

Aircraft Part-Out Company Europe B.V. General Terms and Conditions of Purchase

This General Terms and Conditions of Purchase (the “**T&C**”) shall be regarded as a contract made by and between Aircraft Part-Out Company Europe B.V. (“**APOC**”), a company duly incorporated and operating under the laws of The Netherlands, KVK 61214442, having its registered office at Veilingweg 48, 2651 BE, Berkel en Rodenrijs, The Netherlands, and the Supplier.

APOC and Supplier are hereinafter referred to individually as the “**Party**” and collectively as the “**Parties**”.

1. General

1.1. In this T&C, the following terms and expressions will have the following meanings:

- a. “**Agreement**” means any agreement between APOC and Supplier concerning the purchase and delivery of the Product, including the Order and the T&C.
- b. “**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in the Netherlands.
- c. “**Order**” means the purchase order executed under this T&C which shall comprehensively outline the precise details, requirements, and obligations associated with each purchase of Product by APOC from the Supplier. The Order shall be an integral part of this T&C and together shall form a legally binding Agreement regarding the purchase of Product.
- d. “**Product**” means the item, supplies, equipment, product, service, or goods of whatever nature (including any of them or any part of them) that APOC orders or purchases from the Supplier or any service APOC receives from Supplier as indicated in the Order.
- e. “**Restricted Person**” means any person or legal entity that is: (i) listed on, or owned or controlled by or acting on behalf of any person(s) listed on a Sanctions List; (ii) located in or organised under the laws of a country which is subject to Sanctions, or is owned or controlled by, or acting on behalf of a person located in or organised under the laws of a country which is subject to Sanctions; or (iii) a designated target of Sanctions or is otherwise a subject of Sanctions (including without limitation as a result of being directly or indirectly owned (i.e. 50% or more of the shares) or controlled directly or indirectly by or acting on behalf of any person which is a designated target of Sanctions).
- f. “**Sanctions**” means economic or financial sanctions laws and/or regulations, trade embargoes, prohibitions, restrictive measures, decisions, executive orders or notices from regulators implemented, adapted, imposed, administered, enacted or enforced from time to time by the relevant government entity/ies responsible for Sanctions (“**Sanctions Authority**”) of: (i) the Security Council of the United Nations; (ii) the United States of America; (iii) the European Union; (iv)

the United Kingdom; (v) the governments and official institutions or agencies of any of (i), (ii), (iii), and/or (iv), including OFAC and the US Department of State.

g. **“Supplier”** means the person(s), firm, or company from whom APOC orders or purchases the Product.

1.2. Unless otherwise agreed in writing, these terms and expressions are part of and applicable to each request, quotation, Order, and Agreement for the purchase of Product.

2. Scope

2.1. All supplies, services and offers by the Suppliers of APOC shall be exclusively based on this T&C. This T&C shall be considered an essential part of all contracts concluded with the Suppliers of APOC with respect to their offered Product. They shall also apply to all future supplies, services or offers to APOC, even if they have not been agreed separately again.

2.2. Any terms and conditions of the Suppliers or a third party, including but not limited to Supplier’s quotations, acknowledgments, invoices, or any other documents that deviate from this T&C, shall not apply and are hereby explicitly rejected by APOC, even if APOC does not object to their applicability in each individual case. Even if APOC should refer to a letter containing or referring to terms and conditions of the Supplier or a third party, then this shall not indicate agreement to the applicability of said terms and conditions. If a conflict exists between this T&C and any other document regarding the subject matter thereof, this T&C prevails.

2.3. Any individual arrangements with the Supplier in an individual case shall apply only if agreed in writing. Legally binding declarations and notifications to be provided by the Supplier to APOC after concluding the Agreement (e.g. imposing deadlines, notifications of a defect, cancellation, or price reduction) shall also be given in writing to be effective.

3. Orders

3.1 Each quotation for Products from the Supplier will be deemed to be an offer by the Supplier to sell the Products exclusively upon this T&C. Any costs arising from the preparation of a quotation shall be borne by the Supplier.

3.2 If the offers by APOC do not contain an express commitment period, APOC shall commit itself to a commitment period of one (1) week beginning on the date of the offer, after which such offer shall automatically expire. The date of receipt by APOC of the declaration of acceptance by the Supplier shall be the determining factor for the timely acceptance of the offer.

