

**General Purchase Conditions for Accounts Payable of Aero-Dienst GmbH
(Aero-Dienst GPC)
As of April 4th, 2019**

A. GENERAL PROVISIONS

1. Coverage

- 1.1. Following General Purchase Conditions („GPC“) shall be applied to all accounts payable agreed upon between Aero-Dienst GmbH, Flughafenstrasse 100, 90411 Nuernberg ("ADN") and the contractor.
- 1.2. Terms and conditions of the contractor shall not apply.
- 1.3. Deviations from these GPC and conflicting general terms and conditions of the contractor shall only be effective if ADN accepts these expressly and in writing.
- 1.4. Contractor shall grant ADN and/or his authorities (e.g. EASA, LBA, FAA) access to all order-related facilities and associated records for an audit.

2. Documents, Drafts and Drawings

- 2.1. All provided documents and resources such as drawings, illustrations, drafts, calculations, descriptions, plans, models, samples, technical specifications, data storage media, other documents, tools, parts and materials left to the contractor to carry out a task, remain property of ADN and must be returned to ADN after execution of the order uncalled, immediately and free of charge, or be destroyed.
- 2.2. The aforementioned items and documents may be used solely for the intended execution of the order.

3. Date of Delivery and Service, Terms of Delivery

- 3.1. The receipt of the goods at a reception site designated by ADN or the provision of the service at a site designated by ADN is decisive for the compliance with a delivery date. In the case of early delivery, the deadline begins with the agreed delivery date on our order.
- 3.2. Deliveries are made FCA ("Free Carrier ") in accordance with Incoterms 2010 in current revision; the location of the agreed carrier is agreed upon.
- 3.3. ADN must be noticed immediately about circumstances which may delay the delivery, if evident to the contractor.

4. Material Provisioning

- 4.1. Provided materials remain property of ADN and shall be stored free of charge separately, identified and managed as property of ADN. Their use is allowed for ADN orders only. In case of negligent impairment of value or loss the contractor must pay damages, where he has to stand for simple negligence, too. This also applies to the charged provision of order-related material.
- 4.2. Processing or transformation of the material shall be effected on behalf of ADN, who becomes immediate owner of the new or altered item. If this is impossible for legal reasons, ADN and contractor agree that ADN is owner of the new item at any time of the processing or alteration. The contractor shall store the new item free of charge for ADN.

5. Prices

- 5.1. Agreed prices are fixed prices - as far as no other written agreements were made - and include payment of all costs including public dues and customs duties plus VAT.
- 5.2. Insurance expenses are borne by ADN, if agreed beforehand in writing.

6. Travel Expenses

- 6.1. As far as a refund has been agreed for travel costs, evidence must be submitted for the settlement of travel costs with ADN. ADN will reimburse travel costs which actually incurred and which are verified by adequate receipts as far as the costs shown in the documents do not exceed the previously approved costs.
- 6.2. Travel time is no working time and is not taken into account as such.

7. Invoice and Payment

- 7.1. The invoice must contain the following information: order or contract number, delivery note or proof of performance, quantity, and unit of measure, price per unit of the individual goods or services as well as the total price for the delivery or service.
- 7.2. All invoices have to meet tax requirements, in particular that value added tax is declared separately. The partial or total lack of this information is contrary to maturity of the invoice.
- 7.3. Freight and packaging will be reimbursed only if it is expressly agreed and if packaging will not be returned to the contractor.
- 7.4. Two copies of the invoice must be sent directly to the invoice address stated in the order.
- 7.5. Payment is not considered as proper performance acknowledgement.

8. Payment Conditions

- 8.1. All proper and un-objected invoices are due for payment within 30 days without deductions, by choice of ADN as cash payment, as a crossed check or as bank transfer.
- 8.2. However, the payment period does not begin before receipt of the goods at ADN or before provision of the service by the contractor, or before acceptance of the service by ADN.

- 8.3. A payment term bound to the provided delivery or service is not affected by a delivery made in advance or a service provided by the contractor, which was not agreed upon by ADN.

9. Set-off, Retention, Assignment

- 9.1. Without prior written consent of ADN, which may not be denied unreasonably, contractor shall not be entitled to assign his receivables against ADN in whole or in part, or to get them collected by a third party. If contractor assigns receivables against ADN without consent of ADN to a third party, ADN shall be entitled at his discretion to pay to the contractor or to the third party with discharging effect.
- 9.2. Contractor is only entitled to set-off or to retention if his counterclaim is legally established, undisputed or recognized by ADN and is based on the same legal relationship.

