

GENERAL TERMS AND CONDITIONS OF PURCHASE



1. GENERAL

- 1.1. We shall place our orders exclusively on the basis of the following Terms and Conditions of Purchase. Acknowledgements of orders from or general terms and conditions of our supplier or similar provisions containing terms and conditions different from the present ones will not be accepted by us and shall be deemed excluded.
- 1.2. By accepting our purchase order you also accept these Terms and Conditions of Purchase.
- 1.3. Our Terms and Conditions of Purchase shall expressly apply also to future transactions between us and our supplier, even if these Terms and Conditions are not specifically referred to in a specific case. Agreements (modifications, amendments) which, as an exception, deviate from our Terms and Conditions of Purchase shall only apply to the specific transaction for which we have confirmed them in writing.
- 1.4. Our Terms and Conditions of Purchase shall also apply where the supplier installs or assembles delivered items on our behalf.
- 1.5. The supplier acknowledges that the data on him contained in the purchase order will be processed electronically for bookkeeping and supplier information purposes. Such data may be transmitted if required by law, for monetary and payment transactions and, upon the concerned party's special consent, to accurately described recipients on a case-by-case basis.

2. PLACING OF ORDERS

- 2.1. Offers of our supplier (including project costs) shall be submitted to us free of charge and shall only be understood as an invitation to submit an offer for a contract (purchase order).
- 2.2. With respect to quantity and quality of the goods or any design details the supplier shall strictly comply with our inquiry in his offer. Pricing of goods which are charged according to weight shall be based on the net weight exclusive of packaging or packing aids (such as, e.g., skeleton containers, palettes, cases, etc.).
- 2.3. Quotations shall be binding and free of charge unless expressly agreed in writing otherwise.
- 2.4. Purchase orders, contracts on transactions, delivery calls, modifications thereof and amendments thereto or any change in the underlying contract including these General Terms and Conditions of Purchase as well as this clause on the requirement of written form itself shall be made in writing to be legally effective. This shall also apply to termination, if any.
- 2.5. Oral agreements of any kind, including subsequent modifications of or amendments to our Terms and Conditions of Purchase and this clause on the requirement of written form, shall require our written confirmation in order to be legally effective.
- 2.6. The requirement of written form shall also be deemed fulfilled by transmission of data (e-mail) or fax.
- 2.7. Purchase prices on our orders are agreed, binding and shall not be changed or altered on any subsequent documents, for example but not limited to order confirmations and invoices, for any reason. The supplier is obliged to contact us within maximum 3 working days after receipt of order in this matter, only if the validity of the offer, which has to be expressly brought up to the relevant person at Greiner at the time of quoting, has expired for over 10 months. Any changes require our written confirmation, as stated in Sec. 2.5 of this agreement.
- 2.8. If the order acknowledgement deviates from the content of our purchase order in any way, this shall be expressly stated within 3 working days and our written consent shall be obtained. In any case we reserve the right to cancel an order if it is not accepted by mutual consent within 14 days.

GENERAL TERMS AND CONDITIONS OF PURCHASE



2.9. Our supplier shall state our purchase order number, our purchase order date, the item number and all other information we have used for a more detailed description of our purchase order on all letters and writings to us, in particular on order acknowledgments, dispatch notes, delivery notes and invoices. In the case of call orders the supplier shall also include the relevant data of the call concerned.

3. PRICES; TERMS OF PAYMENT AND INVOICING

- 3.1. The prices stated in our purchase order and/or agreed with the supplier shall be fixed prices. Any change during the delivery period shall be excluded, including in the case of call orders. We shall not accept price escalation clauses.
- 3.2. Prices are exclusive of statutory VAT. Changes in tax laws or other changes in circumstances and conditions shall not entitle the supplier to increase the prices subsequently; in particular, the supplier shall bear exchange rate fluctuations. The ordering party shall be free to choose whether to effect payment on the basis of the exchange rate which is applicable on the day of the purchase order or on the basis of the rate applicable at the due date. Invoices shall be issued in duplicate in accordance with the provisions of Clause 2.9.
- 3.3. We will only accept invoices where VAT is stated separately. Separate invoices shall be issued for each value-added tax rate.
- 3.4. Unless otherwise agreed payments shall be made within thirty (30) days of receipt of the goods at a 3% cash discount or within 90 days without deduction. If the invoice is received later than the goods, the date of receipt of the invoice shall be decisive for calculation of the cash discount period rather than the date of receipt of the goods. A cash discount may also be deducted in the case of a set-off by the supplier.
- 3.5. Payment may be effected by means of a set-off against our counterclaims; the supplier will be informed by us in writing within the payment period stated above if we apply this mode of payment.
- 3.6. Set-off of counterclaims of the supplier against our claims or exercise of a right of retention shall be permitted only if the counterclaim or the right of retention has been accepted by us or ascertained in a no appealable manner.

