



Sale Agreement

Entered into between

ADEPT Manufacturing (Pty) Ltd doing business as

ADEPT

**Company registration number 2015/435127/07 Registered office: Top floor
Hangar 7, Virginia Airport, Durban North 4051, South Africa**

Hereinafter referred to as **ADEPT**

And

.....

Hereinafter referred to as the **BUYER**

The above-mentioned parties (PARTIES) agree to the following:

ADEPT is a duly incorporated company in the Republic of South Africa and is in the business of manufacturing and selling a range of General Aviation aircraft engines.

The BUYER is desirous of placing an order for a production SALE for a variant of the ADEPT engines as well as some optional extras or related items, hereinafter referred to as the PRODUCT/S from ADEPT, and agrees to the following terms and conditions, hereinafter referred to as the SALE AGREEMENT.

STAGEGATE 1 – INFORMATION REQUIRED:

To be completed by the BUYER:

BUYER's Name: _____

Engine Model required (280N, 320T or 360T+) _____

Aircraft Type for Engine to be fitted to _____

I wish to receive my ADEPT engine at:

The earliest available date - or - Requested delivery date: _____
(Subject to ADEPT'S approval)

Special requirements / options / additions / comments:

BUYER's Contact Details:

Address for Correspondence:

State/Province _____ Zip/Postal Code _____

Country: _____

e-mail: _____ Tel: _____

BY SIGNING, I AGREE TO THE TERMS AND CONDITIONS OF THIS SALE AGREEMENT AND CONFIRM THAT I HAVE READ AND UNDERSTAND THE PURCHASE PROCESS.

BUYERS's signature: _____ **Date:** _____

Upon receipt of the information above, an ADEPT representative will contact you to process your order and discuss your specific engine and installation requirements, which will enable ADEPT to provide you with a firm quotation for the engine, including your required options and additions.

PURCHASE PROCEDURE, TERMS AND CONDITIONS

This SALE AGREEMENT lays out procedures, terms and conditions for securing a production SALE and for the sale of the PRODUCT/S.

Indicative list price for available PRODUCT/S are published by ADEPT and available on ADEPT's website. Indicative list prices quoted are as at January 2021.

PRODUCT Specifications are published by ADEPT and available on ADEPT's website and are subject to revision at any time at the sole discretion of ADEPT.

The Purchase procedure has two-stage-gates for payment to ADEPT by the BUYER for the PRODUCT/S. The PARTIES therefore agree as follows:

2. STAGEGATE 2 – FINALIZE PURCHASE AND PAY PRODUCTION DEPOSIT

2.1 The customer engine specifications, options, delivery method and agreed purchase price and the DELIVERY date are recorded hereunder in Clauses 4 and 5.

2.2 Upon concluding the AGREEMENT OF SALE, a production deposit (PRODUCTION DEPOSIT) of 35% of the TOTAL PRICE of the PRODUCT including the value of any additional selected optional equipment or services (OPTIONS) shall become due and payable into ADEPT's bank account. Upon receipt of the PRODUCTION DEPOSIT, an engine production SALE will be allocated and communicated to the BUYER.

2.3 ADEPT's banking details for your electronic funds transfer are:

Account name:	ADEPT MANUFACTURING (PTY) LTD
Absa account number:	4095565675
Account type:	Current Account
Branch code:	632005
Branch name:	Kingsmead
SWIFT code:	ABSAZAJJ

2.4 The Stagegate 2 details pertaining to this Sale Agreement is recorded hereunder as follows:

STAGEGATE 2 - TOTAL PRICE

To be completed by ADEPT upon receipt of STAGEGATE 1 information:

Anticipated Delivery date (dependant on receipt of deposit): _____

Agreed Product Purchase price: US\$ _____

Price of selected OPTIONS (See section 4.6): US\$ _____

ADDITIONS*: _____ US\$ _____

TOTAL PRICE: US\$ _____

PAYMENT SCHEDULE:

Stagegate 2: PRODUCTION DEPOSIT:

35% of TOTAL PRICE US\$ _____

Stagegate 3: FINAL PAYMENT:

TOTAL PRICE, less deposits paid: US\$ _____

*if further options or additions are selected by the buyer after paying the initial deposit, a deposit for such additions may be required by ADEPT.