- 3.3 APOC shall be entitled to change the date and time and place of delivery as well as the type of packaging anytime within a period of at least three (3) calendar days prior to the agreed date of delivery by sending a written notification. The same shall apply to changes of product specifications if they can be implemented into the regular production processes of the Supplier or the manufacturer without substantial additional effort. However, in this event, the notification period shall be at least seven (7) calendar days. Subject to APOC's prior consent, APOC shall compensate the Supplier for any accrued, proven and reasonable additional costs resulting from these changes. In the event of such changes resulting in delivery delays that may not be avoided with reasonable effort within the Supplier's regular production or business processes, then the initially agreed date of delivery shall be postponed accordingly, subject to APOC's prior consent. The Supplier shall, following careful assessment, notify APOC in writing of the anticipated additional costs or delivery delay in due course of time prior to the date of delivery, but at least within five (5) Business Days after receipt of APOC's notification according to the terms herein.
- 3.4 The Supplier shall deliver to APOC the exact Product specific article number as stated in the concluded Agreement. PMA and DER parts shall not be acceptable unless explicitly agreed to in writing by APOC.
- 3.5 If APOC is unable to use the ordered Products within their business processes anymore due to reasons arising after the Agreement has been concluded, then APOC shall be entitled to terminate the Agreement anytime by sending a written notification stating the reason. In this event, APOC shall reasonably compensate the Supplier for the already rendered services or delivered supplies. However, APOC may cancel or terminate any Order in writing up until fourteen (14) calendar days before the agreed delivery date, without APOC being liable for any payment of damages or other compensation to the Supplier.

4. Prices and Payment Terms

- 4.1 The price stated in the Order shall be considered binding and may not change without APOC's prior written consent. All prices shall be considered including applicable value-added tax unless the value-added tax is stated separately. The Supplier shall bear all currency risks.
- 4.2 If not agreed otherwise in each individual case, the price shall include all services and ancillary services of the Supplier as well as any ancillary charges (e.g. proper packaging, transportation charges including any potential transport and liabilities insurance). The Supplier shall take back any packaging material upon request by APOC.
- 4.3 The agreed price shall be due for payment within thirty (30) calendar days after delivery and service have been completed (including any potentially agreed acceptance) and

receipt of a proper invoice. In the event of bank transfer, the payment shall be considered on time, if the bank transfer order by APOC is received by APOC's house bank before the payment period has expired. APOC shall not be held responsible for any delays by the bank institutes involved in the payment transaction.

- 4.4 By submitting an invoice, the Supplier represents that (a) the invoice contains all charges and fees relating to the Products mentioned in the invoice, and (b) by paying the invoice, APOC has fully and completely satisfied all charges and fees relating to the mentioned Products.
- 4.5 Default payment interest shall apply from the due date of the invoice and shall be at the rate of zero point five percent (0.5%) per month. Applicable legal provisions shall apply to the occurrence of defaulting by APOC, whereas however, as an exception from these provisions, a written reminder by the Supplier must be required in every case.
- 4.6 APOC shall be entitled to the right of offsetting and withholding payments as well as the plea of a nonfulfilled contract as provided by applicable laws. APOC shall be especially entitled to withhold due payments if APOC still has valid claims from incomplete or defective Product against the Supplier or if the Supplier breaches any of its obligations under the Agreement.
- 4.7 The Supplier shall be entitled to the right of offsetting and withholding payments only in the event of legally determined or undisputed counterclaims.
- 4.8 Payment will never imply a waiver by APOC of any rights it may have according to the Agreement or under the applicable laws.

5. Delivery and the Passing of Risk

- 5.1 Any deliveries shall be carried out ex place of business of APOC, at Veilingweg 48, 2651 BE, Berkel en Rodenrijs, The Netherlands (DDP, Incoterms 2020), unless otherwise agreed in the Agreement.
- 5.2 The Supplier shall not be entitled to let a third party (e.g. subcontractor) render the services owed under the Agreement without prior consent by APOC in writing. The Supplier shall bear the risk of procuring such subcontractor services.
- 5.3 The period of delivery (date of delivery or term of delivery) stated in the Order shall be binding. Deliveries ahead of schedule shall be acceptable if agreed prior to the date of delivery in writing. The Supplier shall notify APOC in writing if the Products to be delivered are dangerous goods, irrespective of their specific classification.