4. DELIVERY AND DELIVERY TIME

- 4.1. The delivery deadline stated in the order / call-off is binding.
- 4.2. Receipt of the goods at our premises or at an agreed place shall be deemed authoritative as regards meeting of the delivery terms and conditions of the agreement.
- 4.3. The supplier undertakes to inform us in writing without delay if circumstances arise, or are identified, on the basis of which the agreed delivery deadline cannot be met.
- 4.4. We shall be entitled to exercise legal claims in the event of delayed delivery. In the case of delay we shall be entitled to claim compensation for delayed delivery at 1% of the contract value for each completed week up to a total of 25% of the contract value without furnishing special proof of damage. Further claims above or beyond thereby shall remain unaffected. We undertake to assert the provision regarding the contractual penalty at the latest with the final payment. In other respects the statutory provisions are deemed applicable.

GENERAL TERMS AND CONDITIONS OF PURCHASE



5. DELIVERY / PACKAGING/SHIPMENT and DOCUMENTATION

- 5.1. Shipping shall be effected without any freight charges, packaging costs, customs duties or charges for us on the most economical transport route to the receiving agent advised by us. We may refuse to accept carriage forward shipments. The supplier shall bear the transportation risk.
- 5.2. The delivery shall be subject to the DDP clause delivered respective Greiner works according to the Incoterms 2010 unless otherwise agreed.
- 5.3. Accordingly, the delivery items shall be safely packed at the supplier's cost, to the extent packaging is necessary due to their nature, in such a way that they are protected against loss and damage and to prevent harm to persons or damage to equipment or other goods and shall be securely loaded for transport. The supplier shall be liable for all consequences caused by lack of packing or by defective packaging. Delivery items which are damaged during transport shall be returned to the supplier postage not prepaid (or shall be made ready for pick-up by a forwarder arranged by the supplier), who shall be responsible for settling the claim with the freight forwarder, if any and if it is relevant based on the relevant applicable Incoterm.
- 5.4. We reserve the right to return the packaging to the supplier; if the packaging is returned free of expense for the supplier, the respective amount shall be credited to us.
- 5.5. The supplier guarantees to deliver all necessary documentation in correlation with the delivered products and the aviation industry which are requested by Greiner. He furthermore cooperates closely with Greiner within the given reaction time.

6. INSPECTION AND ACCEPTANCE OBLIGATION / FORCE MAJEURE

Events of force majeure, which shall include impacts of war, terrorism, riot, strikes, lock-outs and interruptions of transport and business in our area or that of our upstream suppliers which we could not foresee and for which we are not responsible shall release us from our obligation to accept the goods for the duration of the disturbance and to the extent of its impact. In those cases claims of the supplier for consideration or damages shall be excluded.

7. PASSING OF RISK

The risk shall pass to us only according the agreed Incoterms for the relevant purchase order. If a delivery includes installation or assembly the risk shall pass to us upon acceptance of the installed or assembled goods, proven by a by Greiner signed acceptance protocol.

8. PASSING OF OWNERSHIP

The ownership of the delivered material shall be passed to Greiner after the transfer of risk, but latest after agreed compensation has been paid to the supplier. Greiner is entitled to freely dispose of its property and does not transfer any rights, claims or whatsoever as the case may be to the supplier or any third party.

9. WARRANTY AND LIABILITY

- 9.1. We shall not accept exclusions of liability of any kind or limitations of liability of our suppliers, in particular on the ground of warranty or damages. Accordingly, this shall apply, for example, where the statutory burden of proof is changed to our detriment or if periods are shortened, etc. Thus, we shall not accept exclusion of rights of recourse as defined in Section 933b of the Austrian General Civil Code [ABGB].

