

Standard Terms and Conditions of Purchase and Supply

Service requests regarding invoices, payment, dunning, etc. have to be sent to:

aicore.accounts@airbus.com

Please send your invoices via pdf - email attachment to the following email-address only:

invoices-airbus-commercial@schaetzel.com

1. DEFINITIONS

The titles of the articles ("**Articles**") herein are inserted for convenience of reference only and shall not affect the interpretation of these Conditions.

Unless otherwise defined, capitalised terms, singular or plural, used in these Conditions shall have the meaning set out below:

"Acknowledgement Form" means the form of acknowledgement document issued with the Order.

"Airbus" means Airbus SAS, Airbus Operations GmbH, Airbus Operations SAS, Airbus Operations Ltd, or Airbus Operations SL and including direct or subsequent successors thereto (individually an "Airbus Company").

"Aircraft" means the Purchaser's products and all variants and derivatives thereof, in which the Items (as specified in the Order) are or could be incorporated.

"Aviation Authorities" means the official authority having the jurisdiction to approve the design, manufacture and airworthiness of the Aircraft and/or the Item, eg DGAC (France), CAA (UK), LBA (Germany), DGAC (Spain), EASA (Europe), FAA (USA), CAAC (China) and any other relevant or successor aviation authority.

"Conditions" means the terms and conditions of purchase and supply set out herein.

"Due Delivery Date" means the due date of delivery of the Item to the place of delivery as specified in the Order.

"Excusable Delay" has the meaning set out in Article 9.1 (Excusable Delay).

"General Data Protection Regulation" or "GDPR" means the European Union regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC, as amended from time to time.

"Item" means any goods, material, work or service identified in the Order and as specified in the Specification forming part of the Order.

"KID" means KID-Systeme GmbH and including direct or subsequent successors thereto.

"Operator" means any company, individual, government or entity having lawful ownership or lawful usage of the Aircraft or Item.

"Order" means the Specific Conditions, these Conditions and any attachments, which are incorporated by reference, and any amendments to the foregoing documents.

"Parties" means the Purchaser and the Supplier and "**Party**" shall be construed accordingly.

"Personal Data" means any information relating to an identified or identifiable natural person an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person (as defined in GDPR).

"Public Official" means an elected or appointed official, employee or agent of any national, regional or local government/state or department, agency or instrumentality of any such government/state or any enterprise in which such a government/state owns, directly or indirectly, a majority or controlling interest; an official of a political party; a candidate for public office; any official, employee or agent of any public international organization; and any spouse or close family member related thereto.

"Purchaser" means KID-Systeme GmbH which places the Order and is identified on the front of the Order.

"Specification" means the requirements defining the Item, if any, issued by the Purchaser and incorporated in the Order.

"Specific Conditions" means the conditions negotiated and agreed between the Purchaser and the Supplier incorporated into and appearing on the front of the Order including any Specifications.

"Supplier" means the company, person or entity upon whom the Order is placed and which is identified on the front of the Order.

The Supplier will be provided, upon request, with any document related to the Order and referred to herein.

2. PURPOSE AND SCOPE

The Parties agree that these Conditions together with all Specific Conditions are the only terms and conditions upon which the Purchaser will accept goods or services from the Supplier and the Purchaser shall not be bound by any different or additional terms

and conditions proposed by or purported to apply by the Supplier, whether stated on the Acknowledgment Form or any other acknowledgement of the Order, whether communicated by the Supplier at the time of accepting the Order, starting work, delivering the Item or included in any other document. Sales conditions of the Supplier which deviate from these Conditions shall not become part of the respective contract even in case the Purchaser does not expressly disagree to such conditions.

3. ORDER AND ORDER ACCEPTANCE

3.1 Within eight (8) calendar days of a submitted Order, the Supplier undertakes to notify the Purchaser of acceptance or refusal of the said Order via mail or e-mail.

3.2 Unless otherwise agreed between the Supplier and the Purchaser, the supplier has to confirm the order within eight (8) days after receipt of the order, the Purchaser shall not be bound by any different or additional terms and conditions communicated by the Supplier. If the Supplier expressly rejects the order, it shall be deemed to have been canceled.

Before the order has been accepted by the supplier, the customer can withdraw from the order at any time without any further obligations.

4. PRECEDENCE

In the event of any conflict between the following documents forming part of the Order, they shall be interpreted in accordance with the following order of precedence (i) the Specific Conditions; (ii) the Conditions; (iii) the Specification; and (iv) any other documents.

5. INSPECTION

The Purchaser, the Aviation Authorities and the Operator(s), as applicable, shall be entitled to inspect the Item at the Supplier's facilities and the Supplier shall grant access to the Purchaser, the Aviation Authorities and the Operator(s) to its facilities and to applicable documented information, at any level of the supply chain and ensure access to those facilities of its suppliers and subcontractors, if any, according to an agreement at reasonable times.

