

Airbus DS GmbH**General Terms and Conditions of Purchase 1/2013****1. Scope**

- 1.1** The following General Purchasing Terms (GPT) of Airbus DS GmbH (hereinafter referred to as AIRBUS DS) shall apply to all contracts for work ordered from the supplier and purchase of its goods (hereinafter jointly referred to as "deliveries"). The GPT as amended shall also apply as a basic supply agreement to future contracts regarding deliveries of moveable items with the same supplier, without AIRBUS DS having to draw attention to them again in a particular case; changes of these GPT will only become part of the contract as far as AIRBUS DS informed the suppliers about the changes prior to conclusion of such contract.
- 1.2** These GPT shall apply exclusively. The supplier's deviating, contrary or supplementing General Terms and Conditions shall only become part of the contract insofar as AIRBUS DS has explicitly approved their application. This approval requirement shall apply in any case, for example even if AIRBUS DS unreservedly accepts the supplier's deliveries in knowledge of its General Terms and Conditions.
- 1.3** Individual agreements with the supplier (including collateral agreements, supplements and amendments) reached in a particular case shall in any case have priority over these GPT. The content of such agreements shall be determined by a written contract or the written confirmation of AIRBUS DS.
- 1.4** Legally significant declarations and notices that must be made or given by the supplier to AIRBUS DS after the conclusion of the contract (e.g. setting deadlines, warning notices), shall only be valid if recorded in writing.
- 1.5** References to the validity of statutory regulations shall only have a clarifying significance. The statutory regulations shall therefore also apply without such a clarification, unless they are directly modified or explicitly excluded in these GPT.

2. Conclusion of Contract

- 2.1** If the supplier does not accept an order from AIRBUS DS in writing within two weeks after receipt of the order, the acceptance will be deemed delayed. A delayed acceptance shall be deemed as a new offer and requires the acceptance of AIRBUS DS. The expiry of the set period shall be determined by the date of receipt of the acceptance by AIRBUS DS. The supplier shall draw AIRBUS DS's attention to obvious errors (e.g. spelling mistakes and calculation errors) and incompleteness of the order including the order documents for the purpose of correction or completion prior to acceptance; otherwise, the contract shall be deemed not concluded.
- 2.2** The acceptance of the order must include all essential order data, especially the precise description of the ordered deliveries, order number, order and delivery date as well as the price. Delayed acceptance shall be considered as a new offer and must be accepted by AIRBUS DS.
- 2.3** The supplier is not entitled to assign all or part of the order to third parties or have the order carried out by third parties without AIRBUS DS'S prior written consent. The

unauthorised passing on to third parties shall entitle AIRBUS DS to withdraw from all or part of the contract and claim damages.

3. Prices

- 3.1** The price indicated in the order is binding. All prices are quoted including statutory value added tax, unless this is shown separately.

The supplier's prices shall apply free place of performance according to clause 5.5 of these GPT. Unless agreed otherwise in a particular case, the price shall include all of the supplier's services and ancillary services (e.g. assembly, installation) as well as all ancillary charges (e.g. packaging, loading and freight charges including any insurance costs for the transport of the goods).

The supplier must take back packaging material at AIRBUS DS's request.

- 3.2** The agreed prices are fixed prices and exclude all kinds of additional claims and price increases.

4. Payment Conditions

- 4.1** The supplier's invoices must be issued in two official copies and must include all information requested in the order for each delivery. AIRBUS DS shall only pay for the deliveries that have been carried out in conformity with the order.

- 4.2** Unless agreed otherwise, payments by AIRBUS DS shall in principle be made by credit transfer, and namely after receipt of the proper invoice within the payment term stated in the order. If the end of the payment period falls on a Saturday, Sunday or public holiday, the payment shall be made on the following working day.

If the payment is made by bank transfer, it shall be made in due time if the transferorder is received by AIRBUS DS's bank before the end of the payment period; AIRBUS DS is not responsible for delays by the banks involved in the payment transaction.

- 4.3** Default interest shall be charged in accordance with Sections 288 II, 247 German Civil Code [*Bürgerliches Gesetzbuch* (BGB)]. The occurrence of the default shall be subject to the statutory regulations, whereby by way of derogation a written warning notice by the supplier shall be required in any case.

