

General Purchasing Terms and Conditions

§ 1 General Information

1.1 The parties agree that these terms and conditions, together with any specific terms and conditions, are the only terms and conditions under which AES will accept goods from the Supplier. AES is not bound by any other or additional terms and conditions proposed by the Supplier or said to apply, regardless of whether they are stated in the order confirmation or any other type of order confirmation, are communicated by the Supplier at the time of acceptance of the order, commencement of work, delivery of the goods, or contained in any other document. The Supplier's sales terms and conditions that differ from these general procurement terms and conditions shall not become part of the respective contract, even if AES does not expressly object to the Supplier's sales terms and conditions.

1.2. Regarding our information obligations under the EU-DSGVO, please refer to our privacy policy, which can be viewed at <https://aes-aero.com>

1.3 Subsection heading have been included for the purposes of clarity and have no bearing on the interpretation of these terms and conditions.

§ 2 Ordering and Order Acceptance

2.1 The Supplier commits itself to inform AES without delay, no later than seven (7) calendar days after receipt of an order, by e-mail to procurement@aes-aero.com as to whether the order is has been accepted or rejected.

2.2 If the order confirmation from the Supplier is not identical to AES's order, AES is not bound by the deviation or any additional terms and conditions as stated by the Supplier. If the Supplier expressly rejects the order, it shall be deemed withdrawn and the parties may negotiate new terms and conditions. AES may withdraw from negotiations at any time before the Supplier accepts the order and also accepts no liability in this case.

§ 3 Precedence

Should there be any inconsistency whatsoever between the following documents, which together constitute the order, they shall take precedence in the following order: (i) the negotiated terms and conditions, excluding specifications; (ii) these terms and conditions; (iii) said specifications; and (iv) every other document. However, if the order is associated with a separate, signed contract between AES and the Supplier, the terms of that contract shall take precedence over these terms and conditions.

§ 4 Assessment and Inspection

4.1 AES, the aviation authorities and AES's customers have the right to have their internal or external inspector check, on-site or remotely to ensure that the Supplier is meeting the obligations of the order, including the means used by the Supplier and/or its subcontractors, to ensure compliance with laws and regulations regarding the quality and production processes, anti-corruption, export control, data protection and sustainability. This is allowed during normal business hours. Furthermore, the Supplier shall grant access to its business premises by prior appointment and ensure that a qualified employee is available to provide support during such access. AES, the aviation authorities and AES's customers are entitled to inspect the subject matter at the Supplier's premises, and the Supplier shall permit AES, the aviation authorities and AES's customers access to its premises and ensure that its Suppliers and subcontractors, if any, also grant access to their premises at such reasonable times.

4.2 AES employees are obligated to maintain confidentiality vis-à-vis third parties. Assessment measures may relate to products as well as their associated production processes. AES is authorised to take samples for assessment from the relevant storage and production areas as part of the measures mentioned in 4.1.

4.3 AES is also authorized to carry out assessment measures without prior notice if two consecutive deliveries from the Supplier prove to have defects.

4.4 AES is entitled to check the associated processes and IT applications if the contractually agreed deliverable is a service.

4.5 AES is entitled to verify compliance with the contractually agreed information security requirements on a risk-based basis through appropriate measures, in particular through requests for information, documentation, remote assessments, or audits following prior notice.

§ 5 Delivery and Acceptance

5.1 If the Supplier is based in the European Union, it must confirm to AES in writing that the materials/components obtained from outside the European Union have been imported free of customs duties and VAT under the inward processing (or other customs regulations with the equivalent effect) and also confirm that it delivers the item duty free exempting AES from all consequences of its failure to comply with section 5 "Delivery and Acceptance".

5.2 Unless otherwise specified in the order, the packaging must be appropriate, secure, robust, eco-efficient and economical in order to ensure that the goods delivered, remain intact and suitable for use during transport and storage. The Supplier shall deliver the goods with all the relevant documents and a delivery note in duplicate, stating that the order, material and item numbers, the delivery location and quantities delivered. The relevant documents must be affixed to the packaging on the inside and outside.

5.3 Delivery of goods – title and risk

5.3.1 The Supplier shall deliver goods and services carriage paid to AES's headquarters, unless otherwise agreed in writing.

5.3.2 Delivery shall comply with the requirements specified in the order, in particular with the negotiated terms, conditions and specifications.

5.3.3 The Supplier is liable for any loss or depreciation of goods until the goods have been accepted at AES's headquarters. The delivery date specified in the order is binding. AES is not obligated to accept delivery before this date. If goods are accepted prior to the agreed delivery date, AES will store the goods until that date at the cost and risk of the Supplier.

5.3.4 The relevant timeframe for compliance with the delivery date is the date of receipt at the delivery address specified in the order. Delivery deadlines start at the date of the order. A delivery is only considered complete when all the contractually agreed documents have been received by AES.

5.3.5 The Supplier shall give notice of any delays in delivery as soon as they become evident. In the event of a delayed delivery, AES is entitled to charge a flat-rate contractual penalty of 0.3% of the total value of the order for each calendar day of delay, up to a maximum of 8% of the total value of the order. The exercise of further rights remains unaffected. The contractual penalty will, however, be offset against further default losses. The right to demand a contractual penalty is not forfeited by the unconditional acceptance of the goods or services. The right to request a judicial mediation in accordance with § 343 BGB remains unaffected.