6. DELIVERY AND ACCEPTANCE

6.1 Import free of Customs Duties If the Supplier is based within the EU, it shall confirm in writing to the Purchaser that material/components purchased from outside the EU have been imported free of duty and Value Added Tax under inward processing relief (or other customs regimes with the same effect) and that it is supplying the Item free of duty and indemnifies the Purchaser from and against any consequences of its non-compliance with this Article.

6.2 Packaging in polystyrene is not allowed and will not be accepted. Electronic Components have to be delivered in the original package of the manufacturer and in electrically conductive packaging. Unless otherwise specified in the Order, in the contract or in any other agreement, the Item shall be packed in accordance with the latest KID-Systeme GmbH requirements, as provided to the Supplier upon request. As a minimum, the packaging shall be

convenient, safe, robust, eco-efficient and cost-optimized, so as to ensure the transport and storage of the delivered Item in an undamaged and serviceable state. The Item shall be delivered with all applicable documentation and with a delivery note in duplicate bearing the order and item reference numbers, the place of delivery and the delivered quantities. Such applicable documentation shall be attached inside and outside the packaging. The Date Code of Electronic Components should not be older than 12 months. In special cases but only after having consulted the purchaser, a timeframe of 24 months could be accepted.

6.3 Delivery of the Item - Title and Risk In general, the specifications and delivery dates specified in the order are of crucial importance.

Delivery takes place in accordance with the requirements specified in the order. Electronic and electromechanical components are to be delivered in accordance with the data sheet issued by the manufacturer and the specifications specified therein.

KID drawing parts are to be delivered according to the given KID Specification.

The delivery of an article that is not listed and specified in the order is not permitted.

6.3.1 Delivery shall be made in accordance with the requirements set out in the Order, in particular with the requirements of the Specific Conditions and the Specification, and time shall be of the essence in relation to the delivery dates set out in the Order. No delivery of an Item shall take place without prior qualification of the Supplier and the Item by the Purchaser, unless specifically authorized in writing in advance by the Purchaser.

6.3.2 Title to and risk in the Item shall transfer to the Purchaser upon delivery to the delivery address specified on the Order. In the case of a notification of rejection of the Item being given to the Supplier by the Purchaser due to the non-compliance by the Supplier with the terms of the Order, title and risk to such Item shall automatically revert to the Supplier.

6.3.3 Volume/Quantity contracts Delivery of the Item

Quantity contracts are non-binding declarations of intent for KID-Systeme GmbH. An obligation to purchase the specified quantities for KID-Systeme GmbH does not exist. For this purpose, calls are made in the form of orders.

6.4 Acceptance of the Item

6.4.1 The transfer of title and risk does not constitute acceptance of the Item by the Purchaser. Where acceptance tests are defined in the Order, acceptance of any Item delivered shall be subject to completion of the acceptance tests to the reasonable satisfaction of the Purchaser. Where no acceptance tests are defined in the Order, the Purchaser shall have the right to inspect the Item after delivery and acceptance shall take place if the Item is satisfactory to the Purchaser on inspection or, if no inspection is made, the Item shall be accepted thirty (30) days after delivery or when it is taken into use by the Purchaser, whichever occurs first. Acceptance of any Item shall not be conclusive of the absence of latent defect and shall be without prejudice to the rights of the Purchaser under the Order or at law.

6.4.2 If the Item is not delivered in accordance with the Order, the Purchaser shall inform the Supplier in writing. Then the Purchaser may at its sole discretion, exercise the following rights:

- (i) Reject the delivered Item in whole or in part and require the Supplier to refund any payment(s) made by the Purchaser to the Supplier; or
 - (ii) Set off the amount of any such payment(s) from any other amounts due to the Supplier from the Purchaser; or
 - (iii) Give notice to the Supplier to promptly replace or repair the delivered Item at the Supplier's expense and risk.
- In addition, the Purchaser may require the Supplier to pay all the Purchaser's expenses, damages, losses incurred and additional costs arising from the failure to deliver the Item in accordance with the Order.

