

GENERAL TERMS AND CONDITIONS (GENERAL PROCUREMENT)

1. DEFINITIONS

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

1.2. 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 Company**" means Airbus SE, a European public limited-liability company (Societas Europaea) with its registered office (statutaire zetel) in Amsterdam, The Netherlands, its official address at Mendelweg 30, 2333 CS Leiden, The Netherlands, and registered with the Dutch Commercial Register (Handelsregister) under number 24288945 and any of its group companies Controlled by it as defined below;

"**Applicable Law**" means all applicable laws, statutes, orders, rules, provisions, regulations, directives and guidelines which have legal effect, whether local, national, international or otherwise existing, as revised and amended from time to time.

"**Control**" means the relationship whereby an entity directly or indirectly a) by virtue of the voting right in its control, has the power to determine or frustrate the decision of the affiliate; or b) by virtue of any contract or any provision of the articles of association, statutes, internal regulations or other by-laws governing the conduct of the affiliate's affairs, has the power to direct or cause the direction of the management or policies of such affiliate; and "Controlled" shall be construed accordingly;

"**Conditions**" means this document.

"**Day**" means a calendar day.

"**Excusable Delay**" means an event which is at one and the same time compelling, unpredictable, unavoidable, outside of the control and not occasioned by a Party's fault or negligence.

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

"**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.

"**Public Official**" means officials of public institutions but also commercial enterprises to the extent the commercial enterprise could be an "instrumentality" of the government. This includes any person working at a governmental body in all branches, levels and subdivisions (e.g. local, regional or national and administrative, legislative or executive) as well as any political party candidate and any business known to be owned or operated by a public official.

"**Purchaser**" means the relevant individual Satair Company, which places the Order and is identified on the front of the Order.

"**Purchaser Information**" means any proprietary, confidential and commercial or technical information including Purchaser's or an Airbus Company's intellectual property rights, methods, know-how, proprietary and/or privileged technology and processes, internal facts and figures, and any related material and document.

"**Purchaser Information System**" means the information system owned by Satair and containing Purchaser Information.

"**Satair**" means Satair A/S, Satair USA, Inc., Satair (Beijing) Co Ltd; Satair Pte. Ltd; and Satair UK Ltd. including their direct or subsequent successors (individually a "**Satair Company**").

"**Sanctioned Person**" means (a) any natural or legal person that is the target of any sanctions and export regulations or (b) any legal person that is directly or indirectly owned fifty percent (50%) or more, individually or in the aggregate, and/or controlled (the power to direct the management and policies of a legal person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise) by one or several person(s) designated under (a).

"**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 Specification.

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

1.3. 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 Items 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.

3. ORDER AND ORDER ACCEPTANCE

3.1. Within fourteen (14) Days of a submitted Order, the Supplier undertakes to notify the Purchaser of acceptance or refusal of the said Order by mail or e-mail.

3.2. The Order shall be deemed to be accepted without reservation by the Supplier after fourteen (14) Days, unless the Supplier notifies the Purchaser in writing of its refusal to accept the Order. If the Supplier starts work based on the Order without returning the Acknowledgement Form, the Supplier shall be deemed to have accepted the Order without reservation. If the Supplier expressly refuses the Order, it shall be deemed withdrawn and the Parties may negotiate new terms and conditions. The Purchaser may withdraw from any negotiations at any time prior to acceptance of an Order by the Supplier and shall incur no liability whatsoever.

4. PRECEDENCE

4.1. In the event of any conflict between the following documents forming part of the Order, the following order of precedence shall apply: (i) the Specific Conditions without the Specification; (ii) the Conditions; (iii) the Specification; and (iv) any other documents.

4.2. However, if the Order is related to a separate signed contract between the Purchaser and the Supplier, then the terms and conditions of such contract shall prevail over the Conditions.

5. AUDIT AND INSPECTION

5.1. The Purchaser shall be entitled, through its internal or external auditors/assessors, to perform audit, assessments, surveillance, reviews and/or inspections at any time during normal business hours, on-site or remote, to audit the Supplier's performance of all its obligations under the Order (the "Audit"), including the means implemented by the Supplier and/or its subcontractors in order to ensure compliance with quality and manufacturing processes, security requirements, the standard of the Airbus Supplier Code of Conduct, anti-corruption, export control, data protection, human rights and environmental laws and regulations. The Supplier and/or its subcontractors shall fully cooperate and grant all necessary access to facilities and data according to a schedule agreed upon by the Parties and as necessary for the purpose of such Audit.