10. Non-Disclosure and Data Privacy

- 10.1. Contractor shall undertake to treat un-evident commercial and technical details, which become known to him by a business relationship to ADN, in particular the contents and conditions of contracts, as business secrets or as confidential and not to pass them to third parties, namely up to a period of three years after completion of the order. The contractor is further obliged to use data known to him for purposes of order fulfillment exclusively.
- 10.2. Contractor shall undertake to impose the above mentioned obligation of secrecy on all its employees, representatives and/or subcontractors and their employees, too, and to ensure compliance with the obligation by employees, representatives and/or subcontractors and their employees through appropriate measures.
- 10.3. Contractor shall process system components exchanged in a service case that the information still contained becomes unreadable. If agreed by ADN, such components must be destroyed under supervision by the contractor, in accordance with the relevant data protection regulations.
- 10.4. Contractor agrees that his data relating to the agreement are processed by ADN.
- 10.5. The non-disclosure agreement does not apply to information which was fully known to the contractor by other sources or was, or became later available to the public, if this is not based on a breach of duty of the contractor; which, after disclosure, regardless of the disclosed information, was determined or found by the contractor, or lawfully obtained from a different source having the right to provide this information, or which already has been disclosed to one or more third parties without restriction by ADN. Contractor must carry proof of the existence of one of the above conditions.
- 10.6. Contractor shall undertake to comply with data protection regulations while processing personal data, in particular article 9 and annex BDSG (Bundesdatenschutzgesetz, German Federal Data Protection Act). He is still obligated to oblige its subcontractors and vicarious agents to comply with data protection according to § 5 BDSG.
- 10.7. In the event of the breach of data protection legislation and the agreed obligations of secrecy by the contractor payment of a penalty of € 5,000.- per violation is agreed. Further claims for damages of ADN remain unaffected.

11. Liability

- 11.1. Contractor shall be unlimitedly liable for all damage culpably caused by him or his vicarious agents. He shall release ADN from all third party claims, arising from a culpable breach of duty. This equally shall apply to costs for defense of rights and pursuance of rights.
- 11.2. ADN and his vicarious agents shall be unlimitedly liable for damages resulting from the injury of life, body or health, if they are based on an intentional or negligent breach of duty - also by a legal representative or a vicarious agent.
- 11.3. For other damages, ADN shall be liable only if the damage is based on an intentional or grossly negligent breach of duty - also by a legal representative or a vicarious agent. This liability limitation does not apply in case of a breach of an essential contractual obligation. In the event of a negligent breach of essential contractual obligations by ADN or his vicarious agents, liability for pecuniary loss or damage to property is restricted to the amount of the typical foreseeable damage. An essential contractual obligation exists, when the compliance with this obligation is of particular importance for the purpose of the contract (cardinal duty).

12. Property Rights

- 12.1. Contractor shall release ADN from all claims of third parties due to culpable violation of their property rights by the contractual use of the products and shall repel asserted claims by third parties at his expense.
- 12.2. Contractor shall carry out necessary changes to the delivery or performance object due to the property claims of third parties at his own expense, which lead to a use restriction by ADN or replace the disputed parts of the delivery

or performance object against un-attacked, functionally identical parts or obtain the necessary rights for ADN.

13. Trademark Protection, References

The contractor may use any information which he receives in the course of execution of the order for promotional purposes or otherwise issue it to third parties (see also Non-Disclosure and Data Privacy) only with prior written approval of ADN. The same applies for the use of the name or the logo of ADN. A marketing authorization granted by ADN can be revoked at any time.

14. Contractual Language, Correspondence

The contractual languages are German or English. All correspondence and all other records and documents are drawn up in these languages. The German text, however, always takes precedence.

15. Place of Jurisdiction and Applicable Law

Nuremberg is exclusive place of jurisdiction for all disputes from the business relationship. This also applies to disputes arising from Bill of Exchange and check claims. The law of the Federal Republic of Germany shall apply. The United Nations Convention of 11 April 1980 on contracts for the international sale of goods shall not apply.

16. Delivery and Packaging

- 16.1. An immediately accessible delivery note must be attached to each delivery. It must contain all information about items to be delivered according to the purchase order, in particular the quantity, the ADN article number and the purchase order or contract number and reference to any partial deliveries. Supplies, which consist of several parts or packages, must be marked as belonging together.
- 16.2. An immediately accessible valid airworthiness certificate must be attached to each delivery, if required by the nature of the product.
- 16.3. Contractor shall undertake to send appropriate installation and operating instructions with the goods, if required by their kind.
- 16.4. The delivery takes place at the expense and risk of contractor. This also applies to deliveries to a third party designated as consignee by ADN.
- 16.5. Contractor may provide partial services only after special agreement. Partial deliveries must expressly be marked as such by contractor.
- 16.6. Contractor shall be responsible for proper packaging, taking into account the type of shipping or packing instruction, and for the burden of proof. If not separately regulated, he is obliged to take back packaging and dispose it properly at his own expense. Place of performance for the return of packaging is the location of the delivery of the goods.

