

1. Scope and Applicability

- 1.1. The General Purchasing Conditions defined herein shall govern legal transactions between AEROSTAR S.A. (the „Purchaser”) and its Suppliers with their headquarters outside of Romania (the „Supplier”) (together the „Parties”), namely the purchase of goods and/or services („deliverables”).
- 1.2. These General Purchasing Conditions shall apply to all Purchase Orders issued by the Purchaser for the purchase of deliverables from a Supplier under these Conditions („PO”), with the express rejection of the Supplier’s general terms and conditions.

2. Conclusion of Contract

- 2.1. A binding contract comes into existence by means of the Supplier accepting the PO. Acceptance of the PO shall be constituted of any act or expression of acceptance, including Supplier’s acknowledgement or performance, in whole or in part, of the PO. The Purchaser may cancel all or any part of the PO at any time prior to Purchaser’s actual knowledge of acceptance by the Supplier.
- 2.2. Any additions to and/or deviations from these General Purchasing Conditions are only binding to the Purchaser if and to the extent that they are expressly agreed in writing by duly appointed representatives of the Purchaser.
- 2.3. The Purchaser may provide the Supplier with estimates, forecasts or projections of its future anticipated volume or quantity requirements of deliverables and the Supplier acknowledges that any such forecasts are provided for informational purposes only and are subject to change at any moment. The Purchaser makes no representation, warranty, guarantee or commitment of any kind or nature, expressly or implied, regarding any such forecasts provided, including with respect to accuracy or completeness of such forecasts.

3. Price and Payment Terms

- 3.1. Unless otherwise agreed by the Parties in a signed document by their duly appointed representatives, the prices stated in the PO are firm and non-revisable, and include all taxes except VAT. These prices include all costs and expenses incurred by the Supplier for the performance of deliverables.
- 3.2. The Invoice for the deliverables shall be issued by the Supplier, in any case, not earlier than the delivery of goods or not before the performance of the services. The invoices shall be drawn by the Supplier in accordance with applicable regulations and include, in addition to legal notices, the following elements:
- PO reference number as indicated on such Order;
 - Detailed description of the deliverables as described in the PO;
 - Details of the bank account into which payment must be made;
 - Details (name, phone number, email address) of the representative to contact in case of billing disputes;

- The date and number of the delivery documents, or the acceptance report/services report or any other event leading to an invoice as provided in the PO.

- 3.3. Unless expressly indicated otherwise, subject to invoice verification, the Purchaser will effect payments by wire transfer within 45 calendar days from the receipt of a correct invoice complying with the invoicing instructions and on the Purchaser not having sent a notice of Non-Conformity as per Clause 5.2 below.
- 3.4. Purchaser’s payment, in full or in part, shall not constitute or indicate, in any case, acceptance of deliverables.

4. Deadlines and Delivery

- 4.1. Time is of the essence with respect to all provisions of the PO that specify a time for performance. The deadlines agreed between the Parties are mandatory and respecting these deadlines constitute an essential condition without which the Purchaser would not have contracted.
- 4.2. Unless otherwise provided in the PO, delivery shall be DDP 9th Condorilor Street, Bacau, Romania (in accordance with Incoterms 2010 – International Chamber of Commerce). The place of fulfilment for the deliverables is the receiving place specified in the relevant PO.
- 4.3. Partial or advance deliveries are only acceptable with prior written consent from the Purchaser. In the event of early deliveries or excessive quantities the Purchaser reserves the right to either: *ij*) accept the deliverables in the delivered quantity; *ijj*) return the deliverables to the Supplier at the Supplier’s own cost and risk.
- 4.4. The Supplier shall promptly notify in writing the Purchaser of any foreseeable delay in respect to the contracted deadlines if and as soon as it becomes apparent. The Supplier shall also provide measures to remedy such delays, and all costs and expenses resulting from the delays shall be borne by the Supplier.
- 4.5. In the event of a failure to meet contracted delivery dates the Purchaser reserves, at its own discretion, the right to:
- apply late penalties equivalent to 0.4% of the price of the relevant PO per calendar day’s delay, up to a total of 15% of the total price of the relevant PO; and/or
 - terminate the PO under the terms and conditions referred to in Clause 14 below without any indemnity being due to the Supplier.
- 4.6. The Supplier shall package, ship and ensure the deliverables properly and shall comply with all relevant packaging and shipment provisions. Packaging shall include, if necessary, instructions and shall provide sufficient protection to ensure that the deliverables undergo no deterioration during transport and/or storage. Any damaged deliverables upon delivery shall be returned to the Supplier and the transport, repair, assembly and trial costs, if any, shall be borne by the Supplier.
- 4.7. Shipping papers such as delivery notes and packing slips shall be included in the packaging and/or shall accompany any deliverables. Furthermore, all