ADEPT signature:

Date:

To be completed by the BUYER:

Please arrange and bill me for shipping / delivery and in transit insurance:

(Tick if required)

Shipping Address:

I hereby accept the TOTAL INVOICE PRICE, ESTIMATED DELIVERY DATE, PAYMENT SCHEDULE, and TERMS AND CONDITIONS:

BUYER's signature:

Date:

3. STAGEGATE 3 - FINAL PAYMENT AND DELIVERY

- 3.1 The total amount due and payable (the TOTAL INVOICE PRICE) reflects the total value of all PRODUCT/S and OPTIONS exclusive of any taxes applicable thereto, and is the price F.O.B. the Port of Durban, South Africa, or King Shaka International Airport, Durban, South Africa .
- 3.1.1 Shipping, and delivery costs are for the account of the BUYER, if selected to be arranged by ADEPT, such costs will be included in TOTAL PRICE.
- 3.1.2 It is the BUYERS's responsibility to arrange all necessary insurances while the products are in transit. Such responsibility will become the responsibility of the BUYER as soon as ADEPT is in receipt of the relevant Bill of Lading or Consignment Note. If the BUYER has requested ADEPT to arrange such insurance and this will be added to the TOTAL PRICE.
- 3.2 ADEPT will notify the BUYER 30 days prior to the actual date (DELIVERY DATE) that the PRODUCTS will be ready for delivery, and shall request payment of, and invoice the BUYER in the outstanding amount (the FINAL PAYMENT), net of any progress payments and deposits received, that make up the TOTAL PRICE, which will be due and payable in full prior to despatch of the PRODUCTS.
- 3.3 Upon receipt of the PRODUCT, the BUYER shall have a period of 10 Calendar days to inspect the PRODUCT and report any manufacturing defects or damage in transit.

4. SPECIFICATIONS

- 4.1 The detailed specifications of the PRODUCT/S to be supplied to the BUYER are recorded under Clause 4 below. The table thereunder includes the items supplied as standard for the engine model ordered, and any OPTIONS chosen by the BUYER. ADEPT reserves the right to revise specifications at any time for the purposes of upgrading or improving the PRODUCT/S, ensuring compliance with any recognised Regulatory Authority, or for any other reason that does not make them unfit for purpose.
- 4.2 The BUYER expressly acknowledges that the BUYER has not relied on any oral or written representations except as specifically stated in the SALE AGREEMENT and that ADEPT has made no representations as to the suitability of the Engine for any particular purpose of the BUYER.
- 4.3 The BUYER acknowledges that this is a purchase of a Non-Type Certified engine, and that this engine must be operated in compliance with the relevant Aviation Authority's rules regarding this category of operation, and that it is not suited for Commercial Transport and/or not intended for advanced aerobatic and sustained inverted flight. The Engine shall only be used, installed and operated in terms of the applicable regulatory Authority's rules and regulations.
- 4.4 It is the responsibility of the BUYER to be aware of, and to act in compliance with, any Regulations and any Operations, Training, Instruction, or any other Manuals pertaining to the operation, maintenance and appropriate training required to operate the aircraft in a safe manner, and to obtain and keep current the necessary categories of Licence to operate the aircraft.
- 4.5 Selected optional items as listed under clause 4.6 in the table below will be quoted on and included in the total cost to customer.
- 4.6 The standard equipment and selected options are reflected below:

