

General Purchase Conditions (GPC) of AMAG components Übersee GmbH, AMAG components Karlsruhe GmbH

1. General, Scope

- 1.1. The present General Purchase Conditions (GPC) shall apply for all business relationships of AMAG components Übersee GmbH and/or AMAG components Karlsruhe GmbH with our business partners and suppliers (in the following Supplier). The GPC shall only apply if Supplier is entrepreneur (§ 14 BGB – German Civil Code), a legal person under public law or special fund under public law.
- 1.2. The GPC shall especially apply for contracts (in the following also: Order) about the sale and/or delivery of moveable goods (in the following also: Goods), irrespective whether the Supplier manufactures the Goods himself or if he purchases them from sub-suppliers (§§ 433, 651 BGB). The GPC apply in their respective version as frame agreement for future agreements, especially about the sale and/or delivery of moveable goods, without us having to make reference to them in every particular case. We will inform the Supplier about any and all changes in our GPC without undue delay.
- 1.3. These GPC shall apply exclusively. Dissenting, conflicting or additional general terms and conditions by Supplier will only be integral part of the agreement, if we have accepted them explicitly. This approval requirement shall prevail in any and all cases, e.g. also if we accept the delivery or service without reservation having knowledge of the customer's T&C.
- 1.4. Any and all individual understandings agreed with the Supplier (including supplements to an agreement, amendments and changes), especially delivery agreements, frame agreements and agreements about quality management shall prevail, as long as these GPC contain divergent provisions.
- 1.5. Material declarations and notifications, that have to be given to us by Supplier after conclusion of the contract (e.g. deadlines, notes of defects, declaration of withdrawal) need to be made in writing in order to be valid.

2. Conclusion of Contract

- 2.1. Our order is not binding before written acceptance or written confirmation by Supplier. Before acceptance Supplier has to inform us about obvious errors (e.g. typing or calculation errors) and incompleteness of order including the order documentation so that we can correct or complete the documentation.
- 2.2. In his offer Supplier has to respect our request for proposal regarding amount, quality and execution. In case of deviations he has to notify us. If the Supplier's offer is preceded by a request for proposal by us he has to clearly mark deviations from the request for proposal.
- 2.3. Supplier is required to confirm our order in writing within a period of 14 days. A delayed acceptance is considered a new offer and has to be accepted by us.

3. Delivery Period and Default of Delivery

- 3.1. The delivery period we state in our order is binding. Supplier has to inform us without undue delay if he presumably is not able to keep the agreed delivery period, no matter what the reasons are. Supplier acknowledges that purchaser has the obligation to keep fixed delivery times towards his customers.
- 3.2. Should Supplier fail to render his services at all or within the agreed delivery period or be in default of delivery our rights – especially to rescind from contract and claim damages – according to the legal provisions are preserved. The provisions of para. 3 shall remain unaffected.
- 3.3. If Supplier is in default of delivery we can claim a contractual penalty in the amount of 0.5% of the net price per completed calendar week, capped at a maximum of 5% of the net price of the Goods in delay. We have the right to claim the contractual penalty in addition to fulfillment and as minimum charge of a damage to be rendered by Supplier according to legal provisions; the right to claim further damages remains unaffected. If we accept the delayed service we will claim the contractual penalty with the final payment at the latest.