- 5.4 The Supplier shall be obliged to notify APOC without delay in writing of circumstances occurring or becoming apparent, which may prevent the Supplier from keeping the term of delivery.
- 5.5 If the exact date on which the delivery has to be effected at the latest can be defined on the basis of the Agreement, then the Supplier shall be in default upon expiry of that date, without APOC being required to send a reminder.
- 5.6 In the event of a default of delivery, APOC shall be entitled to any remedies and unconditional legal claims, including terminating or cancelling the Agreement and indemnification instead of accepting the Product, after the expiry of a reasonable period of grace.
- 5.7 In the event of default of delivery, APOC shall be, after prior warning in writing, entitled to claim a contractual penalty of zero point five percent (0.5%) or a maximum of five percent (5%) of the individual Agreement value, for each commenced week of the default of delivery period. The contractual penalty shall be offset with the damage caused by defaulting party to be indemnified by the Supplier.
- 5.8 The Supplier shall be entitled to partial deliveries if agreed by the Parties in writing prior to the date of delivery.
- 5.9 The risk shall pass on to APOC only after the Products have been handed over to APOC at the agreed destination subject to the other provisions of this T&C.
- 5.10 A packing list shall accompany the delivery, stating the date (preparation and shipment), the content of the shipment (article number and quantity) as well as APOC's Order identification (date and number). APOC shall not be liable for any delays in processing and payment resulting from a missing or incomplete packing list. A corresponding shipment notification with the same content shall be sent to APOC separately, aside from the packing list.

6. Retention of Title

- 6.1 APOC shall retain the right of title and copyright to any illustrations, schedules, drawings, calculations, operating instructions, product descriptions and other documents. Any such documents shall only be used to render the contractually agreed services and shall be returned to APOC upon fulfilment of the Agreement. Any such documents shall be kept confidential from third parties, also after fulfilment of the Agreement. The obligation of confidentiality shall expire only, if the contents of said documents have become common knowledge.
- 6.2 The aforementioned provisions shall apply mutatis mutandis to any goods and materials (e.g. software, finished or semi-finished products) as well as tools,

templates, specimen, and other items, which APOC provides to the Supplier for manufacturing. Such items shall be – if they are not yet used in the manufacturing process – stored at the expenses of the Supplier and adequately insured against damage and loss.

- 6.3 The transfer of ownership of the Products to APOC shall be unconditional and without regard to the payment of the purchase price. In the event of APOC accepting an offer of the Supplier to transfer the ownership on the condition of the payment of the purchase price in an individual case, then the Supplier's retention of title shall expire at the latest upon payment of the purchase price for the delivered Products. APOC shall be entitled to resell the Products even before payment of the purchase price in the context of a proper business transaction, based upon assignment in advance of the resulting claims (alternatively, a basic retention of title extended to the resale shall apply). Any other type of retention of title shall be excluded, in particular the extended retention of title, the forwarded retention of title and the retention of title extended to the further processing of the Product.

7. Warranty

- 7.1 The Supplier warrants that the Products delivered to APOC shall at the time of delivery: (a) be intact, undamaged, and fully conform to the specifications and requirements of any Order; (b) be free from defects in design, material, and workmanship; (c) be merchantable and fit for the purpose for which products of that kind are commonly supplied or any specific purpose of which the Supplier could reasonable be aware; (d) not infringe any third party intellectual property rights, either directly or contributorily; (e) unless otherwise agreed to by APOC, be new and in full conformity with the technical conditions and regulations that are set forth in original manufacturer regulations; (f) be free from any liens, encumbrances on title whatsoever; (g) be in conformance with any samples provided to APOC; and (h) be compliant with all applicable laws, regulations, standards, certifications, and codes, and if required, the Supplier shall provide or show the applicable certification.
- 7.2 In the event of defects, APOC shall be entitled to the unconditional claims as provided by applicable law. However, notwithstanding those provisions, the warranty period shall be thirty six (36) months, unless otherwise agreed in writing by the Parties.
- 7.3 According to the provisions of applicable laws, the Supplier shall be liable to the Products having the agreed properties upon passing of the risk to APOC. Unless otherwise agreed in writing by the Parties, the Suppliers shall in particular ensure to APOC a remaining minimum shelf life of at least seventy five percent (75%) and also a remaining expiry date of at least seventy five percent (75%). The agreed properties shall be defined as the Product properties indicated in the Product descriptions, which in particular by naming or referring to them in the Order by APOC – are part of the individual Agreement or have been included into the Agreement in the same

