

## **General Terms and Conditions for Manufacturing Operations (as of November 2021)**

### **§ 1 Scope, Form**

(1) These General Terms and Conditions (GTC) shall only apply if the Buyer is an entrepreneur (§ 14 BGB), a legal entity under public law or a special fund under public law.

(2) The GTC shall only apply to contracts for the sale and/or delivery of movable goods, irrespective of whether we manufacture and develop the goods ourselves or purchase them from suppliers (§§ 433, 650 BGB). They shall not apply to the maintenance and repair, including the repair of aircraft and all activities associated with these orders (e.g. disassembly and assembly of aircraft). The General Terms and Conditions for Aircraft Maintenance and Repair of Aircraft shall apply to the latter transactions.

(3) Unless otherwise agreed, the GTC in the version valid at the time of the Buyer's order or, in any case, in the version last notified to the Buyer in text form shall also apply as a framework agreement for similar future contracts without our having to refer to them again in each individual case.

(4) Our General Terms and Conditions shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the Buyer shall only become part of the contract if and to the extent that we have expressly consented to their application. This requirement of consent shall apply in any case, for example even if we carry out the delivery to the Buyer without reservation in the knowledge of the Buyer's GTC.

(5) Individual agreements made with the Buyer in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these GTC. Subject to proof to the contrary, a written contract or our written confirmation shall be authoritative for the content of such agreements.

(6) Legally relevant declarations and notifications of the Buyer with regard to the contract (e.g. setting of deadlines, notification of defects, withdrawal or reduction) shall be made in writing, i.e. in written or text form (e.g. letter, e-mail, fax). Legal formal requirements and further proof, in particular in case of doubts about the legitimacy of the declarant, shall remain unaffected.

(7) References to the applicability of statutory provisions shall only be of a clarifying nature. Even without such clarification, the statutory provisions shall therefore apply, unless they are directly amended or expressly excluded in these GTC.

### **§ 2 Conclusion of Contract, Subcontractors**

(1) Our offers are subject to change and non-binding. This shall also apply if we have provided the Buyer with catalogs, technical documentation (e.g. drawings, plans, calculations, references to DIN standards), other product descriptions or documents - also in electronic form - to which we reserve property rights and copyrights.

(2) The Buyer's order of the item shall be deemed a binding offer of contract. Unless otherwise stated in the order, we shall be entitled to accept this contractual offer within 14 days of its receipt by us.

(3) Acceptance may be declared either in writing (e.g. by order confirmation) or by delivery of the item to the Buyer.

(4) We shall be entitled to engage subcontractors for the performance of the contract in whole or in part.

### **§ 3 Delivery period and delay in delivery**

(1) The delivery period shall be agreed individually or stated by us upon acceptance of the order.

(2) If we are unable to meet binding delivery deadlines for reasons for which we are not responsible (non-availability of the service), we shall inform the Buyer of this without delay and at the same time notify the Buyer of the expected new delivery deadline. If the service is also not available within the new delivery period, we shall be entitled to withdraw from the contract in whole or in part; we shall

immediately refund any consideration already paid by the Buyer. A case of non-availability of the performance in this sense shall be deemed to be in particular the failure of our supplier to deliver on time if we have concluded a congruent hedging transaction, neither we nor our supplier are at fault or we are not obliged to procure in the individual case.

(3) The occurrence of our delay in delivery shall be determined in accordance with the statutory provisions. In any case, however, a reminder by the Buyer shall be required.

(4) The rights of the Buyer pursuant to § 8 of these GTC and our statutory rights, in particular in the event of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance), shall remain unaffected.

#### **§ 4 Delivery, Transfer of Risk, Acceptance, Default of Acceptance**

(1) Delivery shall be made ex warehouse, which is also the place of performance for the delivery and any subsequent performance. At the Buyer's request and expense, the goods shall be shipped to another destination (sale by delivery to a place other than the place of performance). Unless otherwise agreed, we shall be entitled to determine the type of shipment (in particular transport company, shipping route, packaging) ourselves.

