



Terms and Conditions of Sales

Section 1 General Information

1. These Terms and Conditions of Sales shall apply to all Products sold and Services provided by AMS Heli Design (herein after also referred to as "AMS" or "Seller") presently or in the future, including any consultancy services AMS may provide to companies, operators, legal persons under public law, or special funds under public law (more generically referred hereinafter as "Customer" or Buyer"). Moreover, they shall also apply to all future transactions with the customer, even in individual cases where no further explicit reference is made hereto anymore. AMS and customer may also be referred hereinafter to as "Party" or, together, as "Parties".

Any terms and conditions used by the customer that are conflicting with, or deviating from, these AMS Terms and Conditions of Sales shall be considered null and void. The acceptance by AMS Heli Design of a customer purchase order in response to a quote or proposal is expressly made conditional upon Purchaser's agreement to the terms and conditions contained herein. Any other terms and conditions, including those set forth in Purchaser's purchase order or other ordering documentation are hereby rejected and deemed null and void. These AMS Terms and Conditions of Sales shall apply even if AMS performs the delivery to the customer without reservation while having knowledge of conflicting or deviating terms and conditions of the customer.

2. Any amendments of or additions required to these AMS Terms and Conditions of Sales shall be made in writing between AMS and customer.

3. The customer is not entitled to assign any claims which the customer may have against us to any third parties unless AMS have expressly consented thereto.

4. AMS collects, processes and uses personal data, in particular customer contact data for processing its order, including e-mail address, if provide it to us.

Section 2 Offers

AMS offers are nonbinding as to quantity, price, and period of delivery. An order shall become binding only where and insofar as AMS have issued an order confirmation or declared acceptance by performing the delivery.

Section 3 Prices and Payment

1. Unless otherwise specified in the order confirmations, AMS prices are ex works and exclusive of additional costs such as transportation charges, customs duty and insurance.

2. Value added tax is not included in AMS prices and will be indicated separately on the invoice in the amount prescribed by statutory law.

3. Insofar as more than six months pass between the formation of the contract and the scheduled delivery date for the overall or partial deliveries, and if – after the formation of the contract – there occurs an increase in costs of more than five percentage points with respect to the delivery item, e.g., in particular, due to price increases on the part of AMS suppliers, AMS shall be entitled to increase (i.e., corresponding to the increase of AMS purchase costs) the prices for those delivery items. In the event that AMS demands a price increase that exceeds five percentage points of the price of the overall delivery, the customer shall be entitled to withdraw from the contract within two weeks after receiving AMS notification regarding the price increase.

4. Unless otherwise agreed, AMS claim shall be due upon delivery (in case of admissible partial deliveries, a prorated payment shall become due). Payment shall be made immediately without any deductions, in particular without any deduction of discounts or money transfer fees by way of wire transfer to AMS account stated on the invoice. After the claim has become due and the customer has received the invoice, AMS shall be entitled to charge maturity interest at a rate of five percentage points per year. In the event of default of payment, AMS shall be entitled to charge default interest at a rate of nine percentage points above the basic rate of interest per year. AMS reserves the right to assert a higher damage caused by default.

5. The customer shall only be entitled to a right to set-off and a right of retention if its counterclaims have been finally and non-appealably established, are undisputed, or result from the same contract relation as AMS payment claim.

Section 4 Delivery and Acceptance

1. Except for what foreseen at point 3 of this Section, any delivery dates referred to by us shall only become binding when they have been expressly confirmed as binding delivery dates.

2. AMS delivery obligation is subject to the condition that AMS has received complete, correct and timely supply ourselves, to the extent to which AMS is obtaining the goods, in whole or in part, by a sub-supplier. This shall not apply if AMS have caused the failure to deliver or the delay. Where applicable, AMS obligation is also subject to the conditions that it has received adequate supporting documentation or information from the customer or, on his behalf, from the aircraft/helicopter OEM to allow AMS to certify the Product, which includes, as an example but not limited to, interior 3D models, engineering structural substantiations, Technical Notes and so on.