7. GENERAL SUPPLIER UNDERTAKINGS

7.1 Compliance

7.1.1 The Supplier shall ensure its compliance and the compliance of all Items with all applicable laws and/or regulations as amended from time to time, including, but not limited to those in connection with:

- (a) environment, health, safety, packaging and labeling; and
- (b) the control, restriction, prohibition, recovery and/or elimination of inter alia, chemicals and/or hazardous substances and in each case, provide such information as the Purchaser may require in connection therewith; and
- (c) transport; and
- (d) data protection, prohibition of corrupt practices, labor, employment and notably, whenever any work is performed in whole or in part in France, the Supplier commits to provide the Purchaser or its agent with all the documents, certificates and permits legally required as stated in Annex "French Labor Law Requirements" to comply with the French Labor Code provisions relating to the fight against illegal work, the vigilance obligation and the declarations required from French companies and from companies not located in France who post their employees to work in France (The mandatory Annex to be completed is available to the Supplier upon request). The Supplier shall report immediately to the Purchaser any violation of applicable laws and regulations with respect to the execution and/or the performance of the Order by itself or its affiliates, subsidiaries, executives, employees, agents or any individuals or companies that may be involved in performing the Order. Should the Supplier fail to comply with such laws and/or regulations, the Supplier shall indemnify and hold harmless the Purchaser from and against all consequences of such failure.

7.1.2 Anti-corruption

The Supplier, its executives, employees, agents and any individuals or companies that may be involved in the execution and/or the performance of the Order shall comply with all governmental statutes, laws, rules and regulations, including but not limited to all

local and international anti-corruption laws applicable to the performance of its obligations and activities under this Order.

Accordingly, in the performance of the Order, the Supplier shall refrain from:

- a) Offering, promising, arranging for or paying, either directly or indirectly, anything of value (including but not limited to monies, gifts and entertainment and special favors) to any individuals, including Public Officials, for the purpose of improperly inducing that individual to perform or fail to perform his/her official duties, or to assist the Supplier or Purchaser in obtaining business, retaining business or securing any improper advantage;
- b) Offering or paying unofficial payments to Public Officials to speed up or obtain routine governmental actions (including but not limited to obtaining permits, licenses, or other official documents; processing governmental papers, such as visas and work orders; providing police protection, mail pick-up and delivery, or scheduling inspections associated with contract performance or transit of goods across country);
- c) Seeking, accepting, or paying for any confidential, non-public information regarding competitors, tenders and technical specifications, bids and bid prices.

The Supplier shall ensure that the foregoing provisions are included in all contracts to be entered into with its subcontractors according to Article 7.5 "Sub-Contracting" of the Order.

The Supplier shall give notice immediately to the Purchaser of any investigation or legal proceeding initiated against the Supplier by any public authority relating to an alleged violation of applicable laws and regulations with respect to the execution and/or the performance of the Order by itself or its affiliates, subsidiaries, executives, employees, agents or any individuals or companies that may be involved in the performance of the Order.

7.1.3 Data Protection

In the event and to the extent that Personal Data is collected from the Purchaser and processed or used by the Supplier during and for the performance of the Contract and/Order, the Supplier shall at all times comply with the GDPR, as well as all applicable national Personal Data protection laws and regulations (together referred to as "Data Protection Laws and Regulations") in force during the term of the Order. The Parties mutually agree to enter into negotiations to determine appropriate measures to ensure compliance of the aforementioned laws when needed. The Supplier shall ensure that the obligations contained in this Article 7.1.3 are included in all contracts/orders which are entered into with its subcontractors in accordance with the provisions of Article 7.5 "Sub-Contracting".

7.2 Quality

7.2.1. Quality Management System

The Supplier shall ensure its Quality Management System (QMS) complies with KID-Systeme GmbH's requirements specified in KID-Systeme GmbH's general requirements on the Supplier as provided to the Supplier upon request, and in the Specific Conditions in the Order. The Supplier's QMS shall comply with the requirements of IAQG standard 9100 or 9120, as applicable to the Item. For some General Procurement Items and some low-risk Aircraft-related Items, another QMS (e.g. ISO9001) might be acceptable, if agreed to in writing by the Purchaser.

The Supplier shall ensure that the Order is carried out in compliance with the quality requirements of its QMS approval, as specified above.

If the Supplier is a Production Organization Approval (POA) holder or equivalent, it shall ensure that the Order is carried out in conformity with the quality requirements of its approval.

7.2.2. Approved Sources

The Supplier shall ensure:

- a) that all standard parts are purchased from KID-approved sources.
- b) KID specified items have to be built and tested under the KID given requirements.

7.2.3. Conformity Documentation

7.2.3.1 Standard Parts

Standard parts which are specified by its manufacturer (e.g. electronic and electromechanical components) have to be delivered with a confirmation printed on the delivery note which proves that the delivered material corresponds exactly to the ordered material and was obtained from official sources via a distribution channel proven by the ISO certification and the traceability to the manufacturer is guaranteed.

7.2.3.2 Specified Parts

The Supplier shall deliver its Items with the following minimum documentation:

7.2.3.2.1. Supplier without a POA (or equivalent), or where its POA does not cover the Item

Supplier without a POA (or equivalent), or where its POA does not cover the Item, shall attach to each delivery a Certificate of Conformity (CoC) of the manufacturer, indicating that the requirements of the applicable specifications have been met. The CoC shall include at least the following information:

- Order number; and
- part number; and
- quantity and unit of measure; and
- reference of the drawing (where applicable); and
- date of manufacture and date of expiration (where applicable); and
- lot number, serializations or other batch identifications (where applicable); and
- signature, title and date by an authorized representative.