(2) The risk of accidental loss and accidental deterioration of the goods shall pass to the Buyer upon handover at the latest. However, in the case of sale by delivery to a place other than the place of performance, the risk of accidental loss and accidental deterioration of the goods as well as the risk of delay shall pass to the Buyer upon delivery of the goods to the forwarding agent, the carrier or any other person or institution designated to carry out the shipment. If acceptance has been agreed, this shall be decisive for the transfer of risk. In all other respects, the statutory provisions of the law on contracts for work and services shall also apply mutatis mutandis to an agreed acceptance. The handover or acceptance shall be deemed equivalent if the Buyer is in default of acceptance.

(3) If the Buyer is in default of acceptance, fails to cooperate or if our delivery is delayed for other reasons for which the Buyer is responsible, we shall be entitled to demand compensation for the resulting damage including additional expenses (e.g. storage costs). For this purpose, we shall be entitled to claim a lump-sum compensation in the amount of EUR 250.00 per calendar day, starting with the delivery deadline or - in the absence of a delivery deadline - with the notification that the item is ready for shipment.

The proof of a higher damage and our legal claims (in particular compensation of additional expenses, reasonable compensation, termination) shall remain unaffected; however, the lump sum shall be credited against further monetary claims. The purchaser shall be entitled to prove that we have not incurred any damage at all or that the damage is significantly less than the above lump sum.

#### **§ 5 Prices and terms of payment**

(1) Unless otherwise agreed in individual cases, our prices current at the time of conclusion of the contract shall apply, ex warehouse, plus statutory value added tax.

(2) In the case of sale by delivery to a place other than the place of performance (§ 4 para. 1), the Buyer shall bear the transport costs ex warehouse and the costs of any transport insurance requested by the Buyer. Any customs duties, fees, taxes and other public charges shall be borne by the Buyer.

(3) The purchase price shall be due and payable within 14 days from the date of invoice and delivery or acceptance of the goods. However, we shall be entitled at any time, even within the framework of an ongoing business relationship, to make a delivery in whole or in part only against advance payment. We shall declare a corresponding reservation at the latest with the order confirmation.

(4) Upon expiration of the aforementioned payment period, the Buyer shall be in default. During the period of default, interest shall be charged on the purchase price at the statutory default interest rate applicable at the time. We reserve the right to assert further damage caused by default. With respect to merchants, our claim to the commercial due date interest rate (§ 353 HGB) shall remain unaffected.

(5) The Buyer shall only be entitled to rights of set-off or retention to the extent that his claim has been legally established or is undisputed. In the event of defects in the delivery, the Buyer's counter rights shall remain unaffected, in particular pursuant to § 7 para. 6 sentence 2 of these GTC.

(6) If, after conclusion of the contract, it becomes apparent (e.g. by filing for insolvency proceedings) that our claim to the purchase price is jeopardized by the Buyer's inability to pay, we shall be entitled to refuse performance in accordance with the statutory provisions and - if necessary after setting a deadline - to withdraw from the contract (§ 321 BGB). In the case of contracts for the manufacture of unjustifiable items (custom-made products), we may declare withdrawal immediately; the statutory provisions on the dispensability of setting a deadline shall remain unaffected.

## **§ 6 Retention of title**

(1) We reserve title to the goods sold until full payment of all our present and future claims arising from the purchase contract and an ongoing business relationship (secured claims).

(2) The goods subject to retention of title may neither be pledged to third parties nor assigned as security before full payment of the secured claims. The Buyer shall notify us in writing without delay if an application is made to open insolvency proceedings or if third parties (e.g. seizures) seize the goods belonging to us.

(3) In the event of any breach of contract by the Buyer, in particular in the event of non-payment of the purchase price due, we shall be entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand surrender of the goods on the basis of the retention of title. The demand for return does not at the same time include the declaration of withdrawal; we are rather entitled to demand only the return of the goods and to reserve the right of withdrawal. If the Buyer does not pay the purchase price due, we may only assert these rights if we have previously set the Buyer a reasonable deadline for payment without success or if setting such a deadline is dispensable under the statutory provisions.