Documentation and documents shall contain the following information:

- Identification number of the delivery note;
- PO number and item number of the PO;
- Reference of the deliverables;
- Description of the deliverables as specified in the PO;
- Declaration of Conformity, where applicable;
- Quantity delivered;
- Number of packages, if necessary;
- Unit of purchase,
- If necessary, customs documents and transport documents in compliance with applicable regulations, as well as any other documents required for customs clearance operations within the framework of imports, containing at least the following information: delivery condition as stated in the PO, customs commodity code number, country of origin of the deliverables, identification of the PO, deliverables classification and jurisdiction.

5. Acceptance of deliverables/Passing of title and risk

- 5.1. The Purchaser shall visually inspect the deliverables for any shortfalls, missing, incomplete or incorrect certificates or documents, visible deficiencies and damage („non-Conformity”) within a reasonable period after delivery.
- 5.2. In the event of having received non-conforming deliverables, the Purchaser will notify the Supplier in writing of the non-conformity. The Purchaser will then be entitled to determine whether the Supplier must replace the deliverables or remedy the non-conformity within a period to be stipulated by the Purchaser. It is also agreed that the Purchaser may, at its option and at the Supplier's expense, reject and return the deliverables for credit or refund.
- 5.3. Final acceptance of the deliverables shall occur only upon satisfactory completion of all required tests, inspections and approvals.
- 5.4. Signing a confirmation or receipt shall in no way constitute acceptance of deliverables. Furthermore, the issuing of an Acceptance certificate by the Purchaser shall in no event be interpreted as a waiver of any sort, or affect the extent of the warranty or other commitments made by the Supplier hereunder or any legal warranty.
- 5.5. Title to the deliverables shall pass to the Purchaser upon delivery as defined in Clause 4.2 above, or, in case of advance payment made by the Purchaser prior to delivery, title shall pass upon receipt of such payment by the Supplier.
- 5.6. The risk of the deliverables shall pass in accordance with the applicable Incoterms. In the event of rejection of the deliverables by the Purchaser, whether following an acceptance test or otherwise, title to and risk shall revert back to the Supplier upon notification of the Supplier of such rejection. Excepting the previous, in the event of advance payment already having been made by the Purchaser, title shall revert back to the Supplier only upon full reimbursement of such payment.

6. Export Control

- 6.1. The Parties agree to comply with export control laws and regulations that are applicable to the deliverables (including their components) as well as to the software, information and products that the Parties may exchange within the framework of the performance of the PO.
- 6.2. The Supplier undertakes to provide to the Purchaser, within the delivered documents, and where applicable, the export control classification, commodity jurisdiction (either DDTC or BIS), as well as ECCN/USML numbers, concerning the elements hereinabove, and undertakes to notify the Purchaser of any changes to – or any plans to change – of these no later than 15 days after receiving notice of said change.
- 6.3. In the event that the export or re-export of all or part of the deliverables is subject to obtaining an export license, the Supplier undertakes to apply to the competent government authorities, at no cost to the Purchaser, for any license or governmental authorization necessary to enable the Purchaser to use the deliverables and to deliver such to the Purchaser's Customers or to any other final user specified by the Purchaser to the Supplier. The Supplier undertakes to immediately notify the Purchaser of the issuance of the export license by the competent government authorities or of the existence of a dispensation, and to provide the Purchaser with a copy of said license or a certificate describing in particular any restriction applicable to the re-export or re-transfer by the Purchaser of all or part of the deliverables to a third party. It is specified that notice by the Supplier to the Purchaser of the classification of all or part of the Supply and the issuance of the export license described hereinabove constitute conditions precedent to the PO coming into force.