- 4.4** AIRBUS DS shall be entitled to rights of set-off and retention as well as the plea of non-performance of contract within the statutory limits. AIRBUS DS is especially entitled to retain payment due as long as AIRBUS DS is still entitled to claims for incomplete or defective services against the supplier.

- 4.5** The supplier shall only have a right of set-off and retention concerning counterclaims that are undisputed or recognised by declaratory judgement.

5. Delivery Date, Place of Performance

- 5.1** Agreed delivery dates or deadlines are binding. Advance deliveries as well as deliveries after the agreed delivery date are only permitted with AIRBUS DS's prior written consent.

- 5.2** Timely delivery of deliveries shall be deemed to be their receipt by the receiving location indicated by AIRBUS DS. The supplier must notify AIRBUS DS in writing without delay if and as soon as there are signs that it will be unable to observe the delivery date. In this regard, it must indicate to AIRBUS DS in writing the circumstances that endanger the observance of the agreed delivery dates, as well as take all necessary measures to observe the delivery date. The acceptance of a delayed delivery by AIRBUS DS shall not include any waiver of claims for compensation.
- 5.3** If the supplier falls into default with the delivery, AIRBUS DS may assert a contractual penalty in the amount of 0.5% of the order value per commenced week of the default, but at most 5% of the order value. If the appropriate reservation is omitted upon acceptance of the deliveries or supplementary performance, the contractual penalty may nevertheless be asserted up until the final payment. AIRBUS DS is entitled to assert a contractual penalty in addition to the performance. AIRBUS DS reserves all claims and rights.
- 5.4** AIRBUS DS is not obliged to accept partial deliveries. If partial shipments are agreed, the remaining quantity still to be delivered must be stated in the delivery note.
- 5.5** The place of performance for the supplier's deliveries shall be the receiving location indicated in the order.
- 6. Dispatch, Transfer of Risk, Import and Export Control**
- 6.1** The supplier must package, ship as well as insure delivery items properly and in the process abide by the packaging and forwarding regulations. The supplier is liable for all damage that AIRBUS DS incurs through the improper or unsatisfactory packaging, shipment or insurance.
- 6.2** Shipping documents such as e.g. delivery notes packing slips must be enclosed with the deliveries. The order numbers and the AIRBUS DS's markings and labelling required in the order must be indicated in all documents. AIRBUS DS must be forwarded a dispatch note in advance by fax or e-mail no later than on the date of the shipment.
- 6.3** Additional costs that AIRBUS DS incurs through the failure to observe the foregoing regulations shall be borne by the supplier.
- 6.4** In the event of delivery without installation or assembly, the risk of accidental perishing and aggravation shall pass when the goods are received at the receiving location indicated by AIRBUS DS. In the event of deliveries with installation or assembly and in the case of services provided on site, the risk of accidental perishing and aggravation shall pass upon the acceptance to be carried out at the place of installation or the place of providing the services.
- 6.5** The fictitious acceptance according to Section 640 para. 1 sentence 3 BGB shall be excluded.
- 6.6** The supplier must obtain the import and export licences or other official authorisations at its own expense and risk as well as deal with all customs formalities that are

required for the import and export of the goods and where applicable for their transit through a third country. The supplier is obliged to observe all applicable export provisions.

7. Defective Delivery

- 7.1** The supplier warrants unconditionally the proper delivery and procurement of the delivery item. It especially warrants for quality and quantity of the delivery item specified in more detail in the order. The supplier warrants that the delivery item will be free from any kind of defects in title, especially third party rights.
- 7.2** The warranty period for defects under purchasing agreements or contracts for work and services shall be three years from the time of the transfer of risk.
- 7.3** AIRBUS DS shall notify defects in writing to the supplier without delay insofar as these are detected during the incoming inspection by visual inspection of the packaging and transport papers or by quality checks performed during the incoming inspection by sampling procedure. In all cases the notification of Airbus DS will be without delay, if it is received by the supplier within ten working days.
- 7.4** If the delivery item proves to be defective during the warranty period, AIRBUS DS may claim supplementary performance, i.e. at its own option the remedy of the defect or the delivery of an item free from defects or the production of new work. AIRBUS DS may also assert these rights in addition to the claim for performance already before the transfer of risk insofar as the defect is recognised at this time. In all above-mentioned cases of defects of performance, the supplier make the supplementary performance independent from the proportional or complete payment of the agreed remuneration by AIRBUS DS. It must bear the expenditures required for the purpose of the supplementary performance, especially transport, transportation infrastructure, labour and material costs as well as any installation and dismounting costs. AIRBUS DS explicitly reserves the right to claim damages, especially the right to claim damages in lieu of performance.
- 7.5** Besides the statutory claims, AIRBUS DS may remedy the defect concerning a defect under a purchasing agreements or contract for work by itself after the unsuccessful expiry of a reasonable period for the supplementary performance specified by AIRBUS DS and claim reimbursement of the required expenditures, unless the supplier rightly refuses the supplementary performance. In this regard, the statutory regulation on the buyer's right to perform repairs/eliminate defects on its own and claim compensation therefore in case of the contract for work (Section 637 BGB) shall apply accordingly to purchasing agreements. AIRBUS DS may demand an advance payment from the supplier for the expenditures required for the remedy of the defect.
- 7.6** If AIRBUS DS withdraws from the contract, the supplier must return all received payments plus interest in the amount of 8 percentage points above the respectively applicable base interest rate. AIRBUS DS reserves the right to assert further claims.

