

General Terms and Conditions of Purchase

1. General

- 1.1 Any terms and conditions of Supplier and divergent from or supplementary to these Terms and Conditions of Purchase shall not be binding upon General Atomics AeroTec Systems GmbH ("Purchaser"), even if not expressly objected to or in cases where Supplier declares his terms and conditions as the exclusive basis for delivery.
- 1.2 Purchase orders and their acceptance, as well as any additions or amendments thereto must be made in writing. Verbal side agreements or contract amendments shall not be binding unless confirmed in writing by Purchaser.
- 1.3 In case Supplier's offer is based on a Request for Proposal issued by Purchaser, Supplier shall explicitly highlight any deviation from such Request for Proposal.
- 1.4 Supplier's failure to accept a purchase order within 14 calendar days will entitle Purchaser to cancellation.
- 1.5 Especially if required by Air Law, Supplier may not fully or partly delegate or subcontract to a third party the supply of the ordered goods or services without Purchaser's prior written approval.
- 1.6 In case of a Quality Assurance Agreement (commonly abbreviated as QAA or QSV) between Supplier and Purchaser or a Production resp. Design Organization Agreement (commonly abbreviated as PO/DO), such terms and conditions shall subsidiarily apply.
- 1.7 Subject to express derogation, a Supplier of goods for aviation use shall provide an certification under Aerospace Quality Management System Standard QMS SAE 9100 and its series of standards, accordingly qualified personnel, and deliver goods including applicable certification and documentation. Noncompliance with these requirements is to be notified to Purchaser immediately. Purchaser may demand proof of certification of goods, methods, processes and equipment.

2. Date and Place of Delivery

- 2.1 The agreed delivery date shall be binding; time is always of the essence. Any early delivery will require Purchaser's consent. Deliveries not involving installation or erection are considered timely when received in due course at the delivery address indicated by Purchaser, while those requiring installation or erection, as well as services purchased, shall be deemed made

or rendered timely when provided ready for acceptance.

- 2.2 Any circumstances jeopardizing compliance with agreed delivery dates shall promptly be communicated to Purchaser in writing.
- 2.3 Upon Supplier's default, Purchaser is entitled to claim a contractual penalty of 0,5% of the order value for each week of delay or part thereof, up to an aggregate maximum of 5% of the order value, but at least of 100.00 EUR. Purchaser may claim such penalty if Purchaser has reserved the right to do so within three months after acceptance of the final part of any goods or services to be provided under the respective order. Any additional rights of Purchaser shall remain unaffected.
- 2.4 Place of delivery for goods or services provided by Supplier shall be the delivery address specified in the underlying order or, if without specification, the address of Purchaser's registered office.

3. Shipping, Transport Risk and Pricing Terms

- 3.1 Goods to be delivered shall be duly and properly packed and shipped. Pack(ag)ing and shipping specification shall be adhered to. Each consignment shall be accompanied by shipping documents such as delivery slips, packing notes etc. All pertinent documents shall indicate the order numbers and other Purchaser data specified in the order. On or before dispatch, Purchaser shall be provided with a shipping notice. Any additional cost attributable to noncompliance with said instructions and specifications shall be borne by Supplier.
- 3.2 Cost and risk of transport shall be borne by Supplier.
- 3.3 All prices shall include shipment to place of delivery as per Art. 2.4. Crossborder deliveries shall be made DAP (Incoterms © 2020) place of delivery as per Art. 2.4.

4. Invoicing, Payment, Assignment

- 4.1 Invoices shall be issued in duplicate and include all identification data for each consignment specified in the purchase order. All invoices must be in accordance with the formal requirements of German VAT Laws. All costs of payment (in particular bank fees) have to be borne by Supplier, except those which are directly charged to Purchaser by its bank.

4.2 Payments shall be made by bank transfer within 60 days upon acceptance or receipt of delivery, respectively, and receipt of the invoice, whichever occurs later. Purchaser is entitled to take a cash discount of 3 % of the invoice amount if payment is made within 15 days after acceptance or receipt of delivery, respectively, and receipt of the invoice, whichever occurs later. Cash discount may also be deducted if Purchaser offsets or withholds certain amounts.

4.3 Without Purchaser's written approval, Supplier shall not be entitled to assign any payment claims, or to collect such claims through a third party. This provision shall not apply if Supplier has obtained material under extended reservation of ownership.

5. Defects

5.1 Supplier shall deliver the goods and transfer title to Purchaser free from any defects of quality or of title.

5.2 In case of any defects, Purchaser's claims shall be based on statutory law. The warranty period shall start no earlier than on the agreed date of delivery.

5.3 Any defect shall be notified to Supplier without undue delay as and when detected or identified in the proper course of business.

5.4 If Supplier is in default or fails or denies to rectify a defect, Purchaser shall have the right to rectify the defect on Supplier's behalf and at Supplier's expense. The rectification of a defect shall be deemed to have failed if a second attempt remains unsuccessful. In urgent cases, Purchaser shall also have the right to immediately rectify the defect on Supplier's behalf and with reimbursement of Supplier's expenses thus saved.