6. DELIVERY AND ACCEPTANCE

6.1. Packaging.

Unless otherwise specified in the Order, the Item shall be packed in accordance with Applicable Law. As a minimum, the packaging shall be convenient, safe, robust, eco-efficient and cost-optimised, 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, Item and item reference numbers, the place of delivery and the delivered quantities. Such applicable documentation shall be attached inside and outside the packaging.

6.2. Delivery of the Item – Title and Risk

6.2.1. 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 authorised in writing in advance by the Purchaser.

6.2.2. Title and risk of the Item shall transfer to the Purchaser upon delivery to the delivery address specified on the Order. In case of a notification of rejection of the Item being given to the Supplier by the Purchaser due to 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. Acceptance of the Item

6.3.1. 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.

6.3.2. 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:

- a) 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;
- b) set off the amount of any such payment(s) from any other amounts due to the Supplier from the Purchaser; or
- c) 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.

6.3.3. 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.

7. UNDERTAKINGS OF THE SUPPLIER

7.1. Compliance with Applicable Law

7.1.1. General. The Supplier shall ensure its compliance and the compliance of the Item with Applicable Law, including that dealing with:

- a) human rights, environment, health and safety, anti-corruption and bribery, privacy and Personal Data protection, security, sanctions and export control;
- 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) labour, employment.

The Supplier shall require that its own suppliers and subcontractors involved in the Order comply at all times with Applicable Law and perform adequate supply chain due diligence to prevent risks and remediate violations.

The Supplier shall put in place all necessary means, processes and actions to ensure its compliance and the compliance of each Item with Applicable Law and cooperate fully with the Purchaser by providing any information relating to the Supplier, its supply chain and/or the Items that the Purchaser may require, from time to time, for reporting obligations to any authority and/or regulatory body.

The Supplier shall report immediately to the Purchaser any violation of Applicable Law with respect to the execution and/or the performance of the Order by itself or its affiliates, subsidiaries, executives, employees, subcontractors, agents or any individuals or companies that may be involved in performing the Order.

Should the Supplier fail to comply with Applicable Law, the Supplier shall indemnify and hold harmless the Purchaser from and against all consequences of such failure.

7.1.2. Sustainability and Environment

For the performance of the Order, the Supplier agrees to comply with the standard of the Airbus Supplier Code of Conduct for which the Supplier confirms it has consulted and/or retrieved a copy on www.satair.com > About Satair > Terms and Conditions and which is included herein by reference. The Supplier shall require its own suppliers and subcontractors to act in accordance with the same standard.

In particular but not limited to, the Supplier shall prevent any involvement of child labour (as per the applicable minimum legal age or working age defined by the International Labour Organisation (ILO) whichever is higher and considering that all workers under the age of 18 must be protected from performing work that is likely to be hazardous or that may be harmful), forced labour including modern slavery, human trafficking and/or bonded labour, discrimination and/or harassment.

As applicable, the Supplier shall provide a material declaration of the Item and update it in case of any change.

The Supplier shall comply with the sustainability and environmental requirements as set out in the Specific Conditions, if any.

7.1.3. 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 favours) 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, licences, 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 15.2 "Subcontracting".

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.

7.1.4. Personal Data Protection

The Parties confirm and agree that any Personal Data exchanged in connection with the Order and for the purpose of the performance of the Order has been collected and will be exchanged in compliance with the applicable Personal Data protection laws and regulations, as independent data Controllers ("Controller" meaning the organisation determining the purposes and the means of the processing of Personal Data).

If for the performance of the Order the Supplier is processing Personal Data on behalf of the Purchaser acting as data controller, then the Supplier shall be considered as data processor and commits to comply with the following obligations:

a) Personal Data processed by the Supplier as data processor may concern the following as further instructed by the Purchaser in the related Order or during the performance of the Services (i) nature and purposes of processing (e.g. collection, recording, organization, structuring, storage, adaptation, retrieval, consultation, use, disclosure (ii) categories of Personal Data (e.g. identification, family, lifestyle and social circumstances, profession and education, location, IT, economic and financial data) and (iii) categories of data subjects e.g. Purchaser and affiliates employees (including its spouse/dependents, temporary workers, students, applicants), customers, suppliers/subcontractors and business partners, officials, visitors, guests, external speakers and any third party).

b) The Supplier undertakes to process the Personal Data only on documented instructions from the Purchaser, including with regard to Personal Data transfers to a third country or an international organisation, unless required to do so by any applicable local law to which the Supplier is subject. In such a case, the Supplier shall inform the Purchaser of that legal requirement before processing, unless that law prohibits such information on important grounds of public interest. Subsequent documented instructions may also be given by the Purchaser throughout the duration of the processing of Personal Data. The Supplier shall immediately inform the Purchaser if, in its opinion, an instruction given by the Purchaser infringes the applicable Personal Data protection provisions.

c) The Supplier shall ensure to implement appropriate technical and organisational measures as specified in Article 7.1.6 “*Security*” to ensure the security of the Personal Data. If the processing involves sensitive Personal Data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, genetic or biometric data, data concerning health or a person's sex life or sexual orientation, or data relating to criminal convictions and offences, the Supplier shall apply specific restrictions and/or additional safeguards.

d) The conditions of Confidentiality as defined in Article 14 “*Confidentiality and Publicity*” shall apply to the Personal Data processed by the Supplier.

e) The Supplier shall (i) provide upon request any information to support the Purchaser in its compliance obligations as data controller (e.g. privacy impact assessment, transfer impact assessment, privacy notice, applicable legal transfer mechanism) and/or to demonstrate its own compliance obligations under this Article 7.1.4 “*Personal Data Protection*”, (ii) cooperate with the Purchaser for on-site audits as per Article 5 “*Audit and Inspection*”, (iii) promptly notify the Purchaser of any request it has received from the data subject and assist the Purchaser in fulfilling its obligations to respond to data subject's requests and rights and (iv) ensure that Personal Data is accurate and up-to-date, by informing the Purchaser without delay about any inaccuracy.

f) The Supplier shall notify the Purchaser without undue delay but in any case, not later than forty-eight (48) hours after becoming aware of a Personal Data breach. Such notification shall contain all details as required by the Purchaser to comply with its legal notification obligation towards the authority and/or the individuals. If it is not possible to provide the information at the same time, and subject to Purchaser prior information by the Supplier, the information may be provided by the Supplier in phases without further undue delay.

g) If Personal Data from the Purchaser is located in the European Union or in the UK or is related to EU/UK data subjects, the Supplier undertakes to (i) process Personal Data only inside the European Union or in third countries which do have an “adequate level” of Personal Data protection under applicable regulations or (ii) rely on approved data transfer mechanisms from supervisory authority (such as BCR Processors or data transfer agreement as set out by the European Commission [EU decision No. C (2021) 3972 of June 4th, 2021] or by any other competent authority when applicable) to transfer Personal Data from the Purchaser to third countries and (iii) inform the Purchaser before any transfer of Personal Data. In case of Personal Data transferred to a third country, the Supplier warrants that it has no reason to believe that the applicable laws and practices in the third country prevent the Supplier from its commitments under the applicable legal transfer mechanisms. The Supplier shall immediately inform the Purchaser of any relevant changes in the legislation or practices that might impact the Supplier in fulfilling its obligations under this Article 7.1.4 “*Personal Data Protection*”. In addition, the Supplier undertakes to adopt and implement any supplementary measures as legally required.

h) At the end or termination of the Order or at any time upon Purchaser's discretion, the Supplier shall, at the choice of the Purchaser, delete or return all the Personal Data processed on behalf of the Purchaser, delete existing copies unless any applicable local law requires storage of the Personal Data and certify to the Purchaser that it has done so. Until the Personal Data is deleted or returned, the Supplier shall continue to ensure compliance with this Article 7.1.4 “*Personal Data Protection*”.

i) In the event that the Supplier is in breach of its obligations under Article 7.1.4 “*Personal Data Protection*”, the Purchaser may instruct the Supplier to suspend the processing of Personal Data until the Supplier complies with its obligations or the contract is terminated.

7.1.5. Sanctions and Export Control

The Parties shall comply with the applicable European, American, British, French, German, Spanish, Canadian and any other applicable national export control, financial, economic or trade sanctions and embargoes laws and regulations (the “**Sanctions and Export Regulations**”) and acknowledge that diverting from such Sanctions and Export Regulations is prohibited.

The Purchaser shall have the ability to use and to deliver the Item and the Purchaser's customers to use, operate and/or maintain such Item as specified by the Purchaser.

Prior to the delivery date, the Supplier shall identify the specific Sanctions and Export Regulations applicable to the Item and consequently notify the corresponding classification (the “**Export Control Classification**”) in writing to the Purchaser and update it in case of any change.

Whenever all or part of the Item is subject to Sanctions and Export Regulations, the Supplier shall:

a) apply for and obtain on time from the relevant export authorities, any relevant licences or authorisations for the export, re-export, transfer, retransfer, delivery and use of the Item as specified by the Purchaser (the “**Export Authorisation**”) and, when necessary, implement any update on time, to ensure that the Item is delivered as required by the Purchaser under this Order, and at no cost to the Purchaser. The Supplier shall not be held liable if an Export Authorisation is not obtained due to an Excusable Delay as set out in Article 8.1 “*Excusable Delay*”;

b) request the Purchaser to complete an end user statement in the form as required by the relevant authority or as provided by the Purchaser;

c) provide the Purchaser, upon request, with any information, declarations and certifications required by the Sanctions and Export Regulations, including those related to employees, subcontractors and/or any third party, for the Purchaser to authorise access to any export controlled information and/or to comply with the Purchaser's accreditation process for Sanctions and Export Regulations access control compliance when required;

d) prior to submission to the competent export control authority and upon request, provide the Purchaser with the Export Authorisation application and any amendments;

- e) as soon as possible and before the first delivery of the Item, provide the Purchaser with a copy of any obtained Export Authorisation, including all applicable provisos/conditions, and/or any correspondence issued by any export control authority that relate to the execution of the Order and/or to the obligations of the Purchaser;
- f) provide for each delivery of tangible and/or intangible Item, the Export Control Classification, and when applicable, the Export Authorisation number, referenced in the shipping documents for the tangible, and directly in the intangible Item for the intangible. It is the Supplier's responsibility to declare all information of the supplied Item to ensure compliance with the Sanctions and Export Regulations;
- g) not give access to intangible and/or tangible export controlled items to its subcontractor when provided by the Purchaser without the Purchaser's prior written authorisation; and
- h) be responsible for all applicable regulatory record keeping requirements.

In the event of Supplier's failure to comply with its obligations under this Article 7.1.5 "*Sanctions and Export Control*", the Supplier shall, within a timeframe defined by the Purchaser and according to the defined technical specifications, replace or modify the relevant impacted Item in compliance with the applicable Sanctions and Export Regulations.

The Supplier represents that, at the date of signature of the Order, it is not a Sanctioned Person or located in a comprehensive embargoed country according to Sanctions and Export Regulations.

In the event that (i) the Supplier becomes a Sanctioned Person and/or (ii) the performance of a Party's obligations under this Order would constitute a breach of Sanctions and Export Regulations (each a "**Sanctions Event**"), the Purchaser shall be entitled to a) suspend performance of its obligations under the Order without prior notice and with immediate effect; and/or b) terminate the Order with a prior written notice and with immediate effect in accordance with Article 12.1 "*Termination for Supplier's Default*"; in each case, without any liability for the Purchaser.

No re-export. Without prejudice and in addition to the other provisions under this Article 7.1.5 "*Sanctions and Export Control*" the Parties shall not sell, supply, export or re-export, directly or indirectly, any goods or technologies supplied under or in connection with this Order to/for use in countries where EU/UK exporters would be prohibited to sell, supply, export or re-export such goods or technologies (e.g., Russia, Belarus). Any violation of EU/UK re-export prohibitions by a Party (the "**Defaulting Party**") shall constitute a breach of this Order and the other Party shall be entitled to a) suspend, without liability, deliveries which are impacted by the violation to the Defaulting Party; and/or b) claim at law for demonstrable damages suffered as a direct consequence of the violation.

7.1.6. Security

The Supplier shall protect all Purchaser Information and/or Purchaser Information System that it accesses, processes, handles, transfers and/or stores from disclosure, corruption, loss, destruction, falsification, modification, unavailability and/or unauthorized access/release, by working in a secured operating environment (including when working remotely) and by ensuring a security baseline protection as outlined herein.

The Supplier shall set-up, maintain and continuously improve its internal security policies, processes and measures in accordance with international security standards (the "**Security Policy**") and manage information security by ensuring confidentiality, integrity and availability of the System and/or Supplier information system (the "**Information Security**").

In accordance with its Security Policy, the Supplier shall:

- a) nominate a security manager with the overall accountability related to the Information Security management, and notify Purchaser of such nomination to ensure adequate and prompt communication between the Supplier and the Purchaser on security matters;
- b) regularly update a repository of user accounts (user being any individual having access to Purchaser Information and/or Purchaser Information System) and update the list of its employees and subcontractors authorised to access Purchaser Information;
- c) ensure the traceability of user requests to access any Supplier information system (at all layers), and comply with the need-to-know and least privileged principles;
- d) modify or revoke, without any delay, the access rights of any of its employees who have other access rights need or no longer require access rights;
- e) ensure that the access to Supplier information and Supplier information system is being allowed by a strong state-of-the-art password policy;
- f) segregate Purchaser Information from the Supplier information and other customers' information;
- g) ensure that security perimeters of physical sites are defined and procedures are implemented to control access to its premises, offices and computing facilities where Purchaser Information and Purchaser Information System can be physically accessed, and that such computing facilities, infrastructures and equipment are protected from external threats including but not limited to natural disasters by being located in areas where risks are reduced;
- h) implement a process to ensure the management of security weaknesses and incidents impacting the Information Security by a) setting appropriate incident detection measures, identification, response and recovery procedures, and b) using the analyses and resolution of information security incidents to minimise their business impacts and reduce the risk of reoccurrence;
- i) report, without any delay, any security incident of the Supplier information system used for Order execution including any measures taken to respond to the incident, and in case of investigation related to a security incident, provide the necessary Information from the audit logs to the Purchaser (information.security@satair.com);
- j) identify, document and regularly update all relevant regulatory or contractual obligations related to information security;
- k) reassess its Information Security at planned intervals; and
- l) ensure its subcontractors involved in the Order execution (if any) implement, maintain and continuously improve their information security management.

7.1.7. If the Supplier does not comply with its obligations under Article 7.1 "*Compliance with Applicable Law*", the Purchaser then reserves the right to terminate the Order pursuant to Article 12.1 "*Termination for Supplier's Default*".

7.1.8. Compliance for airworthiness-related parts

This Article 7.1.8 "*Compliance with airworthiness-related parts*" is relevant to any airworthiness-related parts and any transfers of work within the supply chain.

The Supplier shall ensure its compliance and the compliance of the Item with Applicable Law, including that dealing with the requirements of the relevant regulatory authorities.

The Supplier shall provide the Purchaser with the commodity code of goods provided under the Order.

The Supplier shall at all times:

- a) notify the Purchaser of non-conforming processes or Items and obtain approval for their disposition within seventy-two (72) hours after disclosure;
- b) notify the Purchaser of any conditions which product malfunctions, defects and non-airworthy conditions within seventy-two (72) hours after disclosure;
- c) allow the Purchaser, Purchaser's, and regulatory authorities the right of access to applicable areas of the Supplier's facilities and to applicable documentation, at any level of the supply chain;
- d) the use of statistical techniques for Product acceptance and related instructions for acceptance by the organisation;
- e) notify the Purchaser in writing of changes to processes or Items, including changes of their third party providers or location of manufacturing and any significant changes related to the Supplier's approvals and capabilities;
- f) have implemented a quality management system; preferably AS 91xx or EN 91xx series or ISO 9001;
- g) prevent the use of suspected unapproved, unapproved, and counterfeit parts and/or products;
- h) flow down to third party providers applicable requirements including the requirements as set out in this Article
- i) provide test specimens for design approval, inspection/verification, investigation or auditing, when required; and
- j) ensure that its personnel are aware of their contribution to Item conformity and to product safety and the importance of ethical behaviour.

8. DELAY

8.1. 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. 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 12.2 "*Termination for Excusable Delay*", the affected Party shall, unless otherwise agreed in writing, resume the performance of its obligations.

8.2. Non-Excusable Delay

8.2.1. 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:

- claim liquidated damages as specified in the Specific Conditions; and
- 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.

8.2.2. 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 12.1 "*Termination for Supplier's Default*".

9. WARRANTIES

9.1. 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.

9.2. 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 6.3 "*Acceptance of the Item*" 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.

9.3. This Article 9 "Warranties" shall apply in addition and without prejudice to any other rights and remedies under the Order and/or available to the Purchaser at law.

10. PRICE AND PAYMENT

10.1. **Price.** Unless otherwise specified in the Specific Conditions, prices are fixed and firm and shall be based on the delivery of the Item, as per Article 6 "*Delivery and Acceptance*", 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. Where no prices have been agreed and noted in the Specific Conditions at the date of the Order, but a commencement of work on the Order by the Supplier is agreed by the Purchaser, an invoice in respect of such work shall not be submitted by the Supplier before the price has been agreed by the Parties and incorporated into the Order by an amendment in accordance with Article 17 "*Amendments*".

10.2. **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.

10.3. **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, the Supplier's bank details, any specific terms or conditions and reference to a discount, if any. The Supplier shall issue its invoices in an electronic format, as specified by the Purchaser.

10.4. **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 net sixty (60) days from the date the invoice is issued. Should the payment day be a Saturday, Sunday or a bank holiday then the payment shall be made on the following business day.

10.5. If any amount due to the Supplier remains unpaid after the date on which it is payable (the "**Due Date**"), the Supplier shall be entitled to charge interest on such sum from the Due Date until the actual date of payment of such a sum, both before and after any judgment, at a rate of four percent (4%) per annum above the base rate for the time being of the Bank of England. The Parties agree that the interest provided for in this Article is a substantial remedy for the late payment of the Supplier.

10.6. Without prejudice to any other right or remedy of the Purchaser, the Purchaser reserves the right to set off any amount due to the Supplier against any amount which is payable by the Supplier to the Purchaser in respect of an Order, or otherwise due from the Purchaser to the Supplier. The set off of any such amounts to be clearly communicated by the Purchaser while making the payments.

11. LIABILITY AND INSURANCE

11.1. 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.

11.2. Each Party shall be liable for, indemnify and hold harmless the other Party, its officers, directors, employees and/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 acts or omissions of the indemnifying Party in connection with the performance of the Order.

Insurance. The Supplier shall subscribe and maintain, at his own expenses, with insurers of recognised reputation and security, the insurance policies needed for the coverage of its liabilities under the Order. The Supplier shall furnish to the Purchaser on or before the date of signature of the Order and annually thereafter, the corresponding insurance certificates evidencing that such insurances are in full force and effect.

12. TERMINATION

12.1. **Termination for Supplier's Default.** In the event the Supplier breaches or fails to comply with one or more of its obligations, 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 thirty (30) Days from the date of such notice. If the Supplier does not remedy the breach or non-compliance within the said thirty (30) 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 12.4 "*Termination Procedures*" below shall apply and the termination account shall proceed accordingly.

12.2. **Termination 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.

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12.3. **Termination for Supplier's Insolvency.** In the event the Supplier becomes (i) insolvent or goes into liquidation, or (ii) is unable or threatens to suspend or ceases paying its debts as they fall due, or (iii) commences negotiations with or makes an assignment, compromise or arrangement for the benefit of its creditors, or (iv) if the Supplier, being a limited company, passes a resolution for its winding up or if a petition for its winding up is filed, or (v) if an application is made to court, or an order is made for the appointment of an administrator, or a notice to appoint an administrator is given or an administrator is appointed or it files for protection from its creditors or (vi) an order is made under any applicable law relating to bankruptcy or insolvency or any analogous event in any jurisdiction shall take place, then the Purchaser may terminate the Order (in whole or in part) with immediate effect by giving written notice to the Supplier. The provisions of Article 12.4 below shall apply and the termination account shall proceed accordingly.

12.4. Termination Procedures

12.4.1. As of the effective date of termination, the Supplier undertakes to cease all further performance related to the terminated 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.

12.4.2. **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, subcontractors or agents in performance of the Order or in connection with any defect in an Item.

12.4.3. **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. 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 in a form satisfactory to the Purchaser. 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.

12.4.4. 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 endeavours to mitigate its loss on any termination.

12.5. **Survival.** All Articles in the Order which by their nature should survive expiry or termination of the Order shall remain in full force after such expiry or termination.

13. INTELLECTUAL PROPERTY RIGHTS

13.1. All intellectual property created as a result of the work undertaken by the Supplier or its subcontractors for the purpose of the Order, if any, shall vest in and be the sole property of the Purchaser.

13.2. 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, if any, to the Purchaser.

13.3. 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 licence 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, if any. The Supplier grants the Purchaser the right to sub-license all the above-mentioned rights.

13.4. In the case of bespoke Items or Items customised for the Purchaser, such licence 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.

13.5. **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.

13.6. 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.

13.7. The Purchaser shall at its discretion be given full control of any proceedings or negotiations in connection with any claims, suits or actions and shall pursue these diligently unless the Parties agree otherwise. The Parties shall consult closely in relation to defending such claims, suits and actions.

14. CONFIDENTIALITY AND PUBLICITY

14.1. 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**".

14.2. 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.

14.3. 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.

14.4. The obligations 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.

14.5. 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 filed, registered or unregistered trademarks of the other Party or of any Airbus Company, 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 or, in regard to any Airbus Company, by the Purchaser.

15. ASSIGNMENT AND TRANSFER

15.1. **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.

15.2. **Subcontracting.** 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 subcontractors comply with all provisions of the Order relevant to any subcontracted work.

16. GOVERNING LAW AND DISPUTE MANAGEMENT

16.1. The Parties agree that the rights and obligations and the interpretation of the Order shall be governed by and construed and interpreted exclusively in accordance with the laws of England and Wales (irrespective of the choice of law thereof) as to all matters unless otherwise stated below

- a) If Satair A/S is a party to the Order, the governing law shall be the laws of Denmark
- b) If Satair USA, Inc. is a party to the Order, the governing law shall be the laws of the State of New York
- c) If Satair (Beijing) Co. Ltd. is a party to the Order, the governing law shall be the People's Republic of China.

16.2. **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 written notification of a Dispute by one to the other.

16.3. **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). Each Party shall nominate one arbitrator and the two arbitrators shall nominate the president in consultation with the Parties. The language to be used in the arbitral proceedings shall be English. The law of this arbitration agreement is that of the seat. The seat of the arbitration shall be Geneva (Switzerland). For any Order where Satair USA, Inc. is a party, the seat of arbitration shall be New York.

If Satair (Beijing) Co. Ltd. is a party to the Order, and the Parties fail to amicably resolve the Dispute within the three (3) month period referred to above, the dispute shall be submitted to the China International Economic and Trade Arbitration Commission ("CIETAC") to be settled by arbitration in accordance with the arbitration rules of CIETAC in effect when the arbitration is submitted. The seat of arbitration shall be Beijing. The decision of CIETAC shall be final and binding on both Parties. The arbitration fee shall be borne by the losing Party.

16.4. Either Party retains the right, consistent with this Order, to apply to any court of competent jurisdiction for provisional, injunctive and/or conservatory relief, and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

16.5. The existence and content of the arbitral proceedings and any ruling 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 fulfil 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 or (ii) with the consent of all Parties.

17. AMENDMENTS

This Order shall not be amended except by a written agreement signed by both Parties.

18. INDEPENDENT CONTRACTORS

Neither Party shall enter into any commitments on behalf of, or in the name of, the other Party. The relationship of the Parties under this Order shall be that of independent contractors.

19. NO JOINT OR 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.

20. ENTIRE AGREEMENT

20.1. This Order constitutes the entire agreement between the Parties in relation to its subject matter. It replaces and extinguishes all prior agreements, draft agreements, arrangements, collateral warranties, collateral contracts, statements, assurances, representations and undertakings of any nature made by or on behalf of the Parties, whether oral or written, in relation to that subject matter.

20.2. Each Party acknowledges that in entering into this Order it has not relied upon any oral or written statements, collateral or other warranties, assurances, representations or undertakings which were made by or on behalf of the other Party in relation to the subject matter of this Order at any time before its signature (together "**Pre-Contractual Statements**"), other than those which are set out in this Order. Each Party hereby waives all rights and remedies which might otherwise be available to it in relation to such Pre-Contractual Statements.

20.3. Nothing in this Article 20 "*Entire Agreement*" shall exclude or restrict the liability of either Party arising out of its fraud or fraudulent misrepresentation made before the signing of this Order.

21. 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 hand, mail or electronic mail to the HO Finance of the entity of the Purchaser identified in the Order. The date of delivery of any such notice or communication shall be the date of despatch, if delivered by hand or electronic mail, or five (5) Days after mailing, if delivered by mail.

22. WAIVER

The failure of either Party to enforce at any time any of the provisions of this Order shall not be construed as a waiver of such provisions.

23. SEVERABILITY

Any provision of the Order prohibited by, or unlawful or unenforceable under the governing 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.

24. LANGUAGE

All notices, correspondence, communication and documentation to be issued, exchanged or delivered to either Party in connection with this Order shall be in English.

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