fashion as this T&C. There shall be no difference whether the Product description has been prepared by APOC, by the Supplier or the manufacturer.

- 7.4 APOC shall also be entitled to unconditional claims due to defects, if the defect has been unknown to APOC upon concluding the Agreement due to gross negligence.
- 7.5 Concerning the commercial obligation to examine the Products and to give notice of defects, the legal provisions shall apply under the condition, that APOC's obligation to examine shall be limited to those defects, that come to light upon visual inspection including the delivery documents at the time of the incoming Products inspections as well as those that come to light during a sampling procedure quality control (e.g. transport damages, wrong or short delivery). Furthermore, the extent to which an examination is feasible in accordance with a proper business transaction shall be taken into account, based on the circumstances of each individual case.
- 7.6 The obligation to give notice of defects by APOC for defects discovered at a later time shall remain unaffected. For each individual case, the notification of defect shall be deemed without delay and on time, if it is received by the Supplier within fourteen (14) Business Days after delivery.
- 7.7 The Supplier's expenditures accrued for the purpose of examination and rectification of the defect (including any potential assembly and disassembly costs) shall be borne by the Supplier, even if it is discovered that no defect existed. The liability for indemnification by APOC in the event of unjustified claims to rectify a defect shall remain unaffected. APOC shall be held liable only insofar, as APOC has recognised or not recognised based on gross negligence that no defect existed.
- 7.8 In the event of the Supplier not complying with his obligation of supplementary performance – by choice of APOC either by rectifying a defect or delivering non-defective Products (replacement delivery) – within a reasonable time limit set by APOC, then APOC shall be entitled to rectify the defect themselves or claim from the Supplier compensation of the necessary expenditures or a reasonable advance payment. In the event of the supplementary performance proving unsuccessful by the Supplier or unreasonable for APOC (e.g. due to particular urgency, danger to the safety of operation or a threat of disproportionate damages), then no setting of a grace period shall be required; APOC shall notify the Supplier without delay, if possible in advance, of any such circumstances.
- 7.9 Furthermore, without prejudice to and in addition to any other rights or remedies available to APOC, in the event of a defect in the quality or a defect of title, APOC shall be entitled to: (a) reject and return the Products at Supplier's risk and expense; (b) reduce the purchasing price; (c) source the Products from a third party, in which case the Supplier shall reimburse APOC for all additional costs, and if applicable, the Supplier shall provide such third party at no cost with any licenses under the Supplier's

intellectual property rights; and/or (d) terminate or cancel the Agreement as provided by applicable laws. Additionally, APOC shall be entitled to a compensation for damages and expenditures as provided by applicable laws.

- 7.10 The Supplier shall assign to APOC all manufacturer's warranties for Products not manufactured by or for the Supplier, and shall take all necessary steps as required by such third party manufacturers to effect assignment of such warranties to APOC.

8. Product Liability

- 8.1 The Supplier shall be liable to all claims resulting from bodily injuries or damages raised by third parties, that can be attributed to a defective Product supplied by him and shall be obliged to hold harmless APOC, its affiliates, and their respective officers, directors, employees, consultants, and agents from any claims, fines, losses, actions, damages, expenses, legal fees, and all other liabilities resulting therefrom. Should APOC be obliged to carry out a Product recall from third parties due to an error of a Product delivered by the Supplier, then the Supplier shall bear all costs involved with this Product recall.
- 8.2 The Supplier shall be obliged to take out a product liability insurance at his own expenses with a limit of indemnity of at least ten million (10,000,000) Euro, which, if not agreed otherwise in the individual case, does not need to cover the risk of a Product recall or punitive damages or similar damages. The Supplier shall provide a copy of the liability insurance policy to APOC upon request.