GENERAL TERMS AND CONDITIONS OF PURCHASE



- 9.2. The delivery item shall always possess the agreed properties, render the agreed performance and its design and material shall be state-of-the-art. The delivery item shall not have any errors which eliminate or reduce the value or suitability of the same for normal use or use expected or advised when the purchase order was placed.
- 9.3. Quality, dimensions and weight of the delivered material shall be in accordance with the agreements in the supplier quality agreement (SQA), FAA Standards, EASA Standards and EN Standards. All deliveries must be in full compliance with the statutory accident-prevention regulations and safety regulations (CE conformity) applicable at the time of delivery.
- 9.4. If promised properties of the delivery items or properties we have asked for are missing, or if accident prevention regulations or other safety provisions have not been observed, or if the delivery item is otherwise defective we shall be entitled, irrespective of the severity of the defect, to claim, at our choice, cancellation of the purchase (contract), reduction of the purchase price or free-of-charge repair of the defect or substitute delivery at no costs. Claims for compensation for any direct or indirect consequential damage of a defective delivery shall not be affected thereby.
- 9.5. If the supplier fails to fulfil his warranty obligation within a reasonable period of time agreed between Greiner and the supplier, we shall be entitled to repair the defects ourselves or have them repaired by third parties, or to obtain replacement elsewhere. In case of imminent danger cases (e.g., penalties become effective) we shall be entitled to repair identified defects ourselves or by third party at the supplier's cost, if the supplier does not set actions according to the fastest and most efficient way to repair the damage.
- 9.6. If defects cannot be repaired on site, any shipping costs back to the supplier shall be borne by him.
- 9.7. The warranty period shall be three years from the date the risk has passed, unless longer statutory periods apply.
- 9.8. We shall be entitled to notify defects within four weeks of receipt of the goods; in the case of hidden defects we shall be entitled to notify them within two weeks after they have been detected. Hidden defects shall include defects of the object of the purchase which are identified only during processing or putting into operation in the course of normal operation.
- 9.9. The foregoing warranty provisions shall also apply if the supplier installs or assembles delivery items on our behalf. In that case the warranty period shall commence upon acceptance of the completely assembled items by us or our customer according to the written confirmation of acceptance.
- 9.10. The supplier shall be liable for the fact that no counterfeit parts (unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component)), which is misrepresented as a specified genuine part of an original or authorized manufacturer) are delivered to us as well as to the supplier and throughout his supply chain and no proprietary rights of third parties are infringed by his services or by our use of the items and services purchased from him. The supplier undertakes to indemnify and hold us harmless in the case of infringements and counterfeit parts, if any.
- 9.11. The supplier shall be liable for the fact that no proprietary rights of third parties are infringed by his services or by our use of the items and services purchased from him. The supplier undertakes to indemnify and hold us harmless in the case of infringements, if any.
- 9.12. The supplier commits himself to inform Greiner aerospace at least 6 months in advance if the supplied material will not be produced anymore.
- 9.13. Employees of Greiner aerospace and the aeronautic authority (EASA / ACG / FAA and other official regulative offices) will be expressly given the right to inspect the system at the supplier's site upon prior information on date, manner, place and extent, as well as the right of access of supplier's sites down its supply chain.

GENERAL TERMS AND CONDITIONS OF PURCHASE



10. TRANSFER / ASSIGNMENT

- 10.1. The supplier's delivery obligation to us shall not be transferred to third parties without our prior written consent.
- 10.2. The supplier shall not be entitled to assign his claims to us under the delivery or service contract to third parties without our prior written consent.
- 10.3. Any transfer or assignment effected in violation of these provisions shall be legally ineffective.

11. DOCUMENTS MADE AVAILABLE AND CONFIDENTIALITY

- 11.1. Documents of any kind, such as descriptions/specifications, specimens, drawings, models, tools, moulds and any other items which we have made available to the supplier shall remain our property.
- 11.2. The supplier shall not be allowed to use our documents for his own purposes or to make them available to third parties unless a direct connection to the order to be processed exists. The documents including hard copies and digital copies thereof, if any, shall be returned to us without request not later than at the time they are no longer needed by the supplier for execution of services or deliveries. The documents shall be returned to us free of charge.
- 11.3. The supplier shall inspect these documents immediately upon receipt. Deviations from the same shall only be permissible if we have consented thereto in writing. If the documents contain technical or other defects/errors, the supplier shall inform us thereof immediately upon identification of the same.
- 11.4. The supplier undertakes to keep all technical and commercial data regarding us secret, unless they are already in the public domain. This shall apply, in particular, to the documents listed in Clause 11.1 and to information on prices and conditions.
- 11.5. The supplier shall retain quality records for a minimum of 10 years from purchase order completion, unless otherwise specified.