7.2.3.2.2. Supplier with a POA (or equivalent), covering the Item

Such supplier shall attach to each delivery an Authorized Release Certificate (EASA Form 1 or equivalent). This includes cases where the Item is only a part or sub-assembly of a product covered by its capability list:

A copy of the Certificate of Conformity and a statement of undertaking established by the original manufacturer, attesting the conformity of the delivery with the Order; and the inspection, test and raw material reports of the qualified Supplier, if requested by the Purchaser.

The Supplier shall provide to the Purchaser, a First Article Inspection report and copies of supporting documentation, in accordance with IAQG standard 9102, for any Items within the Order, prior to or with the first delivery of Items, or upon request by the Purchaser. The

Supplier shall deliver relevant inspection or test reports, if requested by the Purchaser.

7.2.4. Non-conforming Items

The Supplier is responsible for the quality of its supplies and shall ensure the conformity of the delivered Items with the Specification, in particular by means of pre-delivery inspections and final tests. The Supplier shall perform a root-cause analysis and take any necessary corrective action to remedy the causes of non-conforming Items, in order to prevent any recurrence and implement a suitable preventative action plan. The Supplier shall confirm implementation of the action plan to the Purchaser's satisfaction.

The Supplier shall use an 8D/9S process or an equivalent methodology, substantiated by the Supplier and approved by the Purchaser.

Where a non-conformity is identified after an Item is delivered by the Supplier, the Supplier shall immediately submit to the Purchaser a "Notification of Product Quality Escape" in accordance with the IAQG standard 9131 and shall undertake all necessary corrective measures in support of the Purchaser, until resolution of the non-conformity to the Purchaser's satisfaction and completion of all corrective and preventative actions and such actions shall be undertaken without limiting the Supplier's liability to the Purchaser for any losses incurred under Article 12 below.

7.2.5. Quality Records

The Supplier shall inspect all incoming materials to ensure conformance with all applicable specification requirements and drawings of Items pertaining to the Order and shall document all inspection requirements and acceptance criteria to ensure they are in line with the specific requirements communicated to it by the purchaser for the Items. The Supplier shall ensure complete identification and traceability of all related products to the raw material used and applicable documentation. All records must be stored in a controlled environment/suitable manner and according to applicable legal rules, so that they remain identifiable, legible, reproducible and available to the Purchaser.

7.3 Personnel

The Supplier shall be responsible for ensuring that its personnel are fully trained, skilled, qualified and capable of fulfilling all of the requirements contained in the Order.

7.4 Advice/Delivery Notes and Conformity Documentation (see 7.2.3.)

The Supplier shall, on the day of despatch of each consignment of Items, send advice notes and such conformity documentation (eg Certificates of Conformity (COC) or Civil Approved Certificates (CAC)) as may be required, in accordance with Article 7.2.3 above. One copy of the COC or CAC or such other document as may be required shall accompany each consignment

7.5 Sub-contracting.

No substantial part of the work on the Order may be subcontracted by the Supplier without the prior written consent of the Purchaser. The Supplier shall remain fully responsible for the Item and shall ensure that its suppliers comply with all provisions of the Order relevant to any subcontracted work.

8. EXPORT CONTROL

8.1 The Supplier shall identify any part of the Item which may be subject to export laws and regulations and shall provide the Purchaser and/or the Operator with all information concerning such applicable export regulations as well as with any assistance they may request in implementing such applicable export regulations. The Purchaser reserves the right to request the Supplier to provide a completed export form identifying any part of the Item which is subject to export laws and regulations.

8.2 The supplier must obtain all relevant official approvals, licenses and approvals necessary for the worldwide export, delivery and operation of the item by the Buyer and / or operator. Unless prohibited by the applicable export regulations, the supplier shall provide the buyer with a copy of all relevant documents, such as approvals, licenses and authorizations.

8.3 Notwithstanding any other provision of the Order or any other contract entered into with the Supplier, the Supplier shall be liable for all damages, losses and liabilities incurred by the Purchaser and/or the Operator as the result of the Supplier's non-compliance with its obligations under this Article.

9. DELAYS

9.1 Excusable Delay Neither Party shall be responsible for nor be deemed to be in default of its obligations under the Order to the extent that such default is caused by an "Excusable Delay" (defined as an event beyond the reasonable control of either Party, including without limitation, an act of God, fire, flood, explosion, earthquake, epidemic, pandemic, any act of government, war, insurrection or riot). The affected Party undertakes to mitigate the effects of the Excusable Delay. If an Excusable Delay occurs and causes or is likely to cause a delay in the performance by either Party of its obligations under the Order, such Party shall notify the other Party in writing immediately after becoming aware of such Excusable Delay and provide reasonable evidence of the Excusable Delay. Immediately after the Excusable Delay has ceased and subject to the provisions of Article 13.2, the affected Party shall, unless otherwise agreed in writing, resume the performance of its obligations.

