

# General Terms and Conditions of Sale

## 1. SCOPE OF APPLICATION

The following General Terms and Conditions of Sale (GTC) shall apply to all work, services and goods provided by KID-Systeme GmbH (hereinafter KID).

These General Terms and Conditions shall apply exclusively. The customer's deviating, contrary or supplementing general terms and conditions of supply shall only become part of the contract as far as KID has explicitly consented to their application in writing. This consent requirement shall apply in any case, for example even if KID unreservedly delivered work or goods in knowledge of the customer's terms and conditions.

## 2. CONTRACT, PURCHASED ORDERS AND CONFIRMATIONS

Offers made by KID are subject to confirmation and constitute an invitation for the Customer to place an order with KID.

A Purchase order from the Customer constitutes a binding offer that KID can accept by written Order Confirmation within ten (10) days of receipt of a valid Purchase Order. Valid Purchase Orders should be specified and released per aircraft ship-set and should contain all equipment part numbers and quantities, equipment prices, shipping address and shipping date.

The contract is concluded once this Order Confirmation is received by the Customer.

## 3. DOCUMENTS

All documents shall remain the sole property of KID, even when transferred to the Customer. They shall be

treated as secret and confidential and shall not be disclosed to third parties or used by the Customer for itself or for the benefit of third parties without KID's written approval. They must be returned to KID upon request.

All technical and commercial data which are exchanged between the KID and the Customer relative to contract Conditions or any purchase Order, shall not, without the consent of the other party's written consent, be disclosed to any third party nor used for purposes other than the performance of contract Conditions and any specific Order.

## 4. CONFIDENTIALITY

The Customer shall protect all Confidential Information and shall use it exclusively for order-related purposes. The Customer undertakes not to communicate this Information to any third party without the previous written consent of KID. Communication of Confidential Information by the Customer to its employees shall be limited to those having a need to know in relation to order performance and to the information strictly necessary for this purpose. The obligation of confidentiality shall be valid as of the start of business relations between KID and the Customer and shall remain in full force and effect for a period of five (5) years after expiry of the order or twenty (20) years after the last communication of Confidential Information, whichever is longer.

## 5. INTELLECTUAL PROPERTY

KID shall remain the exclusive owner of all intellectual and industrial property rights (patents, trademarks, elements of know-how) relating to the delivery. The Customer shall not acquire any rights of ownership, reproduction or licenses relating to the delivery and/or elements or materials used in said delivery.

Similarly, the Customer shall not hold any intellectual or

industrial property rights in any medium relating to the delivery and/or any drawings, mock-ups, diagrams that may be placed at its disposal.

In the event the items sold include the use of software or intellectual property rights (IPR), the use and operation of said software or IPR shall be formalized by a transfer of rights or a specific license.

## 6. DELIVERIES

The lead time is subject to KIDs Order Confirmation.

Delivery will be FCA Hamburg Airport freight forwarder appointed by Customer (Incoterms 2010) Packing will be in accordance with ATA300.

In cases of force majeure, KID shall be entitled to postpone the delivery for the duration of the event. Where, through force majeure, delivery by KID becomes impossible in total-or in parts, KID shall be relieved from the obligation to deliver. The term force majeure includes all circumstances beyond the control of KID and which make delivery impossible or unreasonably difficult for KID, e.g. strike, legal lock-out, civil war, acts of terror, unrest, natural disasters, prohibitions on import and export (if beyond the control of KID), shortage of energy, raw materials or semi-finished products (if beyond the control of KID), and late self-delivery not falling within the responsibility of KID.

The Customer shall be entitled to withdraw from the contract where KID is released from its obligation to deliver.

Compliance with the specified delivery periods is based on timely and proper performance of all contractual duties of cooperation by the Customer at its own cost, i.e. in particular the provision of all necessary documents, certificates etc. In case the Customer experiences delays in performing its duties of cooperation, the delivery periods shall be reasonably deferred or extended by the period of delay. KID reserves the right, after expiry of a reasonable period of time to withdraw from the contract, to demand damages in place of performance or in lieu of unnecessary expenditure.

In all other cases of delay in delivery, the Customer shall be entitled to demand damages amounting to 0.2% of the remuneration due on the delayed delivery for each complete week of delay, but at a maximum of 2 % of the contractually agreed total remuneration, unless KID can prove that Customer sustained a lower level of loss or no loss at all. Further liability on the part of KID resulting from delay shall be excluded.