5.3.6 Title to and risks associated with the goods shall transfers to AES upon delivery at the delivery address stated in the order. When AES notifies the Supplier that the goods have been rejected because the Supplier failed to meet the terms and conditions of the order, title to and risk for the goods automatically revert back to the Supplier.

5.4 Acceptance of Deliverables

5.4.1 The transfer of title and risk shall not constitute acceptance of the deliverables by AES. If acceptance tests are specified in the order, acceptance of each delivered item shall only take place after the acceptance tests have been completed satisfactorily by AES. If no acceptance tests are specified in the purchase order, AES has the right to test the goods after delivery, and acceptance will occur when the goods pass inspection satisfactory to AES, or in the absence of testing, the goods shall be accepted by AES thirty (30) working days after delivery or commissioning, whichever occurs later. Acceptance of goods does not constitute proof that there is no hidden defect and does not affect the rights of AES under the contract or by law.

5.4.2 If goods are not delivered as stated in the order, AES shall notify the Supplier in writing. AES may then, at its sole discretion, exercise the following rights: a) reject the delivered goods in whole or in part and demand that the Supplier refund the payment(s) made by AES to the Supplier; b) set off the amount of such payment(s) against other amounts owed to the Supplier by AES; or c) request that the Supplier replace or repair the delivered goods immediately at the Supplier's expense and risk. Furthermore, AES can demand that the Supplier bear all expenses, damages, losses and additional costs incurred by AES as a result of the Supplier's failure to deliver the goods in accordance with the contractual delivery.

§ 6 General Obligations Suppliers

6.1 Legal Compliance

6.1.1 The Supplier shall obtain all information necessary and significant for the service provisions in a timely manner. The Supplier may only cite a lack of such information if it has requested this information in a timely manner in writing and has not been provided with this within a reasonable period of time.

6.1.2 The Supplier shall ensure that they and all of their goods and services comply with all applicable laws and/or regulations, in their current version, including but not limited to those related to: a) the environment, health, safety, packaging and labelling; b) control, restriction, prohibition, recovery and/or disposal of inter alia chemicals and/or hazardous materials and always provide the information requested by AES in this regard; c) transportation; and d) labour and employment. Further information can be found in our Code of Conduct on <https://aes-aero.com>.

The Supplier is obligated to notify AES immediately about any acts of noncompliance with laws and regulations in connection with the execution and/or fulfilment of the order committed itself or by its affiliates, subsidiaries, managers, employees, representatives or any other persons or entity involved in the execution of the order. Should the Supplier fail to comply with any of these laws and/or regulations, it indemnifies AES against any consequences of such failure.

6.1.3 Anti-Corruption

The Supplier, its managers, employees, representatives and all persons or companies involved in the execution and/or fulfilment of the order must comply with all state statutes, laws, rules and regulations, including, but not limited to, all local and international anti-corruption laws applicable to the fulfilment of their obligations and activities within the scope of the order. Accordingly, the Supplier must refrain from the actions listed below when executing the order: a) directly or indirectly to offer, promise, arrange or pay for anything of value (including, but not limited to, money, gifts, hospitality and special favours) to any persons, including public officials, for the purpose of improperly inducing such persons to perform or refrain from performing their official duties or to assist the Supplier or AES in obtaining or retaining business or to gain an improper advantage; b) offer or make unofficial payments to officials in order to expedite or secure routine regulatory measures (including, but not limited to, obtaining permits, licenses or other official documents, processing regulatory papers such as visas and work orders, providing police protection, picking up and delivering mail or scheduling inspections related to the performance of a contract or transit of goods across national borders); c) seek, accept or pay for confidential, non-public information about competitors, tenders and technical specifications, quotations and bid prices. The Supplier shall guarantee that the above provisions are included in all contracts it concludes when subcontracting an order in accordance with section 6.5 entitled "Subcontracting". The Supplier shall notify AES immediately about any investigation or legal proceedings initiated by a regulatory authority against them and relating to an alleged violation of applicable laws and regulations in connection with the execution and/or fulfilment of the order by the Supplier itself or by their associated companies, subsidiaries, managers, employees, representatives or other persons or companies involved in the execution of the order.

6.1.4 Protection Personal Data

The parties confirm and agree that all personal data exchanged in connection with and for the purpose of the order fulfilment will be collected and exchanged in accordance with the applicable personal data protection laws and regulations responsibly, as independent data handlers (the "data handler" meaning the organisation that determines the purpose and method of personal data processing). The parties agree to take any additional contractual measures required under the applicable laws and regulations for personal data protection to guarantee compliance with these provisions throughout the term of the order.

6.1.5 Responsibility and Sustainability

The AES Supplier Code of Conduct applies to the order without prejudice vis-a-vis the provisions stated in sections 6.1 “Legal Compliance”, 13 “Intellectual Property Rights”, 14 “Confidentiality and Disclosure” and other provisions about information security, import and export. The Supplier accepts AES’s Code of Conduct by accepting its order: The “Code of Conduct” can be found on <https://aes-aero.com>. The Supplier is obligated to fulfil the sustainability requirements set out in the negotiated conditions, if any.

6.1.6 Information Security

6.1.6.1 The Supplier must protect information, data and/or assets provided by AES under this agreement against loss, destruction, falsification, corruption, unauthorized access and disclosure.

