



**General Terms and Conditions of Sales and Payment
of company Heinemann Aircraft Interiors GmbH & Co. KG
Issue 01.09.2003**

1. Any sale is made on the following terms.

The client's standard Conditions of Purchase shall not apply unless specifically accepted by us in advance.

2. All invoices are made out in the currencies as stated in our order confirmation.

In the case of an invoice remaining unpaid after the date due, we will have the right to cancel further orders and deliveries. We charge 15% interest per annum from the date of invoice for delayed payment.

3. Unless the contract expressly provides in writing with our written consent that time is of essence dates given for shipment or delivery are not be treated as conditions of the sale but will be kept to as closely as possible. No claim shall be made by clients on account of late shipment or delivery.

Our liability for failure to comply with agreed delivery dates shall be limited to the reimbursement to the client of the actual loss incurred, but in no case exceeding the value of the goods which are the subject of the contract. Provisions for penalties for delay in delivery or otherwise are excluded.

No liability shall result from delay in performance or non-performance caused by circumstances beyond our control, including but not limited to, acts of force majeure or similar events such as breakdowns, fire, explosion, flood, war government action, riots, strikes, lockouts, shortages of labour, inability to obtain raw materials or energy, delays of suppliers due to causes beyond their control. The client is eventually entitled to cancel the portion not delivered but the contract shall otherwise remain unaffected.

Each delivery shall constitute a separate contract. Any failure or defect in any one delivery shall not vitiate the contract as to the remaining deliveries.

4. It is the responsibility of clients to satisfy themselves as to the suitability of the products or services supplied to meet their particular application. For all products made to custom order we cannot accept cancellations or returns.

5. The following warranty is given in lieu of and to the exclusion of any other warranty or condition either expressed or implied by statute or otherwise. No term, condition or warranty is included as to the quality, merchantability or fitness for any purpose of the goods contemplated by the client or as to any other matter in respect of which the goods are supplied whether the goods are used alone or in combination with other substances. The client acknowledges as a term of this contract that the exclusion of the above is reasonable.

All goods manufactured by us are warranted free from defect in design, workmanship or material when subjected to normal conditions of use and conform to the clients specifications as accepted in writing by ourselves.

Where any goods or services or any part thereof are shown to be defective by reason of faulty design, materials or workmanship within a period of 6 months from the date of receipt thereof by the client, fair wear and tear excepted, we shall at our sole option

- require reasonable time and opportunity to rectify their performance and/or to correct the defects.
- deliver replacement goods and or supply further services to the client free of charge, or
- refund the client the contract price of such goods and/or services, or
- require the client to retain the goods and/or services and grant to the customer a reasonable allowance in respect of such defects.
- provide that the client
- reports the condition immediately and in writing so that the material can be inspected prior to its use, and when possible, any claim(s) must be reported before the material is converted from the form in which it was shipped.
- notifies us to obtain permission before returning any material.
- correctly stored, treated, processed, etc. and/or used the goods.

6. Save such terms as by law cannot be excluded, our liability for any claim(s) for direct injury, loss or damage or for consequential or indirect loss or damage made by the client against us whether in contract, tort or otherwise (including negligence on the part of ourselves, our servants or agents) arising out of or in connection with any defect in the goods and/or services or any act, omission, neglect or default in connection with the performance of the contract shall be limited in the case of any defect to the total contract price, payable by the client under the contract or € 25.000 (Euro twenty-five-thousand) whichever is higher. This limitation applies as well to the personal liability of our servants or agents.

A failure by the client to give notice of a claim within the applicable time period referred to above shall be deemed an absolute and unconditional waiver of such claim irrespective of whether the facts giving rise to such claim shall have then been discovered by the client or whether processing, use or resale of goods shall have taken place.

7. All costs, whether judicial or otherwise relating to recovery of sums due to us by the client shall be entirely for the client's account.

8. The client and ourselves expressly agree that until we have been paid in full for the goods and/or services comprised in a contract of sale and/or service between us and until the client has discharged all his indebtedness to us outstanding at the date of contract no matter on what grounds the same arise.

- any goods which are comprised in such contract between the client and ourselves shall remain our property (although the risk in respect of such goods shall pass to the client at the time when delivery begins).
- we may recover the goods from the client at any time whilst they are in the client's possession if in our judgement the amount outstanding from the client on the general statement of account is in excess of the credit limit which we are willing to account to the client; for the purpose of recovering goods we, our servants or agents or anyone authorised to act on our behalf may enter upon any land, building or premises on or in which the goods are situated.
- notwithstanding that payment in full and discharge have not been made the client may incorporate the goods into any products whether the same includes the addition of the client's own goods or those of others, or use the goods as material for other products (with or without such addition) but in such event we
- shall retain our interest in respect of such goods to the extent that we shall have an interest in the products so made which interest shall be determined by assessing the value of our goods so incorporated and/or used as against the value of any other goods and/or used and/or added (if any) and the value of the work done in making the products and so determining their proportion; the interest shall be in that proportion; the client shall hold such products in a fiduciary capacity for our benefit and on such terms.
- the client has the right to dispose of the goods or any such products as are referred to above and to pass good title in such goods or products to a customer who is a bona fide purchaser for value. In disposing of any such goods or products, the client shall act for our account and he shall hold any proceeds of sale in a fiduciary capacity on terms of and in accordance with our interest aforesaid and for our benefit. Upon such disposal the client shall contract with his customer as principal.

Should the aforementioned clause or should any sub clause be partially or wholly unenforceable under the law applicable to the transfer of property, we are entitled to require from the client upon first request a financially equivalent security.

9. Any litigation in connection with this contract, whether in contract or in tort, whether on direct assignment or on cross complaint or recovery, shall be exclusively decided upon by the court of our principal place of business. Notwithstanding the foregoing, we may, at our option, sue the client before the court of this principal place of business including cross complaints, actions of recovery, etc.

10. In case of partial or total invalidity of any of the foregoing clauses the invalidity does not affect the remainder of the respective clause nor the remaining clauses.