STANDARD EQUIPMENT AND OPTIONS

The engine (PRODUCT) is supplied with all items required for the safe running of the engine, including all essential electronic components and sensors. Certain items will be specific to certain airframe applications, and these may be supplied as options. Where items are not supplied, but are required to be of a specific design or standard of manufacture, and the BUYER wishes to have these items supplied and or fabricated or manufactured, then such items must have the approval from ADEPT with regard to quality and fitness for purpose. Certain entities may be delegated the rights to produce or manufacture or supply such items at the sole discretion of ADEPT. A supplied engine includes:

STANDARD EQUIPMENT

- Starter motor
- Alternator Pulley and Alternator Drive Belt
- Oil Tank and Ventilation Canister
- Oil pump
- Oil filter and Oil filter mounting
- Engine breather
- Propeller D flange
- 2.078:1 PSRU Reduction Ratio
- Turbocharger on T models
- Air filter
- Induction system Pop-off valve
- Fuel pressure regulator
- Fuel rails, Fuel Injectors
- CSU Pad
- ECU & engine wiring harness

STANDARD DOCUMENTATION

- Engine operating limits and operating handbook
- Running-in and power test report
- Specifications for water and oil reticulation
- Specifications for exhaust system
- Warranty agreement
- Access to the Technical Support section on our website.

❖ OPTIONS

- 70A alternator with standard mounting bracket
- Back-up Alternator and mounting accessories
- Engine mounting frame with mounting accessories
- Water hose kit, Oil hose kit
- Exhaust system and silencer
- Fuel lines from pressure regulator to firewall, Fuel filter/s, Fuel pumps
- Coolant radiator, Header tank and pressure cap
- Oil Cooler

EXCLUDED ITEMS:

- Propeller, Propeller Fasteners, Constant speed unit
- Batteries and power cables.
- ❖ *Select as applicable*

5. TOTAL PRICE

- 5.1 The TOTAL PRICE will be ADEPT'S agreed price for the PRODUCTS at the date of signing of the AGREEMENT OF SALE.
- 5.2 Any Indicative or Estimated Price specifically mentioned as such, herein or having been given verbally by ADEPT to the BUYER is subject to change at ADEPT'S sole discretion.
- 5.3 The agreed TOTAL PRICE is exclusive of any sales or use tax, value-added taxes, duties, registration fees, or any charges that may be levied by governmental or other authorities in connection with the purchase, sale, transfer, use, registration, export, import of the PRODUCTS (collectively TAXES). TAXES required by law to be charged at the point of sale will be calculated in addition to the FINAL PRICE. Payment of all other TAXES is the sole responsibility of the BUYER.

6. TERMINATION

- 6.1 ADEPT may terminate, on written notice for any of the following reasons, and if any of the following apply:
- a. The BUYER fails to make any required payments in a timely manner or otherwise fails to comply with this SALE AGREEMENT; and/or
 - b. A proceeding under any law of bankruptcy, insolvency or reorganization or relief of debtors is instituted by or against the BUYER.

6.2 No interest shall accrue, or be paid, to the BUYER on the refund of Deposits or other pre-delivery payments.

7. LIMITATION OF LIABILITY

Notwithstanding anything to the contrary, the maximum liability ADEPT shall have to the BUYER for any breach of this SALE AGREEMENT or otherwise arising out of or relating to this SALE AGREEMENT shall be a full refund of the deposit made by the buyer. In no event shall ADEPT be liable for consequential, indirect, punitive, incidental or special damages whatsoever arising out of or relating to this SALE AGREEMENT.

8. COSTS

Should any litigation be commenced between the PARTIES in connection with the AGREEMENT OF SALE, the prevailing party in such proceeding, as determined by the court, will be entitled to reimbursement of its reasonable attorneys' fees, expenses, and court costs incurred in the litigation.

9. GOVERNING LAW AND VENUE

The PARTIES agree that the Regional, Provincial and Supreme Courts, of South Africa, have exclusive jurisdiction and venue under this SALE AGREEMENT and the PARTIES consent to, and hereby waive, any and all objections that they may have as to jurisdiction

and/or venue in any of the above courts, including any claim that any action or proceeding has been brought in an inconvenient forum.