6.1.6.2 Accordingly, and in compliance with any relevant security laws and regulations, the Supplier commits itself to: a) implement and maintain appropriate security policies, standards, procedures and processes (if possible, in accordance with a well-recognized qualification or certification (such e.g. ISO or National Institute of Standards and Technology (NIST)); b) implement and maintain state-of-the-art security measures and tools to protect its information systems; c) isolate AES information from its proprietary and other customers' information; d) grant access to the information and systems belonging to AES and its personnel according to the principles of minimum privilege and need to know; and e) ensure that its own personnel receive appropriate training and guarantee that the same level of security is also applied to its subcontractors and suppliers.

6.1.6.3 The Supplier ensures that, wherever applicable, access to the AES system or access to systems on which AES information is obtained and/or processed is managed by appropriate methods and controls.

6.1.6.4 The Supplier shall use all reasonable care and means at its disposal, including state-of-the-art technologies (e.g. hardening guidelines, malware protection and/or intrusion detection) to prevent the infiltration of malicious code into all of their systems, devices, storage mediums and infrastructure (e.g. servers and/or e-mail gateways).

6.1.6.5 The supplier must establish procedures for managing security incidents, including the detection of and response to incidents such as lost or stolen devices, user/staff errors, access breaches, malware/ransomware, hacking, and email phishing. The supplier shall investigate and report to AES any observed or suspected security vulnerability or incident that could potentially affect AES’s systems and/or AES information related to the contract. Information security incidents must be reported to AES within 48 hours of the incident becoming known. Such reports must include at least the following:

- Time and nature of the incident
- Affected systems/data
- Initial containment measures
- Expected impact on AES
- Point of contact
- Regular status updates

The supplier shall cooperate with AES by providing, in the event of an investigation related to an information security incident, at least the information listed above and any other necessary information.

6.1.6.6 Upon request, the Supplier shall provide AES with a liaison point at its organisation (including a back-up) in charge of routine collaboration and the reporting of incidents.

6.1.6.7 The Supplier must fulfil any additional security requirements set out in the negotiated terms and conditions.

6.1.7 If the Supplier fails to fulfil its obligations under section 6.1 “Legal Compliance”, AES reserves the right to terminate the order in accordance with section 12.1.1 “Termination due to Non-Performance by the Supplier”

6.2 Quality

6.2.1 Quality Management System

The Supplier shall ensure that its quality management system (“QMS”) meets with the requirements of AES, which will be provided to the Supplier upon request or specified in the negotiated terms and conditions of the order. The implementation of a QMS and its certification according to well-recognized standards (ISO, AQAP, DIN and EN, for example) is favourable. The Supplier shall ensure that the order is executed in accordance with the quality requirements of its approved QMS, as specified above. If the Supplier is the holder of a production organisation approval (Production Organisation Approval - POA) or equivalent accreditation, they must ensure that the order is fulfilled in accordance with the quality requirements of their accreditation.

6.2.2. Approved Sources

The Supplier shall ensure that all standard parts, specified articles, special processes and test methods used for the production of aviation goods can be traced back to the manufacturer.

6.2.3 Conflict Minerals

The Supplier commits itself not to use any conflict resources from the Democratic Republic of Congo or an adjoining country to fulfil the order.

6.2.4 Chemical Guidelines

6.2.4.1 The Supplier warrants that it will comply with the requirements of the EU Chemicals Regulation REACH (Regulation (EC) No. 1907/2006) in the latest version - hereinafter referred to as the REACH Regulation - and in particular that all the substances have been registered. AES GmbH is not obligated to obtain an authorisation for goods delivered by the Supplier under the REACH Regulation framework.

6.2.4.2 The Supplier further warrants that a) it will not supply any products containing substances in accordance with

- the annexes of the REACH Regulation:
- POP, Regulation (EC) No 850/2004;
- Regulation (EC) No 850/2004;
- Council Decision 2006/507/EC (Stockholm Convention on Persistent Organic Pollutants);
- EC Regulation 1005/2009 on substances that deplete the ozone layer;
- RoHS (Richtlinie 2011/65/EU) for products in accordance with their scope of application in the latest version (recommendation)
- Export control measures imposed by the Chinese Ministry of Commerce (MOFCOM) with regard to rare earths

Or b) actively report these to AES (see also section 6.2.4.3).

6.2.4.3 Should the goods delivered contain substances listed on the REACH “Candidate List of Substances of Very High Concern” (SVHC list), the Supplier is obligated to report this immediately. This also applies if, in the case of ongoing deliveries, previously unlisted substances were subsequently added to said list. The currently valid list can be found on the ECHA website under: http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp. Furthermore, the products must not contain asbestos, biocides or radioactive material.

6.2.3 Compliance Documentation

6.2.3.1 The Supplier shall deliver its goods with the following documentation at a minimum: a) A production Supplier without a POA (or equivalent document) or whose POA does not cover the relevant goods must enclose a certificate of conformity (“CoC”, attached to the delivery note as necessary) issued by the manufacturer with each delivery, certifying that the requirements set out in the applicable specifications were met. The certificate of conformity must at least contain the following information: Purchase order number, part number, quantity and measurement unit, date of manufacture and expiry (if applicable), lot number, serial numbers or other batch identification (if applicable), and details of the authorised signatory responsible for the inspection. b) A Supplier having a POA (or equivalent document) for the goods must include a release certificate (EASA Form 1, or equivalent) with each delivery. This also applies to cases in which the goods are only a part or a subassembly of a product covered by its capability list.