9.2 Non-Excusable Delay

9.2.1 A delay by the Supplier in the performance of its obligations under the Order, which does not qualify as an Excusable Delay, shall be a "Non-Excusable Delay". In such event, the Purchaser shall be entitled to:

9.2.1.1. Claim liquidated damages as specified in the Specific Conditions; and

9.2.1.2. Claim, in the event that the amount of damages exceeds the total amount of the above liquidated damages, the full amount of such excess damages in respect of all losses, expenses, costs, claims and other damages incurred by the Purchaser arising from the Non-Excusable Delay.

However, the Supplier has the right to prove that the Purchaser incurred no damage or suffered damage lower than the liquidated damages resulting from application of the calculation provided for in the Specific Conditions.

9.2.2 The Purchaser's right to claim liquidated damages and other damages is in addition to, and not in substitution of, any rights the

Purchaser may have under the Order or at law including the right of the Purchaser to terminate the Order pursuant to Article 13.1.

10. WARRANTIES

10.1 Without prejudice to any other warranties, the Supplier warrants to the Purchaser that the Item and/or any part thereof shall:

(i) be free from any defects and be suitable for their intended use and;

(ii) comprise only materials and goods which are new, of recent manufacture, merchantable and of satisfactory quality and;

(iii) be compliant with the quality requirements and with the specification, if any, of the Purchaser and; (iv) in the case of a service, be performed with all reasonable skill and care and in accordance with best industry practice.

10.2 The Supplier shall, promptly repair or replace, at the Purchaser's request, any defective or non-compliant Item, at no cost to the Purchaser. The warranty will be for the period as specified in the Specific Conditions, but in any case, for a minimum period of twenty-four (24) months from the acceptance of the Item by the Purchaser, as provided for in Article 6.4 or in the case of a service, from completion of such service. The outstanding warranty period, including the period under which the Item was under repair, shall apply to any repaired and/or replaced Item as from the date of its first use after such repair or replacement or in the case of a service, on resumption of such service. The Supplier shall be liable for all costs incurred by the Purchaser, as a consequence of the defect or non-compliance of the Item or service, including but not limited to, removal, reinstallation, transport, certification and tests.

10.3 This Article shall apply in addition and without prejudice to any other rights and remedies under the Order and/or available to the Purchaser at law.

11. PRICE AND PAYMENT

11.1 Price: Unless otherwise specified in the Specific Conditions, prices are fixed and firm and shall be based on the delivery of the Item, to the

place specified in the Specific Conditions of the Order. No additional charge shall be made by the Supplier for packing, insurance or delivery unless otherwise agreed by the Parties and set out in the Specific Conditions and any such charge shall be separately identified in the Supplier's invoices.

11.2 Taxes: Prices are exclusive of Value Added Tax and inclusive of, and the Supplier shall be liable for and pay, all other relevant taxes, levies and duties in connection with the Item, if any.

11.3 Invoices: For payment purposes, the Supplier shall issue an invoice concurrently with the delivery of the Item and send it for the attention of the Purchaser's accounting department as specified in the Specific Conditions of the Order as well as with the documents accompanying the Item when delivered to the Purchaser.

Each invoice shall include the designation, reference and quantity of Items, the Order and item numbers, the price, the actual delivery date, names and addresses of the Parties, any specific terms or conditions and reference to a discount, if any.

The Supplier can send the invoices either by mail or by email.

Service requests regarding invoices, payment, dunning, etc. have to be sent to:

aicore.accounts payable_ge@airbus.com

11.3.1 Transmitting invoices in PDF format:

Invoices by email can be received and processed under the following conditions:

1. You are not using AirSupply – Platform at Airbus.
2. You are not using EDI (Electronic Data Interchange) for transferring invoices to us.
3. Only invoices / credit notes may be sent to an email address defined for this process (no order confirmations, reminders, advertising, other correspondence, etc.)
4. Only invoices / credit notes are received and processed, which are sent as PDF files (no zip files, Word documents, Excel spreadsheets, etc.)
5. Without exception, each PDF may only contain one invoice / credit note.
6. Attachments to an invoice / credit note must be in the same PDF as the corresponding invoice itself.