10. SEVERABILITY

In the event that any part of this SALE AGREEMENT is declared by any court or other jurisdictional or administrative body to be null, void, or unenforceable, such provision shall be severed to the extent unenforceable under the applicable law, and all of the other provisions shall remain in full force and effect.

11. TRANSFERABILITY

The BUYER shall not Transfer this SALE AGREEMENT or any rights therein (including, without limitation, the DEPOSITS or the SALE) without the prior written consent of ADEPT, which consent may be withheld in ADEPT'S sole discretion. "Transfer" means any sale, assignment, encumbrance, hypothecation, pledge, conveyance in trust, gift, transfer by bequest, devise or descent, or other transfer or disSALE of any kind, whether voluntary, involuntary or by operation of law, including, but not limited to, transfers pursuant to divorce or legal separation, transfers to receivers, levying creditors, trustees or receivers in bankruptcy proceedings or general assignees for the benefit of creditors. Any purported or attempted Transfer without ADEPT's prior written consent shall be null and void. The BUYER shall indemnify and hold harmless ADEPT for all costs and expenses incurred (including, without limitation, reasonable attorney's fees and costs) related to or arising from any purported or attempted Transfer without ADEPT's prior written consent.

12. MODIFICATIONS

This SALE AGREEMENT may be amended or modified, and any of the terms, covenants, representations, warranties, or conditions may be waived, only by a written instrument executed by ADEPT, or in the case of a waiver, by the party waiving compliance. Any waiver by any PARTY of any condition or breach shall not be deemed to be a further continuing waiver of any such condition or breach, or of the breach of any other provision of this SALE AGREEMENT. This AGREEMENT shall be binding upon and inure to the benefit of the PARTIES' successors, executors, and heirs and permitted assigns.

13. NOTICES

13.1 Any notice to be given under this SALE AGREEMENT may be sent by email or by pre-paid courier delivery (FedEx, UPS, etc.) to the BUYER's address provided as the Address for Correspondence in this SALE AGREEMENT. Each notice or demand shall be deemed to have been given or made when actually received or forty-eight (48) hours after being sent, whichever occurs first.

For correspondence with ADEPT, the following address shall be used by the BUYER:

Address: ADEPT Manufacturing Pty (Ltd)
Second Floor, Hangar 7, Virginia Airport, Durban North, 4051, South Africa
email: info@adeptairmotive.com

For correspondence with the BUYER, the address and email details as stipulated under the heading: "BUYERS CONTACT DETAILS" under Stagegate 1 of this agreement shall be used by ADEPT.

13.2 The BUYER acknowledges that "documents" associated with this SALE AGREEMENT may be digital and that such "documents" are agreed to be equivalent to "paper" documents. Also, communications to/from the email address specified by the BUYER shall constitute delivery of the equivalent of "signed" documents.

14. WARRANTIES

The BUYER agrees that, except as expressly set forth in this AGREEMENT, ADEPT makes no warranties, express or implied, and specifically excludes and disclaims the implied warranties of merchantability or fitness for a particular purpose or use. All other obligations or liabilities of ADEPT, whether under a theory of negligence or strict liability, contract, tort or otherwise, arising out of or relating to the sale, use or operation of the engine, or otherwise, are excluded by ADEPT and hereby expressly waived by the BUYER.

15. BINDING

This SALE AGREEMENT shall become binding upon ADEPT's acceptance (by return email to the BUYER confirming the execution and delivery of this SALE AGREEMENT) and receipt by ADEPT of unconditional payment of the DEPOSIT/S. The BUYER acknowledges and agrees that it has read, understood and agrees to the provisions hereof. Prior to acceptance, this offering is subject to change in ADEPT's sole discretion at any time. This SALE AGREEMENT constitutes the entire agreement among the PARTIES and supersedes all prior written or oral understandings concerning its subject matter.