8. Rights to the Deliveries and Services

- 8.1** If results are generated through the production of work (hereinafter referred to as "Results"), they shall become the AIRBUS DS's property upon their production, and

namely in their respective processing status. The supplier shall keep the Results safely for AIRBUS DS until their delivery. AIRBUS DS shall be entitled to the exclusive, transferable, sub-licensable right, unlimited worldwide in terms of time and place, to use, reproduce and modify Results in any way by itself or through a third party, and make these publicly available or exploit these, even in a form processed by it.

- 8.2** If AIRBUS DS and/or a third party which is in a contractual relationship with AIRBUS DS requires methods, processes, management tools, concepts, ideas and other know-how or property rights developed or acquired from the supplier ("Background IP") in order to be able to use the Results or the deliveries, the supplier hereby grants to AIRBUS DS a non-exclusive, royalty-free, transferable license, unlimited worldwide in terms of time and place, to the Background IP, which also comprises the right to sub-license.
- 8.3** If the Results contain protectable inventions or ideas, AIRBUS DS is entitled to apply for registration of these according to its free discretion and in its name in any country, maintain these or also allow these to expire at any time. If required, the supplier shall support AIRBUS DS during the application for registration; the supplier shall refrain from all actions which could hinder the application for registration and efficient exploitation of the rights by AIRBUS DS. AIRBUS DS shall own the property rights arising due to such an application for registration.
- 8.4** Unless regulated otherwise in a particular case, the supplier waives identifying the author in connection with the results obtained.
- 8.5** The supplier undertakes to ensure that the inventions or ideas arising in connection with the performance of the service will be transferred to AIRBUS DS without any expense for AIRBUS DS.
- 8.6** The supplier shall ensure contractually in the relationship with its employees, freelance employees or third parties, that AIRBUS DS is exclusively entitled to the rights under articles 8.1 and 8.2 for an indefinite period and that these rights will not be affected by the termination of the contracts between the supplier and the third party.
Otherwise, the supplier shall reimburse AIRBUS DS for all resulting damage and expenditures including the costs of appropriate legal defence and inasmuch indemnify AIRBUS DS against third party claims, unless the supplier is not responsible for these.

9. Product Liability and Infringement of Third Party Rights

- 9.1** The supplier undertakes to check its deliveries very precisely for defects, and do everything to avoid product liability. If AIRBUS DS is claimed on by a third party due to the defectiveness of a product and all or part of the defectiveness is due to a defect of the supplier's delivery, AIRBUS DS may also demand the indemnity against the third party instead of the compensation of all damage. The obligation to indemnify shall also apply to the companies affiliated to Airbus DS within the meaning of Sections 15 et seq. of the German Stock Corporation Act [*Aktiengesetz* (AktG)] as well as the companies claimed on due to the defectiveness of the product. The supplier's obligation to pay compensation shall also include the costs of a precautionary recall campaign to prevent damage if this is feasible.

The indemnification obligation as well as the liability of the supplier shall be excluded in the event the damage is based on gross negligence or wilful misconduct of AIRBUS DS.

The supplier must take out and maintain product liability insurance according to clause 16 of these GPT.