12. MOULDS AND TOOLS

- 12.1. Tools or moulds manufactured or procured by the supplier on our behalf shall become our sole property upon manufacturing or procurement by the supplier, latest after full compensation of the agreed price. In case of proportional costs passed on to Greiner, the tool become our property to the extent of the proportion. This regulation also applies if the ownership is transferred to our customer. Delivery shall be replaced by the supplier keeping such tools for us at no cost. The costs of such safe-keeping shall be included in the purchase price.
- 12.2. During safe-keeping the supplier shall be liable for any form of deterioration or loss of the tools or moulds.
- 12.3. The supplier undertakes to take out insurance for the tools and moulds against theft, fire, loss and any form of deterioration at his own cost and to present evidence thereof at our request.
- 12.4. The supplier shall maintain the tools and moulds at his cost.
- 12.5. The supplier shall not be allowed to pass tools and moulds on to third parties or to use them for his own or other than his own purposes.
- 12.6. We shall be entitled to make the tools and moulds available to third parties for manufacturing of parts for us, to repair the tools and moulds ourselves or have them repaired by third parties for our own purposes and to replace or alter them.
- 12.7. We shall be entitled to take away the tools from the supplier if parts are not delivered in time or properly. We reserve the right to take away tools also if the supplier demands prices for future deliveries of parts that exceed the prices agreed for the first delivery of our tools and moulds or excessive part price increase.

GENERAL TERMS AND CONDITIONS OF PURCHASE



13. Compliance

The supplier understands and acknowledges that Greiner aerospace's activities and, hence, also the supplier's activities for Greiner aerospace are governed not only by the local laws in the jurisdiction of the supplier but also by the laws of other countries and organizations. The supplier further acknowledges that Greiner aerospace has established a strict code of conduct and that the supplier's continuous and strict adherence to all laws and regulations and this code of conduct is a precondition for Greiner aerospace to contract and continue to do business with the supplier. The supplier undertakes to strictly comply at all times with the Greiner Code of Conduct and the Code of Conduct for Suppliers and Business Partners, <http://www.greiner.at/en/group/>, in its most current version, and all applicable laws and regulations, especially the U.S. Foreign Corrupt Practices Act of 1977 (as amended), as well as local antitrust, anti-corruption, anti-bribery laws and regulations and ethical principles.

Neither the supplier, nor any of its directors, officers, employees, or agents will make or offer to make any payment or gift directly or indirectly to any third party, including any employee, officer or representative of any governmental entity or authority or to any political party or candidate.

The supplier agrees to maintain proper records regarding his activities for Greiner aerospace in writing. On demand, the supplier will forward the proper records to Greiner aerospace and will support Greiner aerospace in case of any questions or demands in this respect. Greiner aerospace reserves the right to audit the supplier during business hours upon prior written notice with regard to compliance with the terms of this Agreement and all applicable laws and regulations including the Greiner Code of Conduct

14. PLACE OF PERFORMANCE / PLACE OF JURISDICTION; CHOICE OF LAW

- 14.1. The place of performance of deliveries and services of our supplier shall be the receiving agent advised by us.
- 14.2. The place of jurisdiction for all disputes arising between the supplier and us shall be the court having subject-matter jurisdiction over the place of the respective Greiner works. We may also bring action in the court having jurisdiction over the registered office of the supplier.
- 14.3. Austrian substantive law shall apply. Applicability of UN Sales Law shall be expressly excluded
- 14.4. If the contractor's registered office is outside the European Union (EU), all disputes arising between the contractor and us shall be finally settled in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce in Paris by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be Vienna. The language of arbitration shall be English. The arbitral tribunal shall decide in accordance with Austrian substantive law.

15. SEVERABILITY CLAUSE

- 15.1. The contract concluded by and between us and the supplier shall remain binding also in the case that individual provisions of the contract or of these terms and conditions of ordering are legally ineffective.
- 15.2. Ineffective provisions or terms and conditions shall be replaced in good faith by a regulation that comes as close as possible to the purpose of the ineffective provision or condition and ensures that the economic purpose of the contract can be achieved.