General Sales Conditions

I. Offers/Contract of Sale/Transfer of rights:
1. Any quotation or offer by Messrs. M&D is given without obligation and remains subject to alteration unless explicitly otherwise agreed.
2. An order placed by a prospective buyer shall be binding on that buyer for a period not exceeding four weeks from the date of the order. A contract of sale covering specified goods or services shall not be deemed to exist until an agreed deposit has been paid, its receipt has been acknowledged and acceptance of the order has been confirmed in writing by Messrs. M&D within the period stated above.
3. All statements must be in writing. This applies also to any collateral arrangements, assurances or subsequent variations of the contract of sale.
4. Any transfer of rights and obligations arising under the contract of sale to a third party requires the written consent of the seller and may be subject to conditions.

II. Payment and default:
1. Payment of the agreed price and any additional charges arising is due in cash on delivery of the goods or services in accordance with the contract, or at the latest within 8 days from receipt of notification that they are available for collection or despatch of the invoice. Checks may be accepted at the seller’s discretion. Payment Orders, Checks, Drafts or Bills will be accepted only if express agreements and/ or statements of payment, all collection or negotiating charges being charged to the buyer.
2. Only such counter claims or charges may be allowed against claims or charges made by Messrs. M&D as have been established as being legally binding and which are not contested. Either party may withhold delivery or payment only where justified under the terms of the contract.
3. If the buyer falls behind with his payments, he may be charged with interest at a rate of 4 % above the current interest rate of the Deutschen Bundesbank for the period of the default.

IV. Acceptance:
1. The buyer is entitled to inspect the goods or services within 8 days after the notified date of availability at the agreed place of delivery, but is also obliged to accept delivery within this period.
2. If the buyer fails to take delivery of the goods or services forming part of the contract within 14 days of receiving the notification of availability, it shall be open to Messrs. M&D to stipulate to the buyer in writing an appropriate period of time within which delivery must be effected. If the period so fixed has elapsed without the goods being delivered, the seller may be entitled to terminate the contract. If the default continues at the expiry of this further period of grace, the seller is entitled to cancel the contract in writing, or to claim damages due to non-compliance with its terms.
3. In case of delay in delivery the buyer may advise the seller in writing of a reasonable extension of the delivery period. If delivery is not provided within a reasonable period, the seller is entitled to withdraw from the contract by means of a written statement to that effect, or to sue for damages in the case of international default or gross negligence.

V. Retention of Title:
1. The goods or services remain the property of the seller until all charges and obligations due to the seller under the terms of the contract have been settled.
2. The buyer is entitled to dispose of the goods or services supplied by way of normal trade, provided that the seller’s retention of title still applies, any sums and other right and entitlements due to the buyer from his costumer in respect of the said goods or services shall be regarded as having been ceded to Messers. M&D. It is not permitted to mortgage, cede, assign or transfer, or in any way to change or relinquish title of ownership in the goods or services so as to impair the interests of the seller.
3. Any attachment or distraint of the goods or services, or any measures which may affect the seller’s right of title, must be notified to the seller immediately.

VI. Warranty:
1. The seller warrants the goods or services supplied to be free from defect affecting suitability for their purpose.
2. In the first instance, the buyer is entitled only to the repair or rectification of defects free of charge.

III. Delivery and Delivery Delay:
1. Dates of delivery or delivery periods must be agreed in writing. Compliance with these delivery terms is subject to the due receipt by the supplier of all the necessary instructions, information and documentation, including those to be furnished by the buyer, and to observance of the terms of payment and of all other obligations and conditions not in compliance with due time, the delivery period will be appropriately extended.
2. If failure to meet delivery dates of goods or services can be proved to be due to mobilization war, civil commotion, strike, lock-out, epidemic, unforeseeable circumstances, or substantial interruption of production beyond our control, the delivery period will be appropriately extended.
3. The right is served to introduce technical modifications prior to delivery, provided that the nature and extent of those modifications and the final appearance of the goods supplied are not substantially modified and that they may reasonably be considered to be acceptable to the buyer.
4. In case of delivery delay the buyer may advise the seller in writing of a reasonable extension of the delivery period. If delivery is not provided within a reasonable period, the seller shall be entitled to withdraw from the contract by means of a written statement to that effect, or to sue for damages in the case of international default or gross negligence.
5. Packing is charged separately and is not returnable.
6. Delivery is ex works. Consignments will be insured only on the buyer’s express instruction, and costs will be charged to the buyer.
7. If the goods are collected, they (aircraft) will be handed over de rigged. If a handover in rigged condition is desired, this must be expressly agreed in advance. In this case, the extra labor required for rigging and de-rigging will be charged in addition.

IX. Liability:
Claims for damages by the buyer arising from delay, frustration of the contract, breach of contract or breach of obligations during contract negotiations, or from inadmissible acts, are excluded; this exclusion will not apply in cases of binding legal liability on the grounds of intent or gross negligence of the seller, his legal representatives or his employees or agents.

X. Legal Domicile and Address for Service, Jurisdiction, Partial Nullity:
1. Address for service for all obligations arising from the contract is D-26446 Friedeburg.
2. Legal domicile and the competent Court are at Aurich (if the buyer is an incorporated Business). This also applies to dept collection proceedings.

Limited partnership, registered seat Friedeburg, Inferior court Aurich, HRA 200345
Friedeburg, 2007
M&D Flugzeugbau GmbH & Co KG