6.2.3.2 Suppliers who stockists or distributors must enclose the following with each delivery: - a CoC from its company, which refers to the goods and certifies traceability back to the manufacturer.

6.2.3.3 The Supplier must submit a report about the first article inspection and copies of the accompanying documentation in accordance with EN 9102 or an equivalent standard for all goods ordered by AES, before or together with the first delivery of goods and upon request by AES. The Supplier shall provide the corresponding inspection or test reports when requested by AES.

6.2.4 Nonconforming Goods

The Supplier is responsible for the quality of its deliveries and must ensure conformity of its deliveries, in particular by pre-delivery inspections and final tests. The Supplier shall conduct a root cause analysis and take all necessary corrective action to eliminate nonconformities, to prevent their reoccurrence and implement an appropriate corrective action and preventative measures plan. The Supplier must confirm implementation of the action plan satisfactorily to AES. The Supplier must use an 8D process or apply an equivalent method substantiated by the Supplier and approved by AES. If a nonconformity is detected after the Supplier has delivered goods, the Supplier agrees to notify AES immediately and take all necessary corrective action to aid AES until the nonconformity has been eliminated to AES's satisfaction and corrective and preventive measures have been completed.

6.2.5 Quality Performance Records

The Supplier inspects all incoming materials to ensure that they comply with all the applicable specifications and design drawings of each item covered in the order and documents all of the inspection requirements and acceptance criteria to ensure that they comply with the specific requirements specified by AES for said items. The Supplier ensures that all related products can be fully identified and traced back to the raw material used, including the corresponding documentation. All documentation must be stored in a controlled

environment/manner in accordance with the applicable legal requirements, ensuring that it remains readily identifiable, legible, reproducible and readily available to AES.

6.3 Personnel

The Supplier is responsible for its personnel possessing all the necessary training, qualifications and abilities to fulfil all the requirements stated in orders.

Avis/Delivery Notification and Conformity Documentation

The Supplier must provide delivery notes and any required conformity documents (e.g. CoC) in accordance with section 6.2.4 “Nonconforming Goods” on the day of shipment for each consignment of goods. Otherwise, these are considered, “Nonconforming” One copy of the CoC or any other documents required must accompany each shipment and a second copy must be sent to incoming goods (MM) at AES.

6.5. Subcontracting

All goods and services purchased by AES are to be provided by the Supplier or its employees. Any use of subcontractors requires advanced written notification from the Supplier and approval from AES. The Supplier must furnish proof of the subcontractor's professional competence and sufficient financial solvency.

§ 7 Export Control

7.1 The contractual parties must strictly comply with the laws and regulations of the United States of America, the European Union and all applicable national export control, sanction and embargo laws and regulations (“Export Regulations”).

7.2 In particular, Suppliers are obligated to refrain from any activities that would constitute a circumvention transaction. Therefore, the following measures must be adopted:

- Transparent disclosure of all the relevant contractual terms and conditions.
- Prevention of fictitious transactions or fiduciaries that serve solely to circumvent statutory regulations.
- Ensurance that all business transactions comply with the legal requirements with no intensions of circumventing them.
- Periodical review and adaptation of internal policies and procedures, which ensure compliance with statutory regulations.

Violations may result in legal consequences, including, but not limited to, claims against damages and criminal prosecution.

7.3 The Supplier must determine the export regulations applicable to the goods (the “export control classification”) and notify AES in writing before the order is made.

7.4 If the goods are subject, in whole or in part, to export regulations, the Supplier has the following obligations: a) apply to the relevant export authorities to obtain all the relevant licenses or permits in advance for the export, re-export, transfer, reassignment, delivery and use of the goods as specified by AES (export li-

cense) and obtain and, if required, carry out all updates in a timely manner to ensure that the goods are delivered in accordance with AES's requirements within the scope of the order and free of charge to AES. The Supplier shall not be held liable if an export license is not granted due to an excusable delay as defined in section 8.1 "Excusable Delay"; b) complete an end-user certificate as required by the competent authority or provided by AES c) provide AES, upon request, with applicable export control information, statements and certifications required by the governing export regulations, including those relating to employees and any subcontractors, and/or comply with AES's accreditation process for export control access to authorize access to export-controlled information, if required; d) provide AES with the export license application and any amendments, if required, prior to submission to the relevant export control authority and upon request; e) provide AES promptly and prior to the first delivery of goods with a copy of the export license obtained, including any applicable provisions/conditions, and/or correspondence issued by an export control authority that relates to the fulfilment of the order and/or to AES's obligations; f) for each delivery of tangible and/or intangible property, as applicable: Export regulations, export control classification and, where applicable, export license number referenced in the shipping documents for tangible goods and noted directly in the documents/files for intangible goods. The absence of such designation shall be deemed by AES to mean that the goods are not subject to export control; g) refrain from granting its subcontractors access to intangible and/or tangible export controlled goods provided by AES without AES's prior written consent; h) be responsible for compliance with any applicable regulatory reporting requirements; i) in instances of military purchases, obtain AES's review and approval before submission or filing with the U.S. export authorities of the U.S. Technical Assistance Agreements ("TAA") or Manufacturing License Agreement ("MLA") provisions, if any, required to fulfil the order. The Supplier must also provide AES with a copy of the duly executed TAA or MLA and authorisation issued, including any restrictions related to the execution of the order or compliance with the obligations incumbent on the parties. The Supplier is required to submit all specific confidentiality agreements that are prescribed in the export provisions under the TAA or the MLA to AES; and j) in the event of a military purchase, declare all political contributions, commissions and fees within the definition of Part 130 of the U.S. International Traffic in Arms Regulations ("ITAR").