If you fulfill the a.m requirements, please send your invoices via pdf - email attachment to the following email-address only:

invoices-airbus-commercial@schaeztl.com

11.4 Payment: Payments shall be made by electronic bank transfer to the Supplier's nominated bank account, provided that the invoice received from the Supplier is valid, accurate and due. The Purchaser will make payments only for those Items which have been delivered in accordance with the terms of the Order. In the event of a dispute between the Parties, the Purchaser shall be entitled to withhold the payment of any disputed element of the invoice until resolution of such dispute. Payments with respect to Items shall be made on the tenth (10th) day of the calendar month following the month in which the invoice is issued. Should the payment day be a Saturday, Sunday or a bank holiday then the payment shall be made the following business day.

11.5 Offsetting: Without prejudice to any other right or remedy of the Purchaser, the Purchaser reserves the right to set off any amount owing at any time from the Supplier to the Purchaser against any amount payable by the Purchaser to the Supplier in respect of an Order or otherwise due from the Purchaser to the Supplier.

12. LIABILITY AND INSURANCE

12.1 The Supplier is liable to the Purchaser for all costs, losses, damages and liabilities, including without limitation, costs and expenses incidental thereto, which may be incurred by the Purchaser as a consequence of the failure by the Supplier to comply with any of its obligations under the Order. The Purchaser agrees to provide the Supplier with a breakdown of the said damages.

12.2 Each Party shall be liable for, indemnify and hold harmless the other Party, its officers, directors, employees or insurers from and against any and all claims, losses, liabilities, suits, judgements,

expenses and costs (including legal fees) or the like in any way connected with the death of or injury to any person whomsoever, or loss of or damage to any property of any person, entity or company (including the other Party) when arising out of, or having its origin in, the intentionally or negligently committed acts or omissions of the indemnifying Party in connection with the performance of the Order.

12.3 Insurance

12.3.1 To the extent that the performance of this Order requires the presence of the Supplier's employees, agents or sub-contractors on the site(s) of the Purchaser or other designated sites, the Supplier shall effect and maintain legal liability insurance commensurate with the exposure potential for loss of or damage to property of the Purchaser or death of or injury to persons resulting from performance of the Order and such insurance cover shall not be less than the minimum figure advised by the Purchaser to the Supplier from time to time.

12.3.2 The Supplier shall effect and maintain product liability insurance in respect of any of the Items that are to be incorporated into the Purchaser's Aircraft. Such product liability insurance must be commensurate with the exposure potential of the Items when incorporated into the Aircraft and shall not be less than the minimum figure advised by the Purchaser to the Supplier from time to time.

12.3.3 If the Supplier is required to carry out work which requires professional indemnity insurance, the Supplier shall provide the Purchaser with a certificate of insurance or such other evidence reasonably satisfactory to the Purchaser that such insurance is in full force and effect.

12.3.4 If the Order is associated with an existing contract or agreement, then the terms, conditions and limits relating to legal liability insurance, professional indemnity and product liability insurance contained in the relevant article titled "Insurance" of such contract or agreement shall prevail.

12.3.5 The Supplier shall provide the Purchaser with a certificate of insurance or such other evidence reasonably satisfactory to the Purchaser that the above insurances are in full force and effect in respect of the Supplier's obligations under the Order.

13. TERMINATION

13.1 For Supplier's Default In the event the Supplier breaches or fails to comply with one or more of its obligations herein, the Purchaser may give the Supplier written notice of such breach or non-compliance at any time thereafter. The Supplier shall remedy such breach or non-compliance within twenty-eight (28) days from the date of such notice. If the Supplier does not remedy the breach or non-compliance within the said twenty-eight (28) days or if the breach is not capable of remedy then the Purchaser shall, without incurring any liability whatsoever, have the right to immediately terminate the Order in progress (in whole or in part) by giving written notice of termination to the Supplier to that effect, without prejudice to the Purchaser's rights to claim damages and/or any other remedies which the Purchaser may have at law and/or under the Order. The provisions of Article 13.4 below shall apply and the termination account shall proceed accordingly.

13.2 For Excusable Delay In the event that an Excusable Delay exceeds or is expected to exceed thirty (30) days following the occurrence of the cause thereof, each Party shall be entitled to terminate forthwith the Order, or any part thereof, by giving written notice of termination to the other Party, without incurring any liability whatsoever.

13.3 Termination without Supplier's Default/Cancellation of Order In the event of cessation of any of the Purchaser's activities with respect to the Aircraft programme for which a specific Order is intended (including, without limitation, because a third party has not fulfilled its obligation to supply goods required by the Purchaser or termination or cancellation of any customer's orders or contracts in progress), the Purchaser may reschedule the Order with immediate effect at no additional cost to the Purchaser, or may terminate the Order (in whole or in part) by giving a thirty (30) day prior written notice of termination to the Supplier, without incurring any liability whatsoever save that the provisions of Article 13.4.3 below shall apply and the termination account shall proceed accordingly.