7. Subcontracting

- 7.1. Any PO issued under these Conditions or any part thereof shall not be executed by subcontractors and/or other suppliers without having received prior written consent of the Purchaser.
- 7.2. Such consent provided by the Purchaser for subcontracting all or part of the PO does not reduce or limit the Supplier's responsibility for the proper performance of its obligations under the PO.
- 7.3. It is hereby understood that in the event of consent provided by the Purchaser for subcontracting all or part of the PO, the Supplier shall be fully and solely responsible for the flow down of these terms and conditions to its subcontractors.

8. Quality

- 8.1. The Supplier must maintain at all times a quality system that meets or exceeds the Purchaser's requirements.
- 8.2. The Supplier shall comply with the recognized rules of technology, the safety regulations and agreed technical data and standards. The Supplier shall furthermore advise the Purchaser about any special, not generally known handling and disposal requirements and shall provide for each deliverable a manufacturer's certificate

or certificate of conformity within the meaning of the applicable Directives of the European Union or other statutory provisions.

- 8.3. The Supplier is responsible for delivering products that conform to the requirements of the PO, engineering and quality requirements and ensuring their personnel is aware of their contribution to product conformity and safety, and the importance of ethical behavior. Surveillance, inspections and tests performed by the Purchaser, its customer or the government does not relieve the Supplier of this responsibility.
- 8.4. For further compliance to quality requirements, in the event that the Supplier acknowledges any non-conformities of the deliverables after delivery, the Supplier must notify the Purchaser as soon as practicable of any such non-conformance.
- 8.5. Changes to the form, function, technical specification and aspect of the deliverables require the prior written consent of the Purchaser. The manner and nature of the cooperation on the quality sector, such as first sampling and documentation, is set forth in the respective product specification.
- 8.6. The Supplier undertakes to maintain all documents and/or documented information relative to a specific PO for a minimum period of ten (10) years after the acceptance of the deliverables, or as such is the case, for the period of time as required by the final customer, mentioned in the relevant PO, in accordance with its standards and quality requirements.
- 8.7. The Purchaser reserves the right to monitor the performance of its Suppliers and to request improvement actions, where and if necessary, and the Suppliers shall herein cooperate and assist the Purchaser in good faith.
- 8.8. The Purchaser shall be entitled to perform quality audits at the Supplier's premises upon prior notice and the Supplier, in turn, agrees to assist and support any auditor by submitting the requested documents as far as they are related to the PO.
- 8.9. In addition to regular quality management system audits, the Purchaser may conduct visits, with sufficient prior notice, to the Supplier's premises and the premises of its subcontractors, where applicable, to perform audits on the deliverables and/or processes. Representatives of the Purchaser and any relevant Authorities shall also have the right to verify the conformance of the deliverables with the relevant quality, design and contractual requirements. The Supplier shall ensure access to its own premises and the premises of its subcontractors at all reasonable times.