7.5 If the Supplier fails to fulfil its obligations under section 7 "Export Control", the Supplier shall replace or modify the goods in question in accordance with the applicable export regulations, in line with a timeframe specified and the technical specification defined by AES.

7.6 The Supplier guarantees that it was not on a sanctioned party list at date of commissioning and is not based in a country against which a comprehensive embargo was imposed in compliance with the export regulations.

7.7 In the event that (i) the Supplier is directly or indirectly affected by a sanctions or embargo list under the export regulations and/or (ii) the fulfilment of a party's obligations under the order would constitute a violation of export regulations, AES is entitled: • to suspend the execution of its obligations as per the order without prior notice and effective immediately; and/or • to terminate the order pursuant to section 12.1.1 "Termination due to Non-Performance by the Supplier" with prior written notice and effective immediately; in either case without incurring any liability for AES.

§ 8 Delay

8.1 Excusable Delays

8.1.1 Force majeure

Unforeseeable circumstances and those for which the parties are not responsible, which render the contractual obligation impracticable or temporarily impossible, shall be deemed equivalent to force majeure. Examples include unforeseeable labour disputes, regulatory measures, unforeseeable power shortages, a pandemic and unforeseeable major operational disruption e.g. the destruction of the business, completely or in essential departments/divisions.

8.1.2 Neither contractual party shall be responsible for or deemed to be in default of their obligations under the order if such default is due to an excusable delay under 8.1.1. When an excusable delay causes or could cause a delay to the execution of any obligations by either contractual party under the order, the party affected shall notify the other party immediately after discovery of the excusable delay, in writing, and provide reasonable evidence for the excusable delay. Once the excusable delay has ceased and subject to the provisions of section 12.1.2, "Termination due to Excusable Delay" the relevant party shall resume compliance with its obligations, unless otherwise agreed upon in writing.

8.2 Non-Excusable Delays

8.2.1 A delay by the Supplier to fulfil its obligations under the order not considered an excusable delay is a "non-excusable delay". In such cases AES is entitled to: claim liquidated damages at a rate of 3% of the value of the delayed goods per day of delay; and in the event that the amount of damages exceeds the total amount of the aforementioned liquidated damages, claim the full amount of such excess damages for all losses, expenses, costs, claims and other damages incurred by AES as a result of the unjustified delay. However, the Supplier has the right to prove that AES did not suffer any damage or that the damage was less than the liquidated damages.

8.2.2 AES's right to claim liquidated damages and other compensation is in addition to, and does not replace any, other rights AES may have pursuant to the order or the law.

§ 9 Warranty

9.1 The Supplier shall, without prejudice to any other warranty, guarantee to AES that the goods and/or parts thereof (i) are free from defects and suitable for the intended use, (ii) only consist of materials and goods that are new, recently manufactured, commercially available and of satisfactory quality, (iii) meet the quality requirements and, if applicable, meet AES's specifications, and (iv) in the case of a service, are performed with all appropriate skill and care in accordance with best industry practice.

9.2. Spare Parts

The Supplier guarantees to supply spare parts at market prices for a period of 10 years from the date of the last order of the corresponding product by AES. AES shall be informed promptly about the discontinuation of a parts manufactured by the Supplier or his sub-suppliers ensuring that AES is still able to place a final order of said parts in sufficient quantity. In the event of a breach of this obligation, AES is entitled to, irrespective of any patents or other rights, have the spare parts manufactured for its own use without compensation to the Supplier and use the Supplier's samples and technical drawing to achieve this. The Supplier is obligated to surrender the corresponding documents to AES upon first request.

9.3 Obsolescence

The Supplier shall inform and assist AES in ensuring the early detection of obsolescence. In the event of a Supplier discontinuing a product, the Supplier will assist AES in selecting suitable alternatives and secure a last-time-buy option.

9.4. Nonconformity

The Supplier shall, at the request of AES, immediately repair or replace all defective or nonconforming goods free of charge to AES. The warranty period is defined in the negotiated terms and conditions; nevertheless, it shall be no less than thirty-six (36) months from the acceptance of the goods by AES in accordance with section 5.4 "Acceptance of Deliverables" or, in the case of a service, from the completion of such service. The remaining warranty period, including the period during which the goods were repaired, shall apply to any repaired and/or replaced goods starting from the first date of use after repair or replacement, or, in the case of services, from the date of resumption of the service. The Supplier is liable for all costs incurred by AES as a result of the defect or nonconformity of the goods or services, including, but not limited to, removal, reinstallation, transport and certification and testing.

9.4.1 If, due to special urgency, it is no longer possible to notify the Supplier about the defect, the impending damage and set a deadline, however short, for the Supplier to perform remedial action, AES is authorized to have the defect remedied itself or through third parties at the supplier's expense.