13.4 Termination Procedures

13.4.1 As of the effective date of termination, the Supplier undertakes to cease all further performance related to the canceled Order (unless otherwise instructed by the Purchaser) and the Supplier shall comply with all directions or instructions regarding the Items which the Purchaser provides to the Supplier.

13.4.2 Termination for Supplier's Default. The Supplier shall be liable for all losses, expenses, costs, claims and damages incurred by the Purchaser as a result of a breach by the Supplier of this Order or of the Conditions. The Supplier shall indemnify the Purchaser in full against any losses, expenses, costs, claims or damages whatsoever (including without limitation legal costs) resulting from the negligence, willful misconduct, breach of contract or breach of statutory duty caused by the acts or omissions of the Supplier, its employees, sub-contractors or agents in performance of the Order or in connection with any defect in an Item.

13.4.3 Termination for Excusable Delay/without Supplier's Default. The Purchaser and the Supplier shall agree a fair and reasonable price for all work done and material purchased for the purpose of carrying out work on the Order up to the date of termination. Either Party may prove to the other Party that the actual costs were less/more than claimed by the respective other Party. In order to agree to such a price, the Supplier shall submit an account to the Purchaser within three (3) months from the date of termination. The agreed price, together with any sums paid or due to the Supplier under the Order before the effective date of termination shall not exceed the total price of the Items under the Order and such payments shall be the Purchaser's sole liability in respect of the termination.

13.4.4 Any termination of the Order by the Purchaser for whatever reason shall be without prejudice to any rights or remedies which may have accrued to the Purchaser prior to termination and the Purchaser shall use its reasonable endeavors to mitigate its loss on any termination.

13.5 Surviving Articles. All Articles in the Order and these Conditions which by their nature should survive expiry or termination of the Order shall remain in full force and effect after such expiry or termination.

14. INTELLECTUAL PROPERTY RIGHTS

14.1 As far as legally permissible, all intellectual property created as a result of the work undertaken by the Supplier or its subcontractors for the purpose of the Order shall vest in and be the sole property of the Purchaser. With regard to any unassignable intellectual property created as a result of the work undertaken by the Supplier or its subcontractors for the purpose of the Order, the Supplier grants, and undertakes to cause its subcontractor to grant respectively, at no additional charge beyond the price specified on the Order, an exclusive, worldwide and unlimited in time and scope license to the Purchaser to exploit the respective intellectual property.

14.2 The Supplier undertakes to execute any assignment or other documentation necessary to give effect to the transfer of the intellectual property created as a result of the work undertaken by the Supplier or its subcontractors for the purpose of the Order to the Purchaser.

14.3 The Supplier hereby grants to the Purchaser, at no additional charge beyond the price specified on the Order, for the duration of the rights, but as a minimum for the duration of the Order or the contract or agreement associated with the Order, a non-exclusive and worldwide license to use and have used, any of the Supplier's background intellectual property disclosed by it to the Purchaser under the Order, necessary for the performance of the Order or the use of the Item. The Supplier grants the Purchaser the right to sub-license all the above-mentioned rights.

14.4 In the case of bespoke Items or Items customized for the Purchaser, such license granted by the Supplier to the Purchaser, shall include for the Purchaser the right of reproduction in any form, language, format and medium, the right of distribution in part or in whole including the right to sell, loan, rent, distribute, download by any means and in any language, the right to modify, adapt, improve, correct and translate in any form and language, and interface with any other item. The Supplier grants the Purchaser the right to sub-license all the above-mentioned rights.

14.5 Infringement Indemnity With respect to any third party claims, suits or actions relating to the infringement or alleged infringement of any intellectual property rights of a third party in relation to the Order, the Supplier shall defend, fully indemnify and hold harmless the Purchaser, its agents, successors and assigns, against any and all costs, losses, damages, liabilities, expenses (including legal fees), fines or other financial sanctions or loss of profit which may be incurred as a result of any alleged or proven infringement.

14.6 The Supplier shall promptly inform the Purchaser of any dispute or claim (legal or otherwise) that arises with a third party and the substance of such dispute or claim.

14.7 The Purchaser may accede to the Supplier being a party in a legal dispute by filing third-party notice. In any case, the Parties shall consult closely in relation to defending such claims, suits and actions

15. CONFIDENTIALITY AND PUBLICITY

15.1 Any and all information relating to the Order and communicated by the Purchaser to the Supplier, or to which the

Supplier may have access in connection with the Order, and/or any information in any form, on any medium, which is declared as being confidential or which can reasonably be regarded as confidential because it is by its nature, commercially sensitive or is manifestly of a confidential nature shall be referred to as Confidential Information".

15.2 The Supplier shall use Confidential Information exclusively for the purposes of the Order. Disclosure of Confidential Information to the Supplier's personnel shall be for the purpose of performance of this Order only and shall be on a strictly need-to-know basis. The Supplier shall not disclose any Confidential Information to any third party without the Purchaser's prior written consent.