3. Any delivery date referred to sales of articles that requires prior development and/or certification activities shall not be considered binding delivery dates. Such articles delivery dates in fact are to be considered subject to Civil Aviation Authority lead time and availability and subject to possible article testing failures requiring re-design.

4. The compliance with delivery periods and delivery dates by AMS requires that the customer fulfils its contractual duties in good time and in full. The delivery period shall commence after the clarification of any and all details of the execution of the order and subsequent to the receipt of all documents required for the execution of the order as well as of any other information that has to be provided by the customer, as well as, if applicable, any required export licenses, plus, if this has been agreed, upon receipt of a corresponding prepayment that has to be made by the customer. The delivery periods and delivery dates shall furthermore be deemed to be complied with if the goods leave AMS facility and/or the indicated delivery location, or if the customer has been notified that the goods are ready to be dispatched.

5. In the event of hindrances of temporary duration, the delivery or service deadlines or dates shall be extended or postponed by the period of the hindrance plus a reasonable start-up period. However, if the hindrance lasts longer than two months, AMS and the customer are entitled to withdraw from the contract. However, the customer can only withdraw from the contract if AMS does not declare within a week upon his request whether it want to withdraw from the contract or deliver within two weeks. This does not apply if the customer cannot reasonably be expected to accept the delivery or service due to the delay. In this case he can withdraw from the contract by immediate written declaration to AMS.

6. AMS is entitled to make partial deliveries if the partial delivery is usable for the customer within the scope of the contractual purpose, the delivery of the remaining ordered goods is ensured and the customer does not incur any considerable additional work or additional costs.

7. Moreover, the customer shall also be in default in acceptance even if AMS merely have offered a delivery to it in writing, provided that the other prerequisites of default in acceptance are present. In cases of delivery "on call", a failure to call within the agreed period of time shall constitute a material breach of duty.

8. AMS shall be entitled to execute or render outstanding deliveries or services only against advance payment or provision of security if, after conclusion of the contract, AMS becomes aware of circumstances which are likely to substantially reduce the creditworthiness of the customer and as a result of which the payment of AMS outstanding claims by the customer from the respective contractual relationship (including from other individual orders to which the same framework agreement applies) is endangered.



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9. Except as otherwise stated herein the Products shall be deemed to have been accepted by customer twenty (20) calendar days after delivery of Product or repaired item, unless customer notifies Seller in writing within that period of the reasons of non-acceptance. Notwithstanding the foregoing, use of the Products by customer, its agents, employees or operator shall constitute acceptance of the Products by customer.

Section 5 Quality of the Goods

1. Unless when expressly labelled as guarantees, any specifications describing AMS goods shall be mere indications of quality. Products and/or Services shall be delivered in accordance with AMS Heli Design's then-applicable quality management system. Customer's specific quality terms and requirements shall only be complied with where such terms have been expressly agreed in writing by Customer and Seller as being applicable to a particular order.

2. Usual tolerances as to material thickness, weight, volume, stability, wear resistance, physical and chemical properties, dimensions, designs, and shades of color shall not constitute a defect, unless such deviations are conflicting with product-specific military aviation or civil aviation licenses and/or adversely affect the functioning of the goods.

3. Any impediment caused by normal wear and tear, misuse or careless use, excessive stress, employment of unsuitable operating materials, or improper modifications or repairs, shall not constitute a defect.

4. Regarding the use of AMS products and goods, it is the customer that bears sole responsibility for the compliance with any requirements imposed by statutory law, by local Civil Aviation Authorities or by any applicable local authorities.

Section 6 Liability for Defects

1. AMS warrants that Products sold hereunder shall be free of defects in materials or workmanship. Claims for defects asserted by the customer require that the customer has duly complied with its obligation to duly examine and give notice of any defects. The notification of a defect must be made in writing.

2. To the extent to which there is a defect in the goods, AMS shall be entitled, at its choice, to cure the defect by means of subsequent performance by either repairing the defect or by delivering substitute goods which are free from defect. In such case, the customer shall bear any additional costs that are incurred due to the fact that the delivered goods had to be transferred to another place than the place of performance and there installed.