## 7. WARRANTY

Immediately upon receipt of the delivery, the Customer shall examine it and in case of any obvious defect, shall inform KID in writing within a period of two weeks after delivery. For defects that are not apparent, the Customer must notify KID within a period of six (6) months after delivery. In case Customer fails to provide notification within these exhaustive time limits or within the limitation period outlined below, the delivery shall be deemed approved, with the result that the Customer loses its rights to assert defects in accordance with this section.

Where the delivery is defective, KID shall at its sole discretion choose between either the repair, the delivery or to deliver a defect-free item. Where repairs can only be carried out at a disproportionate cost, KID may be entitled to refuse repair.

The Customer shall not be entitled to remedies as a result of e.g. incorrect storage, operation, maintenance or excessive or inappropriate use of the delivery, corrective maintenance work or by other breach of contractual specifications and product regulations on the part of the Customer or a third party not in any way connected to. Furthermore the Customer's claims, except those based on intent or gross negligence, shall be subject to a limitation period of two years after delivery. As far as permitted by law any further liability on the part of KID resulting from product quality issues shall be excluded.

The Warranty Period shall be 24 months for equipment starting with delivery. In case repairs are made prior to the end of the warranty period, KID grants an additional warranty period of 12 months restricted on the repaired subcomponent.

## 8. TECHNICAL ADVICE

Technical advice is given according to KIDs best knowledge and experience. Customer is obliged to apply due diligence in verifying applicability of the advice to his special conditions of production or application. Liability for technical advice given free of charge, shall be limited to damages caused by gross negligence or deliberate acts from the part of KID or their lawful representatives or auxiliary persons. Unless intentional violation of Contract has been proven, KID will only be liable for damages that are foreseeable and/or typically.

## 9. LIABILITY

KID is fully liable for intent and gross negligence.

KID shall be liable for negligence – apart from cases of injury to life, body or health – only insofar as fundamental (cardinal) contractual obligations. Liability beyond that contained in these GTCs – irrespective of the legal nature of the claim asserted – shall be excluded. Restrictions or exclusions on liability pursuant to this section shall not be applicable to statutory liability independent of fault (e.g. under the Product Liability Act), to liability under warranty that is non-fault related or if a defect was fraudulently concealed. The same exclusions shall apply to the personal liability of KID employees, representatives, and other persons engaged in the performance of its obligations.

## 10. PRICES AND PAYMENTS

All prices are quoted in US Dollar.

Unless otherwise agreed, invoices are to be paid immediately upon their receipt. Should no payment be effected within 30 days net after receipt of invoice, Customer will automatically be in default of payment. Payment is considered made when at the disposal of KID. Delayed payments will be charged by 1% of the invoiced amount per delayed week.

Detention of payments or balancing of payments against claims of Customer against KID shall not be allowed, unless these claims are undisputed or legally established.

The payment shall be performed by wired money transfer, checks will not be accepted.

Taxes (e.g. VAT) shall be borne by the Customer.

The delivery shall, unless otherwise agreed, remain the property of KID until payment has been fully effected.

All payments due to the Seller based on the offer prices provided to the Customer shall be made in full, without set-off, counterclaim, deduction or withholding of any kind. The Customer shall ensure that the sums received by the Seller shall be equal to the full amounts expressed to be due to the Seller based on the offer provided to the Customer, without

deduction or withholding on account of and free from any and all taxes, levies, imposts, dues or charges of whatever nature. If the Customer is compelled by law to make any such deduction or withholding, the Customer agrees that the Seller considers such deduction or withholding at the invoicing by adjusting (increase) the invoiced amount in such a way, that the net amount received by the Seller after such deduction or withholding shall be equal to the amounts which would have been received in the absence of such deduction or withholding. In order to do so, the Customer agrees to give indication to the Seller in good time so that the Seller has sufficient time to consider the adjustment at the invoicing process. If the Customer does not give indication in time, and therefore the initial invoice does not include a corresponding adjustment, the Customer agrees to accept a subsequent invoice correction issued by the Seller reflecting the above mentioned increase of the invoice amount. Moreover, the Seller shall pay to the relevant taxation or other authorities within the period for payment permitted by applicable law, the full amount of the deduction or withholding.