(4) Until revoked in accordance with (c) below, the Buyer shall be entitled to resell and/or process the goods subject to retention of title in the ordinary course of business. In this case, the following provisions shall apply in addition.

(a) The retention of title shall extend to the products resulting from the processing, mixing or combining of our goods at their full value, whereby we shall be deemed to be the manufacturer. If, in the event of processing, mixing or combining with goods of third parties, their right of ownership remains, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. Otherwise, the same shall apply to the resulting product as to the goods delivered under retention of title.

(b) The Buyer hereby assigns to us by way of security any claims against third parties arising from the resale of the goods or the product in total or in the amount of our co-ownership share, if any, in accordance with the preceding paragraph. We accept the assignment. The obligations of the Buyer stated in paragraph 2 shall also apply in respect of the assigned claims.

(c) The Buyer shall remain authorized to collect the claim in addition to us. We undertake not to collect the claim as long as the Buyer meets his payment obligations towards us, there is no deficiency in his ability to pay and we do not assert the retention of title by exercising a right pursuant to subsection 3. If this is the case, however, we may demand that the buyer inform us of the assigned claims and their debtors, provide us with all information necessary for collection, hand over the relevant documents and inform the debtors (third parties) of the assignment. In addition, in this case we shall be entitled to revoke the Buyer's authorization to further sell and process the goods subject to retention of title.

(d) If the realizable value of the securities exceeds our claims by more than 10%, we shall release securities of our choice at the Buyer's request.

## **§ 7 Claims for defects of the purchaser**

(1) The statutory provisions shall apply to the Buyer's rights in the event of material defects and defects of title (including wrong delivery and short delivery as well as improper assembly or defective assembly instructions), unless otherwise stipulated below. In all cases, the special statutory provisions shall remain unaffected in the case of final delivery of the unprocessed item to a consumer, even if the consumer has processed it further (supplier recourse pursuant to §§ 478 BGB). Claims from supplier recourse are excluded if the defective goods have been further processed by the purchaser or another entrepreneur, e.g. by incorporation into another product.

(2) The basis of our liability for defects is above all the agreement made on the quality of the goods. All product descriptions and manufacturer's specifications which are the subject of the individual contract or which were publicly announced by us (if applicable, in catalogs or on our Internet homepage) at the time of the conclusion of the contract shall be deemed to be an agreement on the quality of the goods.

(3) Insofar as the quality has not been agreed, it shall be assessed in accordance with the statutory provisions whether or not there is a defect (§ 434 (1) sentences 2 and 3 BGB). However, we shall not be liable for public statements made by the third-party manufacturer or other third parties (e.g. advertising statements) to which the Buyer has not drawn our attention as being decisive for the purchase.

(4) As a matter of principle, we shall not be liable for defects of which the Buyer is aware at the time of conclusion of the contract or is not aware due to gross negligence (§ 442 BGB). Furthermore, the Buyer's claims for defects presuppose that he has complied with his statutory duties of inspection and notification of defects (§§ 377, 381 HGB). If a defect becomes apparent upon delivery, inspection or at any later time, we must be notified thereof in writing without delay. In any case, obvious defects shall be notified to us in writing within 10 working days of delivery and defects not apparent on inspection within the same period of time from discovery. If the purchaser fails to carry out the proper inspection and/or give notice of defects, our liability for the defect not notified in time or not notified properly shall be excluded in accordance with the statutory provisions.

(5) If the delivered item is defective, we may initially choose whether to provide subsequent performance by remedying the defect (subsequent improvement) or by delivering an item free of defects (replacement delivery). Our right to refuse subsequent performance under the statutory conditions shall remain unaffected.

(6) We shall be entitled to make the subsequent performance owed dependent on the Buyer paying the purchase price due. However, the Buyer shall be entitled to retain a part of the purchase price which is reasonable in relation to the defect.

(7) The Buyer shall give us the time and opportunity required for the subsequent performance owed, in particular to hand over the item complained about for inspection purposes. In the event of a replacement delivery, the Buyer shall return the defective item to us in accordance with the statutory provisions. Subsequent performance shall neither include the removal of the defective item nor its re-installation if we were not originally obliged to install it.