- 9.2** The supplier is obliged to indemnify AIRBUS DS, AIRBUS DS's customers as well as AIRBUS DS's affiliated companies within the meaning of Sections 15et seq. AktG against any liability based on claims according to which the deliveries or services infringe third party rights and for which the supplier is responsible. In such a case, the supplier is obliged to assume all costs and payment obligations on AIRBUS DS's first written request. AIRBUS DS shall not reach any agreements with the third party, especially not reach an amicable settlement, without the supplier's consent. The indemnification obligation as well as the liability of the supplier shall be excluded in the event the damage is based on gross negligence or wilful misconduct of AIRBUS DS.

10. Notification Obligations and Duties of Care

- 10.1** If AIRBUS DS has informed the supplier about the intended purpose of the delivery or this intended purpose is also recognisable for the supplier without any express reference, the supplier is obliged to inform AIRBUS DS without delay if the supplier's deliveries are not suitable for fulfilling this intended purpose.
- 10.2** The supplier must notify AIRBUS DS without delay in writing of any changes of the composition of the used materials or the design if different from similar previous equal deliveries to AIRBUS DS.
If AIRBUS DS does not approve the changes in writing, the delivery shall be deemed not compliant with the work/good as specified in the order.

11. Provision of Materials

- 11.1** All supporting documents and objects of any kind provided to the supplier by AIRBUS DS shall remain AIRBUS DS's property. They may be used exclusively for providing the delivery ordered. The supplier must take out insurance against loss and deterioration for any materials provided to him. In the event of culpable deterioration or loss, the supplier shall pay compensation, whereby the supplier shall also be responsible for slight negligence.
- 11.2** Processing and transformation of the information and objects made available shall be done for AIRBUS DS. AIRBUS DS shall directly become the owner of the newly transformed item. Should this not be possible for legal reasons, AIRBUS DS and the supplier agree that AIRBUS DS will become owner of the new item at any time of the processing or transformation. The supplier shall keep the new item safely for AIRBUS DS free of charge with the care of a prudent businessman.
- 11.3** The supplier is obliged to carry out any required maintenance and inspection work as well as insure the objects provided sufficiently at its own expense and furnish proof of this to AIRBUS DS upon request.

12. Confidentiality

12.1 AIRBUS DS's order shall be treated as confidential. Furthermore, the Supplier undertakes to keep all commercial and technical information and supporting documents, which become known to it through the business relationship and which are not generally known, confidential, even beyond any term of the order or premature termination of the order, and use them exclusively for providing the deliveries ordered. Drawings, models, samples, and similar objects shall not be transferred for use or made available to unauthorised third parties. Any subcontractors must be bound to confidentiality accordingly.

12.2 The Supplier may only mention, copy or use in any other way AIRBUS DS's company name or trademark in advertising materials, when stating references, or in other publications, with AIRBUS DS's prior written approval.

13. Spare Parts, Readiness to Deliver

13.1 The supplier is obliged to supply spare parts to AIRBUS DS under reasonable conditions for the period of the usual technical lifetime of the ordered delivery.

13.2 If the supplier discontinues the delivery of the goods or spare parts hereof after expiry of the period laid down in item 13.1 or during that period, it shall provide AIRBUS DS with the opportunity for a last order under reasonable conditions.

14. Right of Access to the Supplier's Premises

The supplier is obliged to grant AIRBUS DS's commissioned employees and the representatives of authorities as well as AIRBUS DS's customers or their delegates access to all business premises in which work is carried out for AIRBUS DS during normal business hours and after prior notification and agreement, regardless of whether these are the supplier's or its subcontractor's business premises. The said persons may inspect all order-related supporting documents to be used.

This right of access in the event of visits must especially be granted to all commissioned persons of AIRBUS DS, who are competent for the monitoring of progress of the work commissioned from the supplier by AIRBUS DS and for the related carrying out of audits, investigations or the qualification / certification of the supplier.

15. Work, Health and Environmental Management, Hazardous Materials and Product-Related Environmental Protection

15.1. AIRBUS DS is a company certified in accordance with the international norm DIN EN ISO 14001:2005. In connection with the execution and implementation of the order at the customer's premises, AIRBUS DS has therefore undertaken to observe the set of rules of this norm. The supplier for its part undertakes to comply with the relevant work, health and environmental protection regulations and as well as regulations on compliance with the above-mentioned standards.