9. Intellectual Property Rights

- 9.1 The Supplier shall vouch for the fact that no third party intellectual property rights in countries of the European Union, North America or other countries in which he manufactures his products or has them manufactured, are infringed in connection with the supply of his products.
- 9.2 The Supplier shall be obliged to hold harmless APOC from all claims, fines, losses, actions, damages, expenses, legal fees, and all other liabilities which third parties might raise against APOC resulting from the infringement of commercial intellectual property rights as provided in 9.1 and shall compensate all necessary expenditures resulting from these claims. This claim shall be valid irrespective of any fault by the Supplier.

10. Confidentiality

- 10.1 The Supplier shall be obliged to keep confidential all terms and conditions of the Order as well as any information and documents supplied for this purpose (with the exception of any publicly accessible information) and to only use this information and

documents to execute the Order. Upon request, the Supplier shall return this information and documents to APOC without delay after completion of the inquiries or the execution of the Orders.

- 10.2 The Supplier shall not be allowed to indicate the business relationship on advertising material, brochures, etc. without prior written consent by APOC.
- 10.3 The Supplier shall place his sub-suppliers under the same obligation as provided in this Article.

11. Termination

- 11.1 Notwithstanding other provisions of this T&C, APOC may terminate the Agreement by giving the Supplier written notice taking immediate effect if:
- a. the Supplier breaches any warranties, obligations, or other terms of the Agreement and the breach has not been remedied within the grace period granted by APOC or the breach is incapable of remedy; and/or
 - b. the Supplier suspends payment or files or enters into bankruptcy, liquidates, closes its business, withdraws, or cancels any necessary permits, has its property or Products seized related to or necessary to perform under the Agreement (or if an event that is similar to or has the same effect as any of the matters set out herein should occur in any jurisdiction in which the Supplier is based or conducts any part of its business).
- 11.2 If the Agreement is terminated for any reason, neither Party will be released from the payment of any sum outstanding and all indebtedness of one Party to the other Party will become due and payable.

12. Supplier's Representations and Warranties

- 12.1 The Supplier shall at all times comply with all applicable laws, rules, regulations and statutory requirements that from time to time come into force that relate to competition, anti-corruption and bribery, Sanctions, and export controls.
- 12.2 The Supplier represents and warrants that it has obtained the necessary authorisation required in order to enter into and execute the Agreement, and has taken all actions necessary to execute, deliver, exercise their rights, and perform their obligations under the Agreement.
- 12.3 The Supplier represents and warrants that neither it nor any of its affiliates, shareholders, beneficial owners, officers, directors employees, agents, (sub)contractors, or any other party controlling it or acting for or on its behalf, is a Restricted Person, is affiliated with a Restricted Person, or is acting for or on behalf of a Restricted Person.

12.4 The Supplier represents and warrants that on the effective date of the Agreement there are no disputes, lawsuits, bankruptcy, submissions, or ongoing claims that could materially affect the ability of each Party to carry out their obligations under the Agreement and/or affect the validity of the Agreement.

13. Other provisions

13.1 The Agreement language shall be English.

13.2 The Agreement shall be governed by the laws of the Kingdom of The Netherlands. The sole place of jurisdiction for all disputes resulting from or in connection with this Agreement shall be The Hague, The Netherlands, without giving effect to any conflict of laws principles that would require the application of the laws of a different jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods and the rules of Conflict of Law of Dutch international civil law shall not apply to the Agreement.

13.3 Neither Party may assign or transfer any of its rights or obligations under the Agreement without the prior written consent of the other Party, except that APOC may assign or transfer any or all of its obligations under the Agreement to any affiliated company.

13.4 If any provision of this T&C or the Agreement is determined to be invalid or unenforceable under applicable law, such provisions shall be amended by the Parties to accomplish the objectives of such provision to the greatest extent possible under applicable law, and the remaining provisions of the Agreement shall continue in full force and effect.

13.5 Any waiver of, failure, or delay in the exercise of rights or remedies under this Agreement will not operate to waive or impair such rights or remedies, or be construed to require future or further waivers.