17. Delivery Specifications

- 17.1. Deliveries with vehicles at ADN Receiving Dept., Flughafenstrasse 100, 90411 Nuernberg, can only be received from Monday to Friday, 7:30 - 15:30.
- 17.2. Reloading and further transport costs caused by non-observance of the delivery specifications shall be borne by the contractor.
- 17.3. ADN is entitled to refuse acceptance if a.m. requirements are not met.
- 17.4. Delivery of goods over 100 kg and/or larger than standard EN 13698-1 pallets shall be made via Gate 1 of the Airport (entering through the security gate). The security area of Nuremberg Airport may only be entered by persons with the appropriate ID after passing the security checkpoint and only be operated with approved and marked vehicles. In the apron area the transport vehicle is led or guided by the airport operator or an agency authorized by him. Expenditure of time rising in addition (wait, search of the vehicle, administrative effort) cannot be invoiced to ADN. For the time of a dangerous goods cargo handling, a contact of the freight forwarder (HAZMAT or radiation safety officer), who can give all necessary information about the dangerous goods, must be accessible for the fire department. In the event of a dangerous goods accident, the fire department must be alerted. It is responsible for the operational leadership and the emergency response handling. The cause shall bear all costs incurred in the dangerous goods accident.
- 17.5. User have to observe both road traffic regulations and traffic rules issued by the airport operator, even in airport areas, which are not accessible for public traffic, as long as the airport operator did not issue a different regulation.

18. Code of Conduct, Right of Termination and Right of Withdrawal

- 18.1. ADN will expect contractor to meet his social responsibilities. Contractor will in particular abide the respective legal regulations for dealing with employees, environmental protection and work safety. He shall undertake not to participate, neither active nor passive, directly or indirectly in bribery or forced or child labor and respect and adhere to the laws, which protect and promote competition, in particular to the antitrust laws. Contractor respects and supports compliance with the internationally recognized human rights. Moreover, contractor will take responsibility for the workplace health and safety of his employees, he will act in accordance with the environmental laws and he will use best efforts to promote this Code of Conduct among his suppliers.
- 18.2. In the event that contractor breaches the commitments referred to above and such breach has not immediately been remedied in spite of notice and contractor does not prove to have taken reasonable precautions to avoid

future such breaches, ADN reserves the right to withdraw from the contract or to terminate the contract without notice. The right to assert further claims remains unaffected.

19. Security in the Supply Chain

- 19.1. Contractor meets the necessary organizational instructions and measures, in particular in the areas of asset protection, business partners, personnel and information security, packaging and transport to warrant the security in the supply chain pursuant to the requirements of internationally recognized initiatives on the basis of the WCO SAFE framework of standards (for example, AEO, C-TPAT). He protects his deliveries and services to ADN or to a third party designated by ADN against unauthorized access and tampering. He shall solely employ reliable staff for such goods and services and shall oblige any subcontractor to meet appropriate measures, too.
- 19.2. If contractor breaches obligations culpably, ADN may irrespective of further claims withdraw from or terminate the contract. Provided, the breach of duty is capable of remedy, the exertion of this right is subject to the proviso, a reasonable grace period has fruitlessly elapsed.

B. SPECIAL PROVISIONS FOR THE PURCHASE

20. Transfer of Risk

The risk of accidental loss or accidental deterioration will transfer (unloading took place) to ADN with delivery. Transfer of Ownership will take place with Transfer of Risk to ADN.

21. Liability for Defects

- 21.1. Contractor warrants that the goods are suitable for each contractually required application and have a quality, which is customary for goods of the same type and can be expected by ADN according to the type of goods. In addition contractor warrants that the goods have the characteristics that ADN can expect about certain properties of the goods, on the basis of public statements of the contractor, of the manufacturer (§ 4 para 1 and 2 Product Liability Act) or of a vicarious agent, in particular in advertising or labelling, that the delivered goods correspond to legal and regulatory provisions for sales and usage, and that, as far as assembly work is agreed, it will be performed properly.
- 21.2. Contractor warrants that the product is free of third-party rights, due to which the intended use of the goods by ADN could be prohibited or affected in any other way, or which could make the intended use of the goods dependent from payment of additional charges above the agreed price of the goods. If rights of this kind exist, contractor shall undertake to indemnify ADN from all claims asserted against him, including any legal costs.
- 21.3. The legal provisions for material and legal defects shall apply unless otherwise agreed below. Contractor is also obliged to inform ADN immediately about necessary measures (e.g. a recall action) to meet in connection with established or suspected defects.
- 21.4. ADN may demand at his option supplementary performance by remedy or by new delivery. Contractor may refuse supplementary performance if it is only possible at disproportionate cost. In this case ADN's right is limited to withdraw fully or partially from the contract after expiry of the set deadline for supplementary performance, or to reduce the charge and to claim damages.
- 21.5. ADN shall be entitled to rectify the defect at the expense of contractor in case of imminent danger or particular urgency and ADN has no possibility to inform the contractor before self-remedy and to indicate a threatening further damage.
- 21.6. Except as no longer period is provided by law, claims based on defects become time-barred in three years from receipt of the delivery at the delivery address indicated in the order.
- 21.7. If an order is based on a commercial transaction, delivered goods shall be deemed approved if ADN has not sent a notice of defects within 2 weeks after delivery to contractor, if the delivery does not differ from the order so substantially that contractor must consider an approval as barred. The same applies to wrong deliveries and quantity deviations.
- 21.8. The plea of hidden defects is raised in due time, if the defects are reported to contractor within 10 days after their discovery.
- 21.9. The issuance of receipts of delivery and any payments of ADN do not stand for the waiver of potential claims or rights. All warranty claims will be preserved.
- 21.10. If ADN has informed contractor of the intended use of the goods or services or this use is evident for contractor without express notice, he is obliged to inform ADN immediately if the goods or services are not suitable to fulfil this use.

22. Purchase of Software

ADN may use purchased software temporarily and locally unrestricted in the form of a non-exclusive right for any purpose and in particular to bring it somewhere else, to adapt it with configuration tools and to connect it with system components from other manufacturers. In all cases of transfer all contractual obligations accruing from the license are assigned to ADN. In

addition, the software can be used on an alternative system as well.

23. Export Control Regulations

- 23.1. In case of a delivery of products which implies the presentation of a valid export license, the contractor is responsible for the entire licensing procedure and for all export documents required by the authorities of the exporting country.
- 23.2. To comply with foreign trade and customs legislation, contractor shall undertake to provide ADN the following information, in writing with the delivery:
 - if the goods are subject to the dual-use regulation (annex I of the Regulation (EC) No. 428/2009 with Regulation (EC) No. 2015/2420 revised), the export list number including sub-numbers (example: 5A002a1b) must be specified.
 - if the goods are subject to the U.S. Export Administration Regulations (EAR), the respective Export Control Classification Number (ECCN), including sub-number (example: 5D992b2) must be specified, without an export license requirement 'EAR99', too.
 - the commodity code in accordance with Regulation (EEC) 2658/1987, annex I, current version), also called 'Customs Tariff Number' or 'Harmonized System Code', must in any case be specified with 8 digits (example: 8803 3000).
 - the country code of the country of origin must be specified (only in preferential trade) as ISO Alpha2 (example: DE).
- 23.3. If any part/item identified in a Purchase Order is subject to the US International Traffic in Arms Regulations (ITAR) the supplier shall notify ADN in writing and request a renewed written consent before sending such part/item. For any part/items classified under the Export Administration Regulations (EAR) with a Export Control Classification Number (ECCN) subject to controls above the Anti-Terrorism (AT) level, a prior written notification is sufficient before sending such part/item.

24. Dodd-Frank Wall Street Reform and Consumer Protection Act

The recent ruling by the Dodd-Frank Wall Street Reform and Consumer Protection Act, P.L. 111-203, enacted in August 2012, requires all U.S. Companies to monitor their supply chains to ensure that parts and products supplied to them do not contain metals derived from 'Conflict Minerals', so that they do not directly or indirectly finance or benefit armed groups through mining or mineral trading in the Democratic Republic of the Congo or an adjoining country. Contractors of the United States shall, on request of ADN, submit a written "DRC (Democratic Republic of the Congo) conflict determination statement" for material supplied by them.

25. REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals)

Contractor shall undertake to comply with the REACH Regulation (EC No. 1907/2006) concerning the goods delivered to ADN.

26. Environmental Protection, Duties to Declare, Dangerous Goods

- 26.1. Should the contractor deliver products, substances of which are set out in the so-called "List of Restricted and Declarable Substances" applicable at the time of the order, or which are subject to statutorily imposed substance restrictions and/or information requirements (e. g. REaCH, RoHS), contractor shall declare such substances in the web database 'www.bomcheck.net' no later than the date of first delivery of products. With respect to statutorily imposed substance restrictions the foregoing shall only apply to laws which are applicable at the registered seat of the contractor or of ADN or at the designated place of delivery requested by ADN.
- 26.2. Should the delivery contain goods which - according to international regulations - are classified as dangerous goods, contractor shall inform ADN hereof in a form agreed upon between ADN and contractor, but in no case later than the date of order confirmation. Contractor shall undertake to adhere to the national and international regulations for the transport of dangerous goods ('ADR/GGVE' by rail, maglev train, road, water and 'IATA/ICAO' for air transport). He shall further undertake to prepare mandatory transport and dangerous goods documents that accompany the goods to the ADN Receiving Department.
- 26.3. Should ADN inform the contractor that following a delivery a shipment in another mode of transport is planned, contractor will consider the required dangerous goods regulations for the further transport as well.

C. SPECIAL PROVISIONS FOR SERVICES OR SERVICE OF WORK

27. Service of Work

- 27.1. The risk of accidental loss or accidental deterioration passes on ADN with acceptance.
- 27.2. There is a written acceptance of the work.
- 27.3. Contractor provides support services free of charge to the extent, which is necessary to carry out an acceptance test.
- 27.4. If an acceptance was not declared, acceptance tests shall be repeated. All acceptance tests or comprehensive shares thereof can be repeated.
- 27.5. If the acceptance protocol schedules a total acceptance, and is divided into parts thereof, the total acceptance will be declared only if all (partial)

acceptance tests have passed successfully.

28. Liability for Defects

- 28.1. Contractor promises to execute services or service of work properly, to quality standards and on schedule.
 - 28.2. Statutory provisions for material defects and defects of title shall apply unless otherwise agreed hereinafter.
 - 28.3. ADN may demand at his option supplementary performance by remedy. Contractor may refuse supplementary performance if it is only possible at disproportionate cost. In this case ADN's right is limited to withdraw fully or partially from the contract after expiry of the set deadline for supplementary performance, or to reduce payment or compensation for work.
 - 28.4. Except as no longer period is provided by law, claims based on defects become time-barred in three years from carrying out or from decrease of in performance.
 - 28.5. ADN must indicate deficiencies to contractor, once they are determined according to the circumstances of a proper course of business.
 - 28.6. Should contractor deny a defect existed and ADN therefore ordered an expert, contractor will bear the cost if the defect actually existed.
- ### **29. Usage Rights for Results of Services or of Service of Work**
- 29.1. Contractor transfers to ADN exclusively and indefinitely all copyrights and other usage rights on all services provided by the contractor on the basis of a contract, especially in designs, proposals etc. and all usage rights for nature and extent of compiled and suggested measures.
 - 29.2. Both parties can freely dispose of ideas, methods, concepts and other techniques, resulting in execution of the services to be provided by the contractor.
- ### **30. Service Provision in the Facilities of ADN at Nuernberg Airport**
- 30.1. Contractor is responsible for compliance with the occupational health and safety regulations, the accident prevention regulations of the relevant professional association as well as the generally accepted safety and occupational health provisions. Contractor shall undertake the obligation to register his workers nominally with ADN and submit them to the operational practices of ADN and to fill in the settlement documents provided by ADN properly.
 - 30.2. Contractor shall further undertake the obligation to register his workers nominally with the airport of Nuremberg ("NUE") if required, to apply for identity cards if necessary and to submit them to the operational practices of NUE during their work; and to comply with the behaviors required by NUE (ID, traffic routes, smoking, etc.).
 - 30.3. Tools and equipment provided by ADN will be used at the expense and at the risk of contractor.
- ### **31. Personnel Deployment, Subcontractor**
- 31.1. Contractor is responsible for personnel selection and deployment, as well as for supervision, management, control and remuneration.
 - 31.2. Contractor will employ qualified staff and provide appropriate commitment for the term of a contract. ADN is authorized to require the exchange of personnel for an important reason by the contractor. Should there be an exchange of personnel, contractor will provide qualified staff to ADN.
 - 31.3. Engagement of a subcontractor requires the prior written consent of ADN. On demand of ADN, unauthorized subcontractors must be dismissed within 14 days after written request. If this deadline is not met, ADN has the right of extraordinary termination without notice of the contract at any time.
 - 31.4. Contractor shall respect the "ADN Minimum Wage Agreement Act". It can be requested in writing.