5.5 In case of additional defects occurring after Supplier's prior rectifications, Purchaser is again entitled to reliefs provided by law. The limitation period for such claims shall be governed by applicable law.

5.6 In every case of warranty for which Supplier can be held responsible, Purchaser shall be entitled to claim from Supplier a lump-sum compensation for its damages and expenses in the amount of 15% of the price of the respective good, but at least of 100.00 EUR. Supplier may render evidence that Purchaser has incurred no or lower damages and/or expenses than the lump-sum amount.

6. Duty of Instruction, Information and Care

6.1 Provided that Purchaser has informed Supplier of the intended use of the goods or services or that such use is apparent to Supplier even without any express mention, Supplier is obligated to inform Purchaser if Supplier's goods or services are not suitable for such intended use.

6.2 Supplier shall duly notify Purchaser in writing of any changes or modifications with respect to the composition of materials used or the underlying engineering design if different from similar or comparable goods or services previously provided by Supplier to Purchaser. Any such changes or modifications shall require Purchaser's written consent.

6.3 Supplier shall ensure that the goods and services will conform with all applicable environmental-protection, accident-prevention, dangerous/hazardous materials and other industrial safety regulations, as well as with generally accepted safety and occupational health provisions and all legal requirements valid in the European Union, and shall provide all according documents. For each shipment, Supplier shall advise Purchaser of any specific treatment and waste disposal requirements unless generally known. Supplier shall ensure that its employees take all measures to implement the quality requirements necessary to achieve product and service compliance as well as product safety, and are aware of the importance of ethical conduct.

7. Purchaser procured Materials or Products

7.1 Purchaser shall be obliged to procure materials or products to Supplier only to the extent as agreed in writing.

7.2 Materials or products of any kind procured by Purchaser to Supplier shall remain Purchaser's property and be exclusively used in or for the performance of the goods or services ordered.

7.3 Supplier is obligated, at his own cost and expense, to perform any maintenance and inspection work as needed and to adequately insure the items provided by Purchaser, and to provide a certificate of insurance if request by Purchaser.

7.4 To the extent that any of the items provided by Purchaser are processed, converted or transformed by Supplier to form a new movable product, Purchaser shall be deemed as manufacturer of such product according to Section

950 German Civil Code (BGB). If combined with or inseparably integrated in other objects, Purchaser shall acquire joint title and ownership in said objects in the ratio of the value the provided items had at the time of combination or integration. If combined or integrated in such manner that Supplier's property is to be regarded as the primary products, it is agreed that Supplier assigns and transfers to Purchaser prorated interest in and joint title to such products; Purchaser's coownership share shall be kept in trust by Supplier.

8. Confidentiality and Secrecy

- 8.1 Any commercial or technical information and documents which have been disclosed by Purchaser to Supplier and which are not available to the public shall be kept secret and confidential and may only be used for rendering the ordered goods or services. Subcontractors or other vendors shall be committed accordingly.
- 8.2 Any reference by Supplier of Purchaser's firm, corporate name or trademarks to third parties shall require Purchaser's prior written consent.

9. Ability to supply spare parts

- 9.1 Supplier is obligated to supply and deliver at reasonable conditions spare parts required for a period equivalent to the anticipated technical service life of the goods ordered, in any case not less than 10 years after the last shipment.
- 9.2 In case Supplier ceases production of spare parts within or after expiration of the period mentioned in clause 9.1 hereof, Purchaser shall be offered the opportunity to place a final order.

10. Compliance

- 10.1 Supplier undertakes to comply with all relevant applicable laws, including, but not limited to competition laws, antitrust laws, employment and child protection provisions (e.g. regarding conflict commodities), the prohibition of human trafficking and with the core conventions of the International Labour Organization, the laws against counterfeiting as well as the laws for the protection of environment and health (e.g. guidelines like REACH and RoHS). Supplier complies with the current code of conduct for business partners of Purchaser, which he will be handed upon request.
- 10.2 Supplier undertakes not to accept any financial or other benefits if an unjustified advantage is expected or rewarded in return. Supplier also undertakes to act in all his commercial transactions in accordance with the OECD Anti-Bribery Convention of 17 December, 1997.

- 10.3 Supplier shall bind his employees, vicarious agents, subcontractors and suppliers to adhere to the provisions under this Sect. 10.
- 10.4 In case Supplier infringes any obligation under this Sect. 10 in connection with a purchase order, the Purchaser may claim a contractual penalty per individual case in the amount of 10 % of the remuneration of the relevant purchase order, but not more than EUR 50,000. Such penalty amount shall be deducted from any claim of the Purchaser for compensation of damages caused by the corresponding infringement. Any penalty shall not free Supplier from its contractual and legal obligations.