## 11. SANCTIONS AND EXPORT CONTROL

Definition for the purpose of this Clause: “Sanctions and Export Control Laws” means any sanctions laws, regulations, trade embargoes, license requirements, export regulations or similar restrictive measures imposed, administered or enforced by a Sanctions Authority. “Sanctions Authority” means the Government of the United States of America (including, without limitation, the Department of State, the Department of Commerce and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury), the United Nations Security Council, the European Union, the United Kingdom or the government of any country with jurisdiction over Satair and the Customer. “Sanctioned Person” means (i) any natural or legal person in any list of sanctioned persons of any Sanctions Authority (including List of Specially Designated Nationals (SDN) and Sectorial Sanctions Identifications (SSI) List); or (ii) any natural or legal person directly or indirectly owned or controlled by one or several person(s) designated under (i) here above.

Each of KID-Systeme GmbH and the Customer (i) represents to the other on (a) the date hereof, (b) each date a payment is made hereunder (c) each delivery

date and (d) each date Product, including but not limited to commodities, technology and software, and/or Service is provided hereunder that it, and any natural or legal person that has control over it, is not a Sanctioned Person; and (ii) undertakes at all times to conduct its business in compliance with any applicable Sanctions and Export Control Laws.

The Customer shall KID-Systeme GmbH to the extent permitted by law and promptly upon becoming aware of the same, supply to KID-Systeme GmbH details of any claim, action, suit, proceedings or investigation against it with respect to Sanctions and Export Control Laws by any Sanctions Authority.

The Customer shall upon request provide any information related to the compliance of applicable export control law, such as end-use certificate and proof of delivery, e.g. a delivery verification certificate.

No Party (the "Affected Party") shall be obliged to perform any obligation under this Agreement if such performance would be in breach of any applicable Sanctions and Export Control Laws (the "Relevant Obligation"). The Affected Party shall promptly notify in writing the other Party (the "Other Party") of its inability to perform the Relevant Obligation (the "Suspension Notice"). The Affected Party shall be entitled to irrespective of whether or not the Suspension Notice has been issued, suspend the performance of the Relevant Obligation under these GTC until such time as the Affected Party can lawfully perform the Relevant Obligation.

The Customer undertakes to use any Product and Services procured for the purposes of commercial aviation and that, unless authorized by all necessary Sanctions and Export Control Laws, it will not directly or indirectly sell, import, export, re-export, lease, or sublease (i) to (a) any country which is the subject of commercial, economic or financial restrictions according to any applicable Sanctions and Export Control Laws and/or (b) any Sanctioned Person; and/or (ii) in any way that would cause KID-Systeme GmbH to be in violation of any applicable Sanctions and Export Control Laws.

If the Customer sells, leases, subleases, disposes of, transfers control of any part thereof, or novates or assigns any of its rights and/or obligations under these GTC, to any third party, then the Customer shall

cause, and shall ensure that, such third party agrees to be bound by sanctions and export control provisions on substantially the same terms as set forth in this Clause.

The Customer shall upon request provide any information related to the compliance of applicable export control law, such as end-use certificate and proof of delivery, e.g. a delivery verification certificate.

KID reserves the right, after expiry of a reasonable period of time to withdraw from the contract, to demand damages in place of performance or in lieu of unnecessary expenditure.

## 12. DATA PROTECTION

At the signature of this Agreement, the Parties agree that no Personal Data (under the meaning of the GDPR) will be exchanged, nor processed by the Contractor on behalf of the Purchaser in the course of the performance of the Services.

In the event and to the extent that Personal Data of the Purchaser is processed or used by the Contractor during and for the performance of the Agreement : (i) the Contractor undertakes to comply with 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 so called "GDPR", as well as any applicable national Personal Data protection laws and regulations in force during the term of the Agreement and, (ii) the Parties mutually agree to enter into negotiations to determine appropriate measures to ensure compliance of the aforementioned laws when needed.

## 13. MISCELLANEOUS

The contract supersedes any previous understanding between the Parties, oral or written, with respect to the subject matter hereof. Any performance under a preliminary agreement between the Parties on such matter shall be deemed made under this agreement.

The contractual relationship shall be exclusively governed by the laws of the Federal Republic of Germany. The provisions of the United Nations Convention on Contracts for the International Sale of

Goods shall be excluded. The exclusive place of jurisdiction for all disputes shall be Hamburg.

Any changes and amendments to the contract and all supplementary agreements must be made in writing. This provision shall also be applicable to any waiver to the requirement as to the written form.

Should any of the above provisions become void, illegal or unenforceable, the validity of the remaining provisions shall not be affected. In such a case the void and / or illegal and / or unenforceable provision or provisions shall be replaced by such provisions that are as close as possible to the actual, legal and commercial purpose of the GTC in their entirety. The same shall apply where there is a gap in these GTCs.