4. Performance, Delivery, Passing of Risk, Default of Acceptance

- 4.1. Without our prior written consent Supplier has no right to let third parties (e.g. sub-contractors) perform the owed services.
- 4.2. Partial deliveries or premature deliveries are only permissible upon prior written consent by us.
- 4.3. Delivery takes place within Germany „free house“ to the place determined in the order. Should the destination not be determined and nothing else have been agreed, delivery has to take place to place of business of purchaser. The respective destination is the place of fulfillment as well (obligation to deliver „Bringschuld“). Our packaging regulations have to be taken into account.
- 4.4. The risk of accidental loss and of accidental deterioration of Goods passes to us the moment these are handed over at destination. If acceptance has been agreed, this shall be decisive for passing of risk. Also for the rest, in case of acceptance the legal provisions for contracts for works and services („Werkvertragsrecht“) shall apply. Handing over or acceptance are deemed as having taken place if we are in delay of acceptance.
- 4.5. The legal provisions define when our delay of acceptance occurs. Nevertheless, Supplier has to offer us his performance explicitly, even if for a certain performance on our side (e.g. provision of material) a determined or determinable calendar-time has been agreed. Should we get into delay of acceptance Supplier can claim reimbursement of his additional expenses according to legal provisions (§ 304 BGB). If the contract concerns one or more non-fungible good(s) to be manufactured by Supplier, Supplier is only entitled to further rights if we have acknowledged cooperation and are liable for the omission of cooperation.

5. Pricing and Payment Conditions

- 5.1. The price determined in the order is binding. All prices are understood including legally applicable VAT, if not specified separately.
- 5.2. Unless otherwise agreed, the price includes any and all services and ancillary services to be rendered by Supplier (e.g. mounting, implementation) as well as any and all addi-

tional costs (e.g. due packaging, costs of transportation including possible transportation or indemnity insurance). Supplier shall take back packaging material upon our request.

- 5.3. The invoices coming with every delivery have to include any and all markings as required in the order and have to include at least the following: invoice number, date of invoice, complete name and address of Supplier, our name and address, reference/order number, banking details, VAT identification number, invoiced amount, volume, VAT (if applicable).

For services within the EU:

- In the case of a tax free intracommunity delivery, the Supplier's invoice must contain both our and the Supplier's VAT identification numbers in addition to the information otherwise required. In addition, the invoice must contain the information that the delivery is a tax free intracommunity delivery.
- In cases where a tax free intracommunity delivery is not applicable and the Supplier (located in another EU country) provides taxable services in Germany, which are subject to the concept of the reverse charge procedure, the invoice must also contain the words "Reverse Charge".

In the case of services from a non-EU country, the provider must ensure that the invoicing requirements for cross-border services are met.

- 5.4. The agreed price shall be due for payment within 60 calendar days after complete delivery and service (including acceptance, if agreed) as well as entry of due invoice. If we settle the invoice within 14 calendar days Supplier grants us 3% reduction from the net amount invoiced. In case of bank transfer, payment shall be deemed effectuated as soon as our transfer order reaches our bank before the end of the payment period; we shall not be liable for delays caused by banks involved in the payment process.

- 5.5. We are entitled to the legally granted rights to set-off and retention as well as the right to object to unfulfilled contracts ("Einrede des nicht erfüllten Vertrages"). We are especially entitled to withhold due payments as long as we still have claims arising from incomplete or defective services against Supplier.

- 5.6. Supplier shall only have a right to set-off and/or right of retention because of counter-claims that have become final and unappealable or are undisputed.

6. Confidentiality and Retention of Title

- 6.1. We reserve the ownership and copyrights of any and all drawings, plans, designs, calculations, instructions, product descriptions and any other documents. Such documents are to be used solely for the contractual service and have to be returned to us after completion of contract, unless otherwise agreed. Towards third parties the documents are to be kept confidential, also after completion of the contract. The obligation of confidentiality does not expire until and only if the knowledge contained in the documents handed over becomes general knowledge.
- 6.2. The aforesaid provision shall apply accordingly for substances and material (e.g. finished and semi-finished products) as well as tools, drafts, samples and any and all other objects we provide to Supplier for production. Such objects are – as long as not processed – to be stored separately at cost and expense of Supplier and to be insured to reasonable extent against demolition and loss.
- 6.3. Supplier will carry out processing, integration or combination (processing) of provided objects for us. The same shall apply in cases of processing of delivered Goods to us, i.e. we shall be considered as manufacturer and will acquire the ownership at the latest with processing of Goods according to legal provisions.
- 6.4. The transfer of ownership to us has to take place unconditionally and irrespective of payment of purchase price. Nevertheless, given the case we accept an offer made by Supplier that stands under the condition of payment of purchase price, his retention of title expires at the latest with payment of delivered Goods. Within the proper course of business we shall be entitled to resell the Goods even before payment of the purchase price under assignment in advance of claims arising hereof (alternatively application of simple retention of title and for retention of title extended to resale). In any case, any and all other forms of retention of title shall be excluded, especially the expanded retention of title, the transferred retention of title and the retention of title extended to processing.

7. Quality Management System, Auditing and right of access

- 7.1. In execution of the ordered services supplier will apply an appropriate quality management system and will demonstrate it on customer's demand. We are allowed to verify the Quality Management System by system-, process und or productaudits. Supplier shall cascade this obligations to its sub-suppliers.
- 7.2. Supplier grants us, our customers as well as relevant authorities, particular such authorities responsible for airworthiness, performing supervision audits on demand.
- 7.3. Supplier grants us, our customers as well as regulatory authorities to the applicable areas of facilities and to applicable documented information at any level of the supply chain.

8. Defective Delivery

- 8.1. Our rights in case of defects of quality or legal defects of Goods (including incorrect or short delivery as well as improper installation, defective installation, operating manual or instructions for use) and in case of any and all contractual breaches by Supplier shall be defined by legal provisions unless otherwise stipulated in the following.
- 8.2. According to the legal provisions Supplier is especially liable for ensuring that the Goods are in the contractually agreed condition. At any rate, such product descriptions that have been made subject to the respective agreement – especially by way of denomination or reference in our order – or that have been made subject to the contract in the same way as these GPC, shall be considered an agreement about the condition of the Goods.
- 8.3. In deviation from § 442 Abs. 1 S. 2 BGB, we shall be entitled to claims for defects without limitation even if the defect has remained unknown by us at the time of conclusion of the contract due to gross negligence.
- 8.4. For the entrepreneurial obligation of inspection, notification and rejection the legal provisions shall apply (§§ 377, 381 HGB) with the following proviso: our duty of inspection shall be limited to defects (such as defects of transportation, incorrect or short delivery)

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that become obvious during our inspection of incoming goods by way of external inspection including into the inspection the delivery documentation as well as during our quality control by way of the random test procedure. If acceptance has been agreed, we have no duty of inspection. Apart from that, it depends to what extent an inspection is due in the course of proper business taking into account the specific circumstances of each and every case. Our obligation of notification and rejection for defects noticed at a later time remains unaffected. In any and all cases our notification and rejections (notification of defects) shall be deemed as without undue delay and timely if it gets to the Supplier within 28 days.

- 8.5. The costs and expenses necessary for inspection and repair shall be borne by Supplier even if it turns out that as a matter of fact no defect existed. Our duty to pay damages in case of unjustified claim for repair remains unaffected; to the extent that we shall only be liable if we did notice or failed to notice due to gross negligence that no defect existed.
- 8.6. Should Supplier not fulfill his duty to repair – at our choice by way of elimination of defect (improvement) or delivery of a non-defective item (replacement) – within a reasonable period of grace granted by us we can eliminate the defect ourselves and claim reimbursement of necessary expenditures from Supplier or ask for a respective advance payment. Should the repair by Supplier fail or become unreasonable for us (e.g. due to special urgency, endangerment of operational safety or impending occurrence of disproportionate damage) no period of grace needs to be granted. We shall inform Supplier of such circumstances without undue delay, if possible in advance.
- 8.7. For all other cases, if a defect in quality or law occurs, according to legal provisions we have the right to claim reduction of the price or rescind from contract. Furthermore, according to legal provisions we have the right to claim damages and reimbursement of costs and expenses.