3. In the event that the subsequent performance fails or cannot be reasonably expected of the customer, or if AMS refuse it, or if it is delayed beyond an adequate period of time for reasons for which AMS is responsible, the customer shall be entitled to withdraw from the contract, or to reduce the purchase price—irrespective of any damage claims.

4. Claims for defects that are not directed at obtaining damages shall become statute-barred one year after the goods were delivered. However, this shall not apply with respect to a willful breach of duty, misconduct, misuse, a breach of warranty, or any building-related defects.

5. To the extent to which claims for defects are directed at the obtaining of damages or the reimbursement for futile expenses, Section 7 hereof shall apply additionally.

Section 7 Limitation of Liability

1. Claims for damages asserted against us or the persons whom AMS used to perform its obligations shall be excluded in the event of a slightly negligent breach of a non-essential contractual obligation. This does not apply to claims for damages due to slightly negligent violation of essential contractual obligations; in this respect, liability is limited to the foreseeable damage typical for the contract. Essential contractual obligations are obligations whose

fulfillment makes the proper execution of the contract possible in the first place and on whose compliance the customer regularly relies and may rely.

2. As to slightly negligent breaches, claims for damages asserted against us or the persons whom AMS used to perform its obligations shall become statute-barred within one year.

3. The customer and/or its affiliates, operator/lessee/lessor/owner of the aircraft/helicopter on which AMS Heli Design products are installed or to be installed, agree to indemnify and hold AMS Heli Design, its affiliates, officers, directors, employees, shareholders, agents and suppliers harmless from and against all liabilities, claims, losses, costs, lawsuits, damages, expenses, missed income or revenue which they may incur, sustain or be liable (i) relating to injures/death sustained by employees, occupants, crew, patients or third parties or relating to damages or destruction to properties caused or connected to aircraft/helicopter ground/flight operations or training activities (ii) any possible delivery delay connected with certification activities (iii) any possible delay or failure to deliver or perform due to force majeure and/or any cause beyond its reasonable control, including but not limited to acts of God, acts of Buyer, acts of any government authority, health pandemic, strikes or other labor disturbances, delays in transportation, fuel or energy shortages, or inability to obtain necessary materials, components, services, or facilities from usual sources (iv) for loss of use, revenue or profit or for any other incidental or consequential damages with respect to any nonconformance or defect in the Products or Services provided by AMS Heli Design

4. AMS Heli Design obligations and liabilities under these Terms and Conditions of Sales are expressly limited to the replacement or repair by Seller of such Products and shall not include the removal, shipping or reinstallation costs incident to such correction or replacement.

5. Notwithstanding anything else in these AMS Terms and Conditions of Sale to the contrary, all liabilities of Seller, its affiliates, officers, directors, employees, agents and suppliers collectively for claims (including without limitation, any claims made by the Buyer for penalties, fines and/or claim(s) for compensation, delays in delivery or performance, breach of warranty, claims of negligent manufacturing, patent or copyright infringement, or otherwise) under these Terms and Conditions of Sale, or otherwise howsoever arising (including without limitation, in contract or torts (including negligence) and/or under any indemnity) is limited to the maximum cap of 100% percent of the Product or Service price (exclusive of Charges) paid by the Buyer to Seller for the purchase of Products or Services under Buyer's purchase order. This limit of liability for Products or Services is a total aggregate cap and not per incident (i.e., the existence of two or more claims will not enlarge this limit). Seller's liability that cannot be excluded as per the mandatory applicable law shall not be excluded.

Section 8 Shipment Terms

1. Unless Seller agrees otherwise all shipments shall be ex-Works at Seller's facility (delivery location) (per ICC Incoterms 2020). Upon Seller's written request, Buyer shall provide within 5 business days Seller with a copy of the export declaration for the Products delivered. In the event that Buyer fails to provide Seller with either the export declaration or a copy of the transport documentation Buyer shall be liable for any and all fees/ cost, to include but not limited to any Value Added Tax, paid by Seller associated with this failure.