(8) We shall bear or reimburse the expenses necessary for the purpose of inspection and subsequent performance, in particular transport, travel, labor and material costs and, if applicable, removal and installation costs, in accordance with the statutory provisions if a defect is actually present. Otherwise, we shall be entitled to demand reimbursement from the Buyer of the costs incurred as a result of the unjustified request to remedy the defect (in particular inspection and transport costs), unless the lack of defectiveness was not apparent to the Buyer.

(9) In urgent cases, e.g. if operational safety is at risk or to prevent disproportionate damage, the Buyer shall have the right to remedy the defect itself and to demand reimbursement from us of the expenses objectively necessary for this purpose. We are to be informed immediately of such a self-remedy, if possible in advance. The right of self-execution shall not apply if we would be entitled to refuse a corresponding subsequent performance in accordance with the statutory provisions.

(10) If the subsequent performance has failed or if a reasonable period to be set by the Buyer for the subsequent performance has expired unsuccessfully or is dispensable according to the statutory provisions, the Buyer may withdraw from the purchase contract or reduce the purchase price. In the case of an insignificant defect, however, there shall be no right of withdrawal.

(11) Claims of the Buyer for damages or reimbursement of futile expenses shall also exist in the case of defects only in accordance with § 8 and shall otherwise be excluded.

## **§ 8 Other liability**

(1) Insofar as nothing to the contrary arises from these General Terms and Conditions including the following provisions, we shall be liable in accordance with the statutory provisions in the event of a breach of contractual and non-contractual obligations.

(2) We shall be liable for damages - irrespective of the legal grounds - within the scope of fault liability in the event of intent and gross negligence. In the case of simple negligence, we shall be liable, subject to statutory limitations of liability (e.g. care in own affairs; insignificant breach of duty), only

a) for damages resulting from injury to life, body or health,

b) for damages resulting from the breach of an essential contractual obligation (obligation, the fulfillment of which enables the proper execution of the contract in the first place and on the compliance with which the contractual partner regularly relies and may rely); in this case, however, our liability shall be limited to the compensation of the foreseeable, typically occurring damage.

(3) The limitations of liability resulting from para. 2 shall also apply to third parties as well as in the event of breaches of duty by persons (also in their favor) whose fault we are responsible for according to statutory provisions. They shall not apply insofar as a defect has been fraudulently concealed or a guarantee for the quality of the goods has been assumed and for claims of the Buyer under the Product Liability Act.

(4) The Buyer may only withdraw from or terminate the contract due to a breach of duty that does not consist of a defect if we are responsible for the breach of duty. A free right of termination on the part of the Buyer (in particular pursuant to §§ 650, 648 BGB) shall be excluded. In all other respects, the statutory requirements and legal consequences shall apply.

### **§ 9 Statute of Limitations**

(1) Notwithstanding § 438 (1) no. 3 BGB, the general limitation period for claims arising from material defects and defects of title shall be one year from delivery. If acceptance has been agreed, the limitation period shall commence upon acceptance.

(2) The above limitation periods of the law on sales shall also apply to contractual and non-contractual claims for damages of the Buyer based on a defect of the goods, unless the application of the regular statutory limitation period (§§ 195, 199 BGB) would lead to a shorter limitation period in the individual case. Claims for damages of the Buyer pursuant to § 8 para. 2 sentence 1 and sentence 2(a) as well as pursuant to the Product Liability Act shall become time-barred exclusively in accordance with the statutory limitation periods.

### **§ 10 Choice of law and place of jurisdiction**

(1) These General Terms and Conditions and the contractual relationship between us and the Buyer shall be governed by the laws of the Federal Republic of Germany, excluding international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.

(2) If the Buyer is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be our registered office in Munich. The same shall apply if the Buyer is an entrepreneur within the meaning of § 14 of the German Civil Code (BGB). However, we shall also be entitled in all cases to bring an action at the place of performance of the delivery obligation in accordance with these General Terms and Conditions or a prior individual agreement or at the general place of jurisdiction of the Buyer. Overriding statutory provisions, in particular regarding exclusive jurisdiction, shall remain unaffected.