9. Recourse against Supplier

- 9.1. Besides our rights due to defect we are entitled without limitation to our legally granted rights to recourse within a delivery chain (Recourse against Supplier according to §§ 478, 479 BGB). We shall especially be entitled to request from Supplier the way of repair (improvement or replacement) we owe our clients in every given case. This does not affect our legally granted right of choice (§ 439 Abs. 1 BGB).
- 9.2. Before we acknowledge or fulfill a claim due to defect from our customer (including reimbursement of cost and expenses according to §§ 478 para. 3, 439 para. 2 BGB) we will notify Supplier and ask for a written statement offering a short description of the facts. Should we not receive the statement within reasonable period of time and should we not reach a consensual solution, Supplier shall owe the repair due to defect we actually granted to our customer. In such a case Supplier is responsible for counter-evidence.

10. Duty of Notification and Care

- 10.1. Should we have notified Supplier of intended use of deliveries or services or does this intended use become evident to Supplier without any explicit notification, Supplier shall inform us without undue delay if the deliveries or services of Supplier are not suitable for this intended use.
- 10.2. Supplier shall inform us in writing without undue delay about amendments in the way of composition of used material or constructive execution or process of production in comparison to the congeneric deliveries we received so far. The amendments require a written consent by customer.
- 10.3. Supplier has to make sure that any and all deliveries and services comply with the REACH-requirements, environmental protection, accident prevention regulations and any and all other work safety regulations, the safety rules as well as any and all legal regulations applicable in Germany. For every delivery he has to inform customer about special treatment and waste disposal requirements that are not subject to general knowledge.

11. Producer's Liability

- 11.1. Should Supplier be liable for a product damage he shall keep us exempt from third parties' claims as far the reason has been set within his domain and sphere of organization and he is liable in relation to third parties.
- 11.2. Within his obligation to exempt us from third parties' claims according to §§ 683, 670 BGB Supplier has to reimburse costs and expenses that arise from or in connection with recourses by third parties including callbacks performed by us. If possible and reasonable we will inform Supplier about content and volume of callbacks and give him the possibility to give his statement. Further legal claims remain unaffected.
- 11.3. Supplier has to conclude and maintain a product liability insurance with a flat-rate remuneration of at least 1,0 Mio € per personal or property damage.

12. Limitation Period

- 12.1. The mutual claims between the parties become time-barred according to the legal provisions, unless otherwise stipulated in the following.
- 12.2. By derogation from § 438 Abs. 1 Nr. 3 BGB the general limitation period for claims due to defects shall be 3 years from passing of risk. If acceptance has been agreed the limitation period starts with acceptance. The limitation period of 3 years shall also apply for claims due to defects in law, whereas the legally provided limitation period for the third parties' right in rem to ask for the return of property (§ 438 Abs. 1 Nr. 1 BGB) remains unaffected. Furthermore, claims due to defects in law don't become time-barred as long as third party can still claim his right from us – especially due to lack of limitation period.
- 12.3. The periods of limitation according to laws of purchase of goods including the aforesaid prolongation shall apply – within the legally provided volume – for all contractual claims due to defects. As long as we are entitled to non-contractual claim for damages the regular statutory limitation periods (§§ 195, 199 BGB) shall apply unless the legal provisions of the laws of the sale of goods provide for longer limitation periods.

13. Choice of Law and Place of Jurisdiction

- 13.1. For these GPC and all legal relationships between us and Supplier the laws of the Federal Republic of Germany shall apply with exclusion of the international uniform law, especially the UN Sales Convention. Conditions and effects of the retention of title are

subject to the law prevailing at the place of respective location of the item, as long as according to this law the choice of law made in favor of German law is inadmissible or invalid.

- 13.2. If the Supplier is merchant according to the German Commercial Code, legal person or special fund under public law sole – and also international - place of jurisdiction for any and all disputes arising from the contractual relationship is seat of customer. Nevertheless, we have the right to sue the Supplier at the general place of performance of the obligation of delivery.
- 13.3. The GPC is available in German and English. In case of differences between the two versions, the German version shall prevail.

- GBT as at: March 2022-