15.3 The Supplier shall be under no obligation of confidentiality if it can prove that the Confidential Information was

- (i) already publicly known when the Supplier gained access to it or
- (ii) that it became publicly known through no fault of the Supplier after it gained access to it or
- (iii) that the Supplier was able to lawfully gain access to the Confidential Information.

15.4 The obligations herein relating to confidentiality shall remain in full force and effect for the duration of any Order and continue for a period of five (5) years after the expiry or termination of the Order.

15.5 Neither Party shall make any news release or public announcement referring to the Order, nor use, reproduce or imitate for any purpose whatsoever any of the field, registered or unregistered trademarks of the other Party, including its company names, associated logos, programme names or logos associated with its products or services, unless a prior written consent is given by the other Party.

16. ASSIGNMENT AND TRANSFER

The Purchaser shall be entitled to assign or transfer at any time all or part of its rights, warranties, benefits, remedies and obligations under the Order to any third party. The Supplier shall not assign or transfer any of its benefits, rights, remedies and/or obligations under the Order to a third party without the prior written consent of the Purchaser.

17. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

17.1 This Order shall be governed by and construed and shall take effect in accordance with the laws of Germany, excluding the application of the 1980 "United Nations Convention on Contracts for the International Sales of Goods".

17.2 Amicable Resolution In the event of any dispute, controversy or claim (a "Dispute"), arising out of or in connection with this Order including any question regarding its existence, validity or termination, the Parties shall make every effort to resolve the Dispute amicably within a period of three (3) months following notification of a Dispute by one to the other.

17.3 Arbitration If the Parties fail to amicably resolve the Dispute within the three (3) month period referred to above, such Dispute shall be finally determined and settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce. The

number of arbitrators shall be three (3) and the place of arbitration shall be Hamburg. The language to be used in the arbitral proceedings shall be English.

17.4 The existence and content of the arbitral proceedings and any rulings or award shall be kept confidential by the Parties and members of the arbitral tribunal except (i) to the extent that disclosure may be required of a Party to fulfill a legal duty, protect or pursue a legal right, or enforce or challenge an award in bona fide legal proceedings before a state court or other judicial authority, (ii) with the consent of all Parties, (iii) where such information is already in the public domain other than as a result of a breach of this Article, or (iv) by order of the arbitral tribunal upon application of a Party.

17.5 The Parties may, by agreement in writing following the notification of the Dispute, elect to adhere to a different form of alternative dispute resolution or to litigate in courts of law, in order to resolve the Dispute.

18. AMENDMENTS

The Order including these Conditions shall not be amended except by specific agreement in writing (including changes and amendments to this Article), signed by duly authorized representatives of the Parties.

19. INDEPENDENT CONTRACTORS

The relationship of the Parties under these Conditions shall be that of independent contractors. Neither Party shall have the right to contract or in any other way to enter into commitments on behalf of or in the name of the other Party.

20. NO JOINT AND SEVERAL LIABILITY

The Parties agree that the Purchaser alone shall be exclusively liable to the Supplier for payment of all sums due in connection with the Order to the exclusion of all other Airbus Companies.

21. WHOLE AGREEMENT

This Order supersedes all prior non-contractually fixed agreements, understandings and representations, excluding fraudulent representations and collateral agreements, whether written or oral between the Parties, relating to the subject matter of the Order.

22. NOTICES

Unless otherwise specified, all notices and communications between the Purchaser and the Supplier in respect of the Order shall be in writing and sent by mail or electronic mail to the Procurement Department at the Purchaser's facility.

23. WAIVER

Failure or delay at any time by either Party to enforce any provision of the Order, or any part thereof, shall not constitute a waiver of such provision or affect the validity of the Order or any part thereof, nor prejudice the right of the affected Party to enforce such provision at a subsequent time.

24. SEVERABILITY

Any provision of the Order prohibited by, or unlawful or unenforceable under the applicable law actually applied by any court of competent jurisdiction shall, to the extent required by such law, be severed from the Order and replaced with another provision having substantially the same effect without modifying the remaining provisions.

25. INDUCEMENTS

Neither Party shall accept from or give to any person or party any commission, gift or other financial benefit or inducement (collectively defined as an "Inducement") and shall procure that its employees, agents and subcontractors will not accept or give any such Inducement and will immediately provide details to the other Party of receipt of an offer of an Inducement.

26. LANGUAGE

These Conditions have been drawn up in English and only this language version shall be deemed authentic. Any translation of these Conditions into a language other than English shall be for information purposes only. All notices, correspondence, communication and documentation to be issued, exchanged or delivered to either Party in connection with this Order shall be in English.