9. Warranty

- 9.1. The Supplier warrants that the deliverables shall be free from defects in design, in manufacturing or in operating defects as well as against any defects in materials and parts comprising an assembly.
- 9.2. Furthermore, the Supplier warrants that the deliverables:
 - 1) shall be in accordance with all the requirements and specifications stipulated and referred to in the PO;
 - 2) shall conform to all applicable laws and regulations, including but not limited to environmental and safety

regulations and those of civil aviation authorities and/or military supervisors;

- 3) shall not infringe on patents or other intellectual and industrial property rights or other rights of third parties and shall hold the Purchaser against all claims from third parties in relation to these rights;
 - 4) shall be and only contain materials obtained directly from the Original Component Manufacturer or the Original Equipment Manufacturer (collectively the „OM”) or an authorized OM, Supplier or distributor.
 - 5) shall not be or contain Counterfeit Items or Suspect Counterfeit Items.
- 9.3. In addition to requirements described in Clause 9.2 - 4) and 5) and in order to properly comply with said clauses, the Supplier shall maintain a method of commodity and item level traceability (material authenticity assurance plan) that ensures tracking of the supply chain back to the manufacturer of all deliverables being delivered per this order, in compliance with AS6174 (or other relevant standards as described in the PO). This traceability method shall clearly identify the name and location of all of the supply chain intermediaries from the manufacturer to the direct source of the materiel for the seller and shall include the manufacturer's commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers, or batch identifications. The material authenticity assurance plan is subject to Purchaser approval, and may be disapproved if it does not incorporate appropriate guidance from the appendices considered necessary to provide for an appropriate level of assurance for procuring authentic and conforming materiel
- 9.4. The Supplier warrants the proper performance of the deliverables for a period of thirty-six (36) months from the date of the delivery, or where an acceptance procedure is provided, from the date of the issuance of the final Acceptance report of the deliverables. Replacement or repairs of deliverables under warranty shall be performed at the Supplier's costs and expense within a maximum period of forty-five (45) days following the written notice of the defect sent by the Purchaser. The Supplier waives the objection of late complaint of defects.
- 9.5. It is also understood that the Supplier warrants against latent (hidden) defects and shall be liable for any consequential damages flowing from such latent defects throughout the normal lifespan of the deliverables.

10. Environment, Labor, Health and Safety

- 10.1. The Supplier shall comply at his own expense with the applicable legal requirements, in particular, but not limited to safety and environmental regulations.
- 10.2. The Supplier shall fulfill at any time all requirements according to regulation No. 1907/2006 of the European Parliament („REACH regulation”). Furthermore, the Supplier shall especially fulfill all duties imposed upon him according to Articles 31 to 33 (incl.) of the REACH regulation and shall provide all information required by the Purchaser in regards to the article. Any Supplier who is located outside of the European Union shall fulfill the

requirements of the regulation as importer of the articles into the European Union.

- 10.3. The Supplier guarantees that it complies with the labor legislation to which it is subject. It also guarantees that the deliverables shall be performed in compliance with the labor laws in force in the countries in which the deliverables are performed. For this purpose, the Supplier shall hand over upon delivery or undertake to hand over at first demand by the Purchaser the certificates required by the applicable regulations and relating to the deliverables.
- 10.4. In addition, the Supplier shall implement all necessary measures for the implementation of its supply systems relating to the following minerals: *i)tantalum; ii)tin; iii)tungsten; iv) gold* so as to ensure that such minerals originate from conflict free sources and shall provide, upon request, information regarding said supply systems.
- 10.5. Irrespective of the place in which the deliverables are produced or rendered, the Supplier also warrants that the deliverables will comply with applicable legal provisions and regulations to quality requirements and standards, including health, hygiene, safety, traceability of products and protection of the environment.

11. Ethics

- 11.1. The Supplier declares that it has not infringed any anti-corruption laws or regulations and it has not been subject to any civil or criminal sanctions for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against it.
- 11.2. The Supplier warrants that it has not granted and shall not grant, directly or indirectly, any gift, present, payment, remuneration or benefit whatsoever to anyone with a view to or in exchange for the conclusion of a PO. The Supplier shall notify the Purchaser immediately upon acknowledgement of breach of the clause herein, and in the event of failure to comply with this clause the Purchaser shall automatically have the right to terminate all POs in progress with immediate effect and without compensation, without prejudice to any other remedies the Purchaser may request from the Supplier.

12. Liabilities and Indemnities

- 12.1. The Supplier shall be liable to the Purchaser for the timely and proper performance of its obligations under the PO.
- 12.2. The Supplier shall be liable for any damage or loss sustained by the Purchaser or any third-party as a result of non-performance or improper performance of the PO.
- 12.3. The Supplier shall indemnify the Purchaser against any liability based on claims that the deliverables of the Supplier intentionally or negligently infringe any third-party rights. In this case, the Supplier shall indemnify and hold harmless the Purchaser on first written demand from all costs, expenses and payment obligations arising from the infringement.
- 12.4. The Supplier shall be solely liable at law and shall indemnify and hold the Purchaser, its officers, directors,

employees or insurers harmless from and against any and all claims, losses, liabilities, suits, judgments, expenses and costs in any way connected with the death of or injury or any third party whomsoever, or loss of or damages to any property of any third party when arising out of, or having its origin in the acts or omissions of the Supplier in connection with the performance of the PO.

13. Confidentiality

- 13.1. The Supplier shall keep confidential all information received from the Purchaser in connection with the PO, as well as all information the Supplier might have access to as a result of its presence at the Purchaser's premises, without the Purchaser having to specify or mark such information as confidential.
- 13.2. The Supplier furthermore shall keep secret all commercial and technical information and documents, which became known to him through the business relationship and which are not generally known, and shall use these exclusively for providing the deliverables ordered herein.

14. Termination

- 14.1. The Purchaser shall be entitled to terminate the PO as of right by registered letter with acknowledgement of receipt in the following cases:
- when the Supplier fails to perform any of its contractual obligations and does not cure such breach within thirty (30) days from receipt of formal notice thereof sent by the Purchaser;
 - when the Supplier becomes the subject of judicial protection, receivership or liquidation;
 - with immediate effect and without prior notice when the Supplier fails to comply with its obligations set forth in Clauses 4 (Deadlines and Delivery), 6 (Export Control), 10 (Environment, labor, health and safety) and/or 11 (Ethics) and also in case of any breach by the Supplier of any of its contractual obligations which cannot be remedied.
- 14.2. The Purchaser will not be liable for any work done or expenses incurred by the Supplier after the effective date of termination, unless such work or expenses are authorized in advance, in writing, by the Purchaser.

15. Applicable Law and Jurisdiction

- 15.1. The Parties hereby expressly agree that the contractual documents are governed by Romanian law, excluding the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods.
- 15.2. All disputes arising out of or in connection with the formation, validity, interpretation, performance or termination of any of the contractual documents shall be subject to mediation between the Parties, and therefore the Parties shall make all efforts to amicably resolve all disputes and disagreements.
- 15.3. However, it is agreed that, in case the Parties are unable to amicably resolve rising disputes, they shall be settled under the exclusive jurisdiction of the Romanian Civil Courts, under Romanian laws. The place of dispute

shall be Bucharest, Romania, and the proceedings will take place in Romanian language.

16. Final Provisions

- 16.1. Neither Party's failure to exercise or delay in exercising any of its rights with respect to the contractual documents shall be construed or be deemed a waiver of these rights.
- 16.2. Should any provision of the contractual documents be held to be invalid, the remainder shall continue to be valid and enforceable and the Parties shall then seek to replace this provision with a valid provision in order to maintain contractual balance.
- 16.3. The Supplier acts in its own name and on its own behalf as an independent entrepreneur. The Supplier has neither the power nor the authorization to enter into any commitment whatsoever in the name and for the account of the Purchaser.
- 16.4. The rights and remedies herein reserved to each Party shall not be exclusive and shall be cumulative and additional to any other or further rights and remedies provided in law or equity.

September 2021, Bacau, Romania