packed, maintained, installed, shipped, cared or operated in accordance with the latest recommendations, specifications, requirements or instructions of the manufacturer or of the relevant regulatory bodies or agencies. BARFIELD's sole obligation with respect to the warranty is to correct such defective products or work, by repair or replacement at BARFIELD's option. BARFIELD's liability for defective work or material (if applicable) shall never exceed the price of the product or service covered hereunder, which means that the cost of any replacement product and/or the cost of any repair or corrective work will be invoiced by BARFIELD to Customer and Customer will pay such invoice to the extent that it exceeds the price of the defective product or service. Should any technical data prepared by BARFIELD contain any non-conformity or defect, the sole and exclusive liability of BARFIELD shall be to take all reasonable steps to, at its option, correct or replace such technical data. In respect of any part or goods sold by BARFIELD pursuant to the Order but not manufactured by BARFIELD, should BARFIELD have obtained in its capacity as buyer a supplier warranty, that portion of the warranty remaining shall be transferred to Customer in the same conditions as obtained by BARFIELD from its supplier. No further compensation for any other claim or damage, including without limitation for any damage to the aircraft, shall be granted by virtue of the warranty provided by this Article 10.2, without prejudice to Article 10.3.

**10.3** - Notwithstanding Article 10.1 but without prejudice to Articles 10.4 and 10.5 and subject to the limitations set forth therein, BARFIELD will not be liable for the damage unless caused by the gross negligence or willful misconduct of BARFIELD, its directors, officers, employees, servants, agents or subcontractors.

**10.4** - Notwithstanding any other clause, neither BARFIELD or Customer shall ever be liable and each Party hereby waives, releases and renounces all rights and claims against the other Party to the fullest extent permitted by law for any special, incidental, consequential, exemplary, punitive or indirect losses and damage of any kind whatsoever (including without limitation loss of use, revenue or profits, loss of prospective economic advantage, loss of customers, loss of data, costs incurred as a result of the lease of a spare aircraft or item or other costs resulting from the unavailability of an aircraft or item, accommodation and compensation of passengers, or immaterial damage), for any reason whether arising in contract (including warranty according to Article 10.2 hereof) or otherwise.

**10.5** - **BARFIELD's warranty and liability obligations resulting from Article 10.2 to 10.4 are exclusive and in substitution for, and Customer waives, releases rights and renounces, all other warranties, obligations and liabilities of BARFIELD and all other, claims or remedies of Customer against BARFIELD and/or its insurers, express or implied, arising by law or otherwise, with respect to any non- conformity or defect in any product delivered or service or work performed, including, but not limited to: (A) any implied warranty of merchantability or fitness for a particular purpose, (B) any implied warranty arising form course of performance, course of dealing or usage of trade, (C) any obligation, liability, right, claim or remedy (whether in contract, in tort or otherwise).**

**11. Insurance:** BARFIELD agrees to maintain in full force during the term of this Order or agreement and for two (2) years after redelivery of Aircraft Parts to Customer, Aviation Liability Insurance, including Aviation Premises, Aviation Products and Hangarkeepers Liability with limits no less than US \$100,000,000.00 combined single limit per occurrence, and upon request to provide Customer with a certificate of insurance evidencing such coverage.

**12. Proprietary Information and Intellectual Property Rights:** Any information, document or data of whatever nature and support, commercial or otherwise, transmitted by BARFIELD to Customer in connection with the Order and/or the supply of services or goods shall be deemed proprietary information and, Customer undertakes not to disclose any such information, document or data to any third party for any reason whatsoever, and not to copy or reproduce any such information, document or data, without BARFIELD's prior written consent, except (i) as may be required by law,



(ii) for information already in the public domain and/or accessible to the general public, (iii) for the internal use of Customer's representatives or agents only on a need-to-know basis. Title to all intellectual property rights (including, but not limited to copyrights, trademarks, patents, inventions, utility patents registered design rights or design rights – "IP Rights") disclosed in documents or data (including but not limited to plans, drawings, patterns or designs) created, developed or supplied by BARFIELD to Customer under the Order or agreement, shall remain with BARFIELD or any third party which is entitled to such IP Rights.

**13. Export Control:** Customer acknowledges that the services or goods (including without limitation data, commodities, technology or software) supplied by BARFIELD under the Terms may be subject to export control laws and regulations, and diversion contrary to such laws and regulations is prohibited. Customer shall comply with all applicable domestic and foreign export compliance requirements, including applicable U.S. export laws and regulations (e.g. ITAR, EAR and OFAC sanctions regulations) and those of other relevant foreign jurisdictions. Customer shall indemnify, defend and hold harmless BARFIELD of any third party claim for any damages, including but not limited to penalties assessed against BARFIELD by any governmental office or agency, arising out a CUSTOMER's failure to comply with export control and sanction laws. Upon BARFIELD's request, Customer shall promptly provide BARFIELD with appropriate certifications as required by such applicable export laws and regulations, or as necessary to ensure continuing compliance with such laws and regulations.

**14. Miscellaneous:** BARFIELD shall, without prejudice to BARFIELD's other rights, be entitled to suspend the performance of its obligation and/or terminate the Order (in whole or in part) by written notice and without need of judicial recourse, should Customer fail to remedy any breach of its obligations. Customer shall not assign an Order or any interest therein or any rights hereunder (including the right to receive delivery) without the prior written consent of BARFIELD. In the event that any provision of the Terms should for any reason be held ineffective, the remainder of the Terms shall remain in full force and effect. Provisions contained or referred to in Customer's order neither cancel nor modify nor add to the present Terms, unless otherwise agreed in writing between the Parties. The failure to enforce at any time any of the Terms or to require performance of same shall in no way be deemed to be a present or future waiver of the relevant Terms.

#### **15. Ethical and Social Commitments**

**15.1.** The Parties will comply with the U.S. Foreign Corrupt Practices Act of 1977, as amended (FCPA) and all other applicable national laws and regulations relating to anti-bribery and anticorruption (together referred to "Anti-Bribery Laws"). In particular, the Parties hereby warrant that they will not, offer, promise, give, authorize, solicit or accept any undue pecuniary or other advantage of any kind in any way connected with the Agreement which constitute an illegal practice under Anti-Bribery Laws. The Parties also warrant compliance with this obligations by their employees, suppliers or eventual representatives. The Customer will immediately notify BARFIELD of any observation of acts committed in violation of this involvements by this employees, and stop such acts immediately. The Parties must avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest. The Parties are expected to provide notification to all affected Parties in the event that an actual or potential conflict of interest arises. This includes a conflict between the interests of BARFIELD and Customer's employees' personal interests or those of close relatives, friends or associates. Even where facilitating payments are not prohibited by law, the Parties must not use payment facilitation in the performance of the Services hereunder.

**15.2.** The Parties represent and warrant to each other that they do and shall continue to comply with all laws and regulations relating to labor, employment, working conditions, environmental matters and ethics as applicable in each of the jurisdictions in which the Parties have facilities and employees.

**15.3.** The Parties' failure to comply with Anti-Bribery Laws and any of the provisions of this Article will be deemed to be a material breach of this Agreement which will entitle the other Party to terminate this Agreement immediately without notice or penalty by email, overnight air courier or registered letter with acknowledgment of receipt. Customer warrants BARFIELD of any third party's claim and shall indemnify BARFIELD for any damages arising out a Customer's failure to comply with the provisions defined in this Article.

**16. Changes:** Any change to these Terms must be in a signed writing by BARFIELD and Customer.

**17. Governing Law and Jurisdiction:** Any disputes arising out of these Terms shall be governed by and construed with the laws of the State of Florida, U.S.A., without giving effect to any conflict of law rule that may require the application of the laws of another jurisdiction. The United Nations Convention on International Sale of Goods shall not apply to these Terms. Any claim, dispute or cause of action against BARFIELD shall be submitted to the exclusive jurisdiction of the Court of Miami- Dade County, Florida, USA that shall have jurisdiction of any claim, dispute or cause of action and Customer consents to the jurisdiction of the Courts in Miami-Dade County, Florida, U.S.A. BARFIELD may, at its option, institute legal proceedings against Customer at the Courts of Miami-Dade County, Florida, U.S.A. or the courts of the country where Customer's registered office is located.