9.4.2 AES may withhold a reasonable amount of the invoice, up to three times the foreseeable costs for remedying the defect. AES is authorized to withhold 10% of the final payment until the end of the warranty period in the event of a defect. The Supplier is reimbursed without interest. The Supplier may substitute the retention with the provision of a direct guarantee from a major German bank or credit insurer.

9.5 The provisions stated in section 9 "Warranty" shall be in addition to and without prejudice of any other rights and legal recourse available under the order and/or provided under the law to AES.

§ 10 Price and Payment Terms

10.1. Price

Unless otherwise provided in the negotiated terms and conditions, the prices stated are fixed prices and based on the delivery of the goods in accordance with section 5.3.1 to the delivery location specified in the negotiated terms and conditions of the order. The Supplier shall not charge any additional costs for packaging, insurance or delivery, unless the parties have agreed otherwise; such costs shall be itemised separately on the Supplier's invoice.

10.2. Tax

The prices exclude VAT but include all other relevant taxes, levies and custom duty associated with the goods, which are borne and paid by the Supplier, when applicable.

10.3 Invoices

The Supplier shall issue an invoice at the same time the goods are delivered, as specified in the order. Each invoice must include the description, reference and quantity of the goods, the order and product numbers,

the price, the actual delivery date, the names and addresses of all parties, any special conditions and a reference to any discount.

10.4. Payment

10.4.1 All e-invoices must be issued in accordance with the requirements of EU standard EN-16931 and subsequently sent to AES (accounting@aes-aero.com).

10.4.2 Unless otherwise agreed, payment shall be made within 30 days net after receipt of the invoice and the goods and/or services, provided that this is in accordance with the delivery date stated in the order.

10.4.3 AES is entitled to offset, reduce, and refuse to fulfil or withhold payments in respect to claims from the Supplier at any time.

10.4.4 The Supplier may only assign, pledge or otherwise transfer claims arising from transactions with AES after obtaining advance written consent from AES. If the Supplier assigns the claim contrary to sentence 1, the assignment is nevertheless effective. However, AES can, at its own discretion, either make payment to the Supplier or a third party, with the effect of discharging its debt.

10.4.5 An unconditional payment does not constitute an acknowledgement that the goods and services were provided in accordance with the contract, nor does it constitute an acknowledgement of any underlying prices.

10.4.6 AES can withhold up to 6% of the invoice amount from its payments, insofar as corresponding claims against the Supplier cannot be excluded. The amount withheld is to be repaid to the Supplier without interest at the end of the warranty period.

10.5 AES reserves the right, without prejudice to any other rights or forms of legal recourse available to AES, to set off any amounts owed by the Supplier to AES against undisputed or legally established amounts owed by AES to the Supplier in relation to an order or otherwise.

§ 11 Liability and Insurance

11.1 The Supplier bears liability to AES for all costs, losses, damages and liabilities, including, but not limited to, the associated costs and expenses that AES may incur as a result of the Supplier's failure to fulfil any of its obligations as set forth in the order. AES commits itself to provide the Supplier with a breakdown of the aforementioned damages.

11.2 Each contractual party is liable to the other contractual party, its executives, directors, employees or insurers and indemnifies them from all claims, losses, liabilities, lawsuits, judgments, expenses and costs (including attorney's fees) or similar, which are in any way related to the death or personal injury of any person, regardless of the nature, or the loss of or damage to the property of any person, organisation or business (including the other party) arising out of or in any way connected with the death of or personal injury to any person or loss of or damage to property of any person, organisation or business (including the other party), whether due to negligent or wrongful acts or omissions of the indemnifying party in connection with the execution of the order.

11.3 Insurance

The Supplier is obligated to contract and maintain, the insurance policies required for the fulfilment of its obligations from the order with reputable and reliable insurance companies at its own expense. The Supplier will provide AES with the relevant insurance certificates upon request, certifying that such insurance is in full force and effect.

11.3.1 The Supplier shall obtain and maintain general liability insurance to cover any risk of loss or damage that may arise from the execution of the order, insofar as the execution of the order requires the Supplier's employees, authorised representatives or subcontractors on the premises of AES or at other designated locations, the Supplier shall obtain and maintain general liability insurance appropriate to such risk of loss or damage to property or of death or personal injury, involving any person, including AES, arising out of the work performed under the order.

11.3.2 If the Supplier is obligated to carry out work or provide services at an airport and/or aviation site, the Supplier must ensure either that its general liability insurance also; covers aviation and airborne risks, or the Supplier must maintain special aviation site or public liability insurance with an appropriate level of coverage for these risks.

11.3.3 The Supplier shall take out and maintain hangar keepers liability insurance or insurance for property in the care, custody or control of the Supplier if the Supplier has property of AES or third parties in its care, custody or control for any reason in connection with the order, including, but not limited to, the use of or the completion of work on such property. The sum insured under such insurance shall not be less than the full replacement value of the property under the care, custody or control of the Supplier, whether it's located at the Supplier's premises, at AES's premises or on any other premises required by AES.

11.3.4 If the Supplier has to perform work requiring professional liability insurance, it must provide AES with an insurance certificate showing that such insurance exists in full and with an appropriate level of coverage, such as would be maintained by prudent companies in similar business sectors and operations.

11.3.5 The Supplier shall obtain and maintain adequate cyber liability insurance covering data security and privacy, including unauthorised access and use, security failure, breach of information confidentiality, privacy release, invasion of privacy, information theft, damage or destruction of electronic information, alteration of electronic information, extortion, the costs of containing breaches and covering compliance.