13.6 The provisions of the Agreement may not be modified or amended, except by a written instrument duly executed by each Party.

13.7 APOC may change these T&C from time to time at its sole discretion without prior notice to the Supplier, however, APOC shall announce amendments of these T&C by publishing the revised version thereof on APOC's official site. Revised T&C, or any part thereof, shall be deemed effective and applicable from the moment they are published and made available for review, except when such amendments provide otherwise. For the avoidance of doubts, the changes shall not affect the Orders, executed in accordance with the version of the T&Cs which were in force on the day of signing of respective Order by both Parties.

14. Supplier Quality Assurance

- 14.1 The Supplier shall establish and maintain a quality system that covers all aspects of the Supplier in connection with the Order. The Supplier shall provide evidence of their quality management system and its processes to APOC on request and demonstrate continual improvements.
- 14.2 Where required on the Order, the Supplier must comply with APOC's customer approved special process sources.
- 14.3 APOC is to be contacted (by the Supplier) in the event of non-conforming Product or material. Arrangements for the approval of Supplier non-conforming Product or material must be as directed by the APOC or specifically its Quality Manager.
- 14.4 Furthermore, APOC must be notified of changes in Product or process definitions that were not requested by APOC. Notification should describe the change or changes that have been made or are being proposed. APOC reserves the right to require its approval of the Product or the process change before the Supplier forwards the Product. Approval shall be obtained from APOC or specifically its Quality Manager, if applicable.
- 14.5 The Supplier shall provide the right of access to APOC, its customer, and regulatory authorities to the applicable areas, at any level of the supply chain involved in order to audit or inspect the Product and processes and to all applicable records.
- 14.6 When APOC or its customer intends to perform verification at the Supplier's premises, APOC will first state the intended verification arrangements and the method of Product release. This information will be communicated on the Order or via another acceptable purchasing arrangement.
- 14.7 Verification by APOC shall not be used by the Supplier as evidence of effective control of quality by the Supplier and shall not absolve them of the responsibility to provide acceptable Product, nor shall it preclude subsequent rejection by APOC.
- 14.8 Where APOC provides measuring, inspection, or test equipment to the Supplier to be calibrated, the Supplier shall ensure that it has been calibrated against measurement standards traceable to national or, international standards, and where no such standard exists. The basis used for calibration shall be recorded.
- 14.9 The Supplier shall ensure that personnel who perform product quality activities including those performing calibration are competent on the basis of education, training, experience, or qualification, and records of such are maintained.

- 14.10 The Supplier, where applicable, shall provide and maintain all tooling including gauging and jigs required to manufacture the Product.
- 14.11 The Supplier shall ensure where applicable, that traceability is maintained of Product and material through the supply chain.
- 14.12 The Supplier shall flow down to the supply chain applicable requirements including those of APOC or its customer where stated on the Order.
- 14.13 The Supplier shall retain records for a minimum of thirty (30) years or longer if stated on the Order.
- 14.14 Records shall be retained in such a manner to ensure they are readily retrievable, legible, and identifiable to APOC, and protected to prevent damage, loss or deterioration.
- 14.15 Counterfeit parts. The Supplier is expected to develop, implement and maintain effective methods and processes appropriate to their Products to minimise the risk of introducing counterfeit material. In addition, the Supplier shall provide notification to recipients of counterfeit material(s) when warranted. If suspect or counterfeit material(s) are furnished under the Order or are found in any of the material delivered hereunder, such items will be quarantined and then ultimately be destroyed by APOC. The Supplier shall promptly replace such counterfeit material(s) with material acceptable to APOC. The Supplier shall be fully liable for all associated costs.
- 14.16 Product Safety and Conformity. The Supplier is expected to develop, implement, and maintain effective policies and training programs to ensure their employees are aware of their relevant contribution to the quality, safety and conformity of their Products. The Supplier, where applicable, will ensure that the material will be free of foreign object debris.
- 14.17 Ethical behaviour. The Supplier acknowledges and agrees that APOC requires that the Supplier maintains a high standard of ethical conduct in all its dealings with APOC. The Supplier, where requested, shall provide evidence of ethical behaviour not limited to anti-bribery, anti-child labour, anti-slavery and whistleblowing.