11. Data protection

Each party may have access to personal data (for example names, functions, business units, contact details and communication data) relating to the other party's employees, representatives, consultants, agents, contractors and other personnel ("Personnel"; "Personnel Data") in relation with the contract that is subject to these General Terms and Conditions of Purchase. The parties agree that they act as independent controllers regarding such Personnel Data unless otherwise expressly agreed in writing. Personnel Data may be processed only in accordance with applicable laws, applying appropriate security measures (e.g. technical and organizational measures, etc.), and only in order to enter into and perform the contract including but not limited to order and payment processing, tolls, taxes and import/export management, customer relationship management, business accounting and general administrative purposes. Each party undertakes to inform its Personnel about the processing of Personnel Data by the other party, in accordance with applicable laws. Additional details on Purchaser's data processing are set out in Purchaser's privacy notices (see Data Protection under www.ga-ats.com).

12. Audit

- 12.1 Upon written notification of at least 15 days in advance and during normal working hours at Supplier's place of business, supplier shall allow Purchaser or an auditing firm commissioned by Purchaser to examine all documents reasonably related to Supplier's compliance with the provisions of this Agreement. Purchaser or its authorized appointee shall take such necessary measures to preserve the confidentiality of such documents.
- 12.2 All costs and expenses in connection with such audit shall be borne by Purchaser, provided however, that if the audit process demonstrates Supplier's failure to comply with the

provisions of this Agreement, Supplier shall assume all costs and expenses of the audit.

- 12.3 Purchaser or its authorized appointee (such as quality inspectors according to standard AQAP 2110) and competent authorities shall be granted access to Supplier's premises and records to perform inspections and audits. Upon request, Supplier shall provide access to documents and submit requested information related to the scope of contract to such personnel.

13. Export Regulations and Authorizations

- 13.1 Supplier shall keep itself informed at all times about national and international (re-)export regulations (e.g. ITAR) and notify Purchaser immediately in writing if deliverables are subject to these provisions in whole or in part. Supplier shall comply with all applicable (re-)export regulations and, on request, disclose to Purchaser all relevant information for this purpose. This obligation applies beyond the duration of the contract.
- 13.2 Unless otherwise expressly agreed in writing, Supplier shall take all measures required to obtain further authorizations or licenses needed for the provision of services to Purchaser and the use of the deliverables by Purchaser as provided in the contract. Where Purchaser has to apply for such authorizations or licenses, Supplier shall provide Purchaser with all appropriate support, particularly for the procurement of needed information and data, at no charge to Purchaser.
- 13.3 Where applicable, Supplier shall provide, no later than at the time of acceptance of the contract, and at no charge to Purchaser, the following minimum information:
- The customs tariff numbers of the country of consignment, and the countries of origin for all goods;
 - For controlled goods, the relevant national export control numbers and, if the goods and/or services are subject to U.S. (re-)export regulations, the U.S. Export Control Classification Numbers (ECCN) or classification numbers of the International Traffic in Arms Regulations (ITAR);
 - Proof of preferential origin as well as conformity declarations and marks of the country of consignment or destination; certificates of origin upon request.

14. Industrial Participation Obligations

- 14.1 Notwithstanding that the Order may or may not be issued in direct support of a foreign sale,

Supplier agrees to support Purchaser's Industrial Participation Obligations.

- 14.2 To the exclusion of all others, Supplier agrees that Purchaser, its subsidiaries, affiliates or its designees may use the value of the Order to satisfy Industrial Participation Obligations that Purchaser may have with Supplier's country. Supplier shall provide documentation or information, which Purchaser or its assignees may reasonably request to substantiate claims for industrial benefits or Industrial Participation Obligations credits.
- 14.3 Supplier agrees to identify and retain for Purchaser's use any Industrial Participation Obligations credits generated from the content of Work, which Supplier either produces itself and/or procures from suppliers for work arising out of or related to the Order. Promptly after selection of a non-German supplier for work under the Order, Supplier shall notify Purchaser of the name, address, supplier point of contact (including telephone number) and Euro value of the subcontract. To the exclusion of all others, Supplier agrees that Purchaser, its subsidiaries, affiliates or its designees may use the value of such credits to satisfy Industrial Participation Obligations that Purchaser may have.
- 14.4 Purchaser reserves the right to assign Industrial Participation Obligation credits generated through Supplier's efforts under the Order to third parties.
- 14.5 Supplier shall include the substance of this Industrial Participation Obligations clause, in favor of Purchaser, in its subcontracts issued at all tiers pursuant to the Order.

15. Place of jurisdiction, Applicable law

- 14.1 If Supplier is considered a merchant (§§ 1 pp. German Commercial Code) or has no general place of jurisdiction in the Federal Republic of Germany, the exclusive place of jurisdiction shall be at Purchaser's registered place of business. Purchaser shall also be entitled to institute legal proceedings at Supplier's place of business or before any other court of competent jurisdiction under domestic or foreign law.
- 14.2 The contract shall be governed by the laws of the Federal Republic of Germany. The German International Private Law and the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980, shall not apply.