11.3.6 The Supplier is obligated to take out and maintain all other types of insurance that are usually required to be taken out by companies doing business of a similar nature and/or all other insurances that are required by law or otherwise.

§ 12 Termination

12.1 Grounds for Termination

12.1.1 Termination due to Non-Performance by the Supplier

If the Supplier breaches or fails to perform any of its obligations under this contract, AES may issue a written notice of such breach or failure to the Supplier at any time. The Supplier is obligated to remedy such breach or noncompliance within twenty-eight (28) days from the date of such notice. If Supplier does not resolve the breach or noncompliance within the twenty-eight (28) day period or if the breach is irresolvable,

AES has the right to immediately terminate the active order (in whole or in part) by providing written notice to the Supplier, without prejudice to AES's rights to damages and/or other legal recourse available to AES by law and/or stated in the order. The provisions in section 12.2 "Termination Procedure and Liability" apply.

12.1.2 Termination due to Excusable Delay.

If an excusable delay exceeds a period of thirty (30) days from the date of occurrence, either party shall be entitled to terminate the order or any part thereof by written notification to the other party forthwith, without incurring any obligations as a result.

12.1.3 Termination without Supplier Delay/Order Cancellation.

AES can terminate a single contract with the Supplier at any time with a 2 week notice period. The right to extraordinary termination remains unaffected. A termination of the order by AES, for whatever reason, shall not affect any rights and legal recourse to which AES is entitled prior to termination. Section 12.2.3 applies.

12.2 Termination Procedure and Liability

12.2.1 Termination due to Non-Performance by the Supplier

The Supplier is liable for all losses, expenses, costs, claims and damages incurred by AES as a result of Supplier's breach of the order or the terms and conditions. The Supplier fully indemnifies AES against all losses, expenses, costs, claims or damages (including, but not limited to, legal fees) arising out of any negligence, wilful misconduct, breach of contract or breach of statutory duty by acts or omissions of the Supplier, its employees, subcontractors or representatives in the performance of the order or in connection with a defective goods.

12.2.3 Termination due to excusable delay.

AES and the Supplier shall agree to a fair and reasonable price for all labour and materials incurred in executing the work under the order up to the date of termination. Each party is free to present evidence to the other that the actual costs were lower/higher than the party in question claims. In order to make a price agreement the Supplier will submit an invoice within three (3) months of the date of termination. The negotiated price, together with all the amounts paid or due to the Supplier prior to the date of termination of the order, shall not exceed the total price of the goods covered by the order, and these amounts shall constitute AES's sole liability with respect to the termination.

12.2.4 AES reserves the right to bill the Supplier for the costs incurred if the Supplier terminates the contract for a reason not attributable to AES. These costs may arise, for example, from a third party's obligation to assume the Supplier's delivery commitment.

12.3 Superseding Provisions

All provisions of the order or the terms and conditions, which by nature should extend beyond the expiration or termination of the order, shall remain in full force and effect after such expiration or termination.

12.4 Return of Documents

Upon completion of the order, upon termination for any reason, or at AES's request, the Supplier must return all AES information, data carriers, copies, and derived documents, or securely delete or destroy them,

and confirm this to AES in writing upon request. This does not apply to documents subject to statutory retention requirements.

§ 13 Intellectual Property Rights

13.1 All intellectual property rights created as a result of work carried out by the Supplier or its subcontractors in the context of the order shall belong exclusively to AES, within the scope permitted by law. The Supplier grants AES an exclusive, worldwide, perpetual, and geographically unlimited license to use any non-transferable intellectual property generated as a result of work performed by the Supplier or its subcontractors under the order, and the Supplier commits itself to require its subcontractors to do the same, without incurring any additional costs beyond the price stated in the order.

13.2 The Supplier commits itself to execute all assignment or other documents necessary to validly transfer the intellectual property arising from the work performed by the Supplier or its subcontractors under the order to AES.

13.3 The Supplier hereby grants AES a non-exclusive, worldwide license, at no extra charge over and above the price stated in the order, for the duration of the rights, though at least for the duration of the order or of the contract or agreement associated with the order, to use the intellectual property of the Supplier disclosed to AES in connection with the order and required for the execution of the order or the use of the subject matter. The Supplier grants AES the right to issue sublicenses for all the aforementioned rights.

13.4 In the case of special production or custom-made goods, the license granted by the Supplier to AES in accordance with section 13.3 includes the right to reproduce them in any form, language, format and medium, the right to distribute in whole or in part, including the right to sell, lend, rent, distribute, download in any manner and in any language, the right to modify, adapt, improve, correct and translate in any form and language, and the right to combine with any other element. The Supplier grants AES the right to issue sublicenses for all of the rights mentioned above.

13.5 Indemnity against Infringements

The Supplier commits itself to fully indemnify and hold AES, its authorised representatives, legal successors and assignees unaccountable in relation to all claims, lawsuits or actions by third parties that are related to the infringement or alleged infringement of third-party intellectual property rights in connection with the order, and to release AES from all costs, losses, damages, liabilities, expenses (including attorney's fees), fines or other financial penalties or loss of profit that may arise as a result of any alleged or proven infringement.

13.6 The Supplier is obligated to inform AES without further delay of any disputes or claims (of a legal or other nature) asserted by third parties and on the subject matter of such disputes or claims.

13.7 AES reserves the right to add the Supplier as a party to a lawsuit by filing a third-party notice. In any case, the parties will work together closely when defending themselves against such claims, actions and proceedings.

§ 14 Confidentiality and Disclosure

14.1 All order-related information provided by AES to the Supplier or accessible to the Supplier in connection with the order, and/or all information in any form and on any data storage device that is declared confidential or can be reasonably considered confidential because of its commercially sensitive or evidently confidential nature, shall be referred to as “confidential information”.

14.2 The Supplier may only use confidential information for the purpose of the order. Confidential information may only be passed on to the Supplier's personnel for the purpose of executing the order and only to such an extent as is necessary for them to know. The Supplier may not disclose any confidential information to third parties without AES's prior written consent.

14.2.1 AES is entitled to charge the Supplier a flat-rate contractual penalty of twenty-five thousand (25,000) euros, but not more than sixty thousand (60,000) euros, for any violation of the confidentiality agreement. The amount becomes due for payment upon infringement. The Supplier reserves the right to furnish proof that the level of damages sustained is lower. Additional claims remain unaffected. The right to request a judicial mediation in accordance with § 343 BGB remains unaffected.

14.3 The Supplier is not obligated to preserve confidentiality if it can prove that the confidential information (i) was already in the public domain when the Supplier gained access to it, or (ii) that it entered the public domain through no fault of the Supplier's after it accessed the information, or (iii) that the Supplier was able to gain access to the confidential information lawfully.

14.4 The confidentiality provisions remain in full force for the duration of the contract and continue to apply for a period of five (5) years after expiration or termination of the contract.

14.5 Neither contractual party may issue a press release or public announcement with reference to the contract or use, reproduce or imitate any deposited, registered or unregistered trademarks of the other party, including its company name, associated logos, program names or logos in connection with its products or services for any purpose, without the prior written consent of the other party.

§ 15 Assignment and Transfer

AES is authorised to assign or transfer its rights, warranties, benefits, legal recourse and obligations under the contract in whole or in part to a third party at any time. The Supplier may not assign or transfer its benefits, rights, legal recourse and/or obligations under the order to any third party without the AES's prior written consent.

§ 16 Applicable Law and Dispute Resolution

16.1 These general purchasing terms and conditions and all orders are subject to, interpreted and take effect in accordance with German law, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 1980.

16.2 Amicable Settlement The parties shall use their best endeavours to settle a dispute amicably in the event of any dispute, controversy or claims arising out of or in relation to any order, including any question pertaining to its existence, validity or termination, within a period of three (3) months following submission of such dispute by one of the parties to the other.

16.3 Arbitration

16.3.1 If the parties are unable to resolve the dispute amicably within the above-mentioned three (3) month period, the dispute shall be settled in accordance with the Arbitration Rules of the International Chamber of Commerce (“ICC”). The total number of arbitrators comprises three (3) and the place of arbitration is Bremen, Germany. Each party shall appoint one arbitrator, and the two arbitrators shall appoint a chair in consultation with the parties. The language spoken in the arbitration proceedings will be German. The law of the arbitration agreement is governed by the law in force of the respective domicile. Each contractual party reserves the right to apply to the appropriate court for interim, provisional and/or conservatory measures in accordance with an order, and such application shall not be deemed inconsistent with the arbitration agreement or a waiver of the right to arbitration.

16.3.2 The existence and subject matter of the arbitration and any decision or award shall be kept confidential by the parties and members of the arbitration panel, except (i) to the extent that disclosure may be required by a party in order to satisfy a legal duty, protect or pursue a legal right or to enforce or challenge an arbitration award in a good-faith legal action in a state court or other judicial authority, (ii) with the consent of all contractual parties, (iii) if such information is already publicly available, except as a result of a breach of this section 16 “Applicable Law and Dispute Resolution” or (iv) by order of a state court or other judicial authority at the request of one of the contracting parties.

§ 17 Amendments

The order, including the terms and conditions, can only be amended by an expressly written agreement (including changes and additions to this section 17 “Amendments” which has been signed by duly authorised representatives of the respective parties.

§ 18 Independent Contractors

The relationship between the parties under these terms and conditions is that of independent contractors. Neither party has the right to enter into contracts or other obligations in the name of the other party.

§ 19 Overall Agreement

The order constitutes the overall agreement between the parties with respect to its subject matter. It replaces all previous written or oral agreements, arrangements and assurances between the parties relating to the content of the order.

§ 20 Notification

Unless otherwise specified, all notifications and communication between AES and the Supplier in relation to the order must be made in writing and sent via post, email, and fax or courier service to the Material Management Department at the AES branch specified in the negotiated terms and conditions. The delivery date of notification is the date of dispatch if it is sent by e-mail, fax or courier service, or five (5) days after dispatch if it is sent by post.

§ 21 Waiver

The failure or delay by either party to enforce any provision of the order or any part thereof shall not be deemed a waiver of that provision and will not affect the validity of the order or the right of the affected party to enforce that provision at a later date.

§ 22 Severability

Any provision of the agreement that is prohibited, unlawful or unenforceable under applicable law as actually enforced by a court of competent jurisdiction shall, to the extent required under such law, be deemed omitted from and replaced by another provision of the agreement that achieves the same effect, in substance, without modifying any of the remaining provisions.