15.2. If the supplier delivers legally admissible products, which however are subject to material restrictions and / or duties to notify regarding materials (e.g. Reach, RoHS) as a result of legislation, the supplier must send the questionnaire retrievable under www.AirbusDS.eads.net/reach, filled in electronically and in writing, to AIRBUS DS, to this extent signed by an employee entitled to represent it, immediately after

conclusion of the contract. Furthermore, the supplier warrants that the materials will be registered and released for use for the specific application(s) provided by AIRBUS DS already before delivery and furthermore ensures that the materials actually delivered are registered and approved for the specific usages planned by AIRBUS DS.

If hazardous materials have to be delivered, i.e. if raw materials, parts or objects that fall under Articles 31(1) and 31(3) of the REACH regulation are used by the supplier for the delivery of goods and services or included there, the supplier must enclose with each delivery a current version of the safety data sheet pursuant to EC Regulation no. 1907/2006 ("REACH Regulation") and EC Directive 67/548/EEC ("Hazardous Substances Directive") in German and in English.

The complete, correct and timely transfer of this information constitutes a precondition for the contractual delivery. If the supplier does not fully comply with these obligations, the delivered products shall be considered as defective within the meaning of the German law on warranties.

The supplier's obligations in this regard are material contractual obligations (so-called "cardinal obligations"), whose fulfilment is indispensable for the performance of the contract. Should the supplier not comply with its obligations in this regard or not do so adequately or in good time, the supplier shall indemnify AIRBUS DS against all claims for compensation that AIRBUS DS incurs due to the failure to fulfil these obligations by the supplier.

15.3 The supplier is obliged to comply with the applicable statutory provisions, especially the safety and environmental protection provisions including the German Hazardous Substances Regulation [*Verordnung über gefährliche Stoffe*] and the German Electrical and Electronic Equipment Act [*Elektro- und Elektronikgerätegesetzes*] at its own expense. The supplier warrants for the obligation to take back and dispose of certain items pursuant to Section 10 para. 2 of the German Electrical and Electronic Equipment Act and shall bear any related costs.

15.4 The supplier must ensure that the deliveries and services satisfy the environmental protection, accident prevention and other safety at work regulations, the technical safety rules as well as all other applicable legal requirements and must draw AIRBUS DS's attention to special, not generally known treatment and disposal requirements during each delivery.

15.5 The supplier is obliged to comply with the EADS provisions on Ethics and Compliance applicable to AIRBUS DS, as these can be inspected under www.AirbusDS.eads.net/en/supplier_access. The supplier must always only deploy employees who have the qualification required for this work.

The supplier is obliged to make available these qualification proofs to AIRBUS DS upon request for a random check at short notice.

16. Insurance

16.1 The supplier is obliged to take out and maintain insurance with insurance company, which adequately cover its obligations to AIRBUS DS resulting from the orders placed by AIRBUS DS.

The supplier especially undertakes to take out and maintain general liability insurance with coverage of not less than € 5,000,000 (five million) per individual case and

calendar year as well as product liability insurance of not less than €5,000,000 (five million) per individual case and €10,000,000 (ten million) per calendar year.

- 16.2.** The supplier is obliged to hand over the corresponding insurance certificates to AIRBUS DS upon request.

17. Final Provisions

- 17.1** The laws of the Federal Republic of Germany excluding the provisions of the UN Convention on the International Sale of Goods (CISG) of 11 April 1980 shall apply to all legal relationships between AIRBUS DS and its suppliers.
- 17.2** If the supplier suspends its payments, a temporary insolvency administrator is appointed or insolvency proceedings regarding the supplier's assets are opened, AIRBUS DS shall be entitled to withdraw from all or part of the contract or terminate the contract. In this case, AIRBUS DS may use the operational structures existing for the continuation of the work or the supplier's deliveries and services already carried out in return for appropriate remuneration.
- 17.3** The exclusive legal venue for all disputes shall be Munich, Germany.
- 17.4** Changes and amendments to this GPT and side agreements must be recorded in writing. This also applies to any waiver to this written-form clause.
- 17.5** Should any of the above provisions be invalid, this shall not affect the validity of the remaining provisions. The parties are obliged to agree upon a regulation to replace the invalid provision that approximates as closely as possible to the actual, legal and economic intent of the GPTs as a whole or the contractual arrangements. The same procedure shall be followed should the GPT Terms contain a gap in the provisions.