2. Transfer of Title and risk of loss or damage shall pass from Seller to Buyer and delivery shall be deemed to occur upon transfer of possession to the first carrier or Buyer's representative at the delivery point per the applicable shipping term (per ICC Incoterms 2020).

Section 9 Retention of Title, Copyright

1. AMS reserves the property rights and copyrights to illustrations, drawings, calculations and any other documents. They may not be made



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accessible to third parties unless AMS has expressly agreed to their disclosure to third parties beforehand.

2. The delivered goods shall remain AMS property until the purchase price and any other claims AMS may have against the customer have been paid in full ("Retained Goods"). The retention of title shall continue to remain in effect if individual accounts receivable of AMS are included in a current account and the account has been settled and approved, whereupon the retention of title serves the purpose of securing the account balance.

3. In the event that AMS Retained Goods are combined, intermixed, or processed together with the customer's own goods or with goods that are subject to a third party's retention of title, AMS shall acquire co-ownership in the new thing or in the intermixed inventory in the proportion of the value of AMS Retained Goods in comparison to the other goods at the time of the combination, intermixing, or processing. If the customer acquires sole ownership in the new thing, AMS and the customer are in agreement that the customer shall grant AMS co-ownership in the new thing in proportion of the value of the processed and/or combined or intermixed retained goods and that the customer shall safeguard the new thing for us free of charge. AMS shall not assert any claims in connection with the added value resulting from the combination, intermixing, or processing.

Section 10 Intellectual Property

1. *Background* means all information, whether patented or not, developed prior to the conclusion of a purchase order and necessary for the development of the object of the individual order.

2. *Foreground* means any intellectual property directly resulting from the commissioned development work and arising during the performance of the work and embodied in records, patents, inventions, utility models, findings, processes, manufacturing procedures, drawings, designs, software, improvements, know-how and other developments. The intellectual property thus created also includes the description of the development work and the records, test arrangements, models and prototypes produced in the process as well as tools in all development phases.

3. The *Background* shall remain the entire, undisturbed property of the respective owner of such rights. The *Foreground* shall become the sole property of AMS Heli Design unless differently agreed in writing prior to the commencement of the Service or delivery of the Product. AMS Heli Design will hold the ownership as well as the exclusive right of use of all technical documents generated as Foreground Intellectual Property. AMS thus obtains the sole, complete and unrestricted right of disposal over the *Foreground IP*. AMS Heli Design also receives the sole right to file applications in its own name worldwide for the protection of the corresponding intellectual property rights.

Section 11 Termination

1. Either Party shall be entitled to terminate a purchase order in whole or in part for good cause in writing and without notice for individual development works, stating the good cause. A reason justifying termination without notice exists in particular if:

- a) one Party is in default of performance or in default of payment of the purchase price and the default continues for more than two (2) weeks after receipt of a reminder from the terminating Party in which the latter has threatened or reserved the right to terminate the contract;
- b) insolvency proceedings are opened against the assets of the other Party or the other Party applies for the opening of insolvency proceedings;
- c) a Party can no longer reasonably be expected to adhere to a purchase order AMS Terms and Conditions of Sales for any other reason.

AMS's customer may also terminate an order or make significant changes so that the work is no longer required.

In all these cases, the residual compensation pursuant to Section 11.2. shall apply.

2. The termination of an Order in any way whatsoever will be without prejudice to the rights, obligations and liabilities of either Party accrued prior to termination. In the event of termination in accordance with Section 11.1, AMS Heli Design shall be entitled to remuneration for the work performed up to the time of termination and shall deliver, where applicable, any Part or Products in the status they are at the moment of Termination (provided residual compensation have been received in full).

3. The provisions in clauses 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13 and 14 shall remain valid beyond the termination of this Agreement.

Section 12 Confidentiality

1. Each Party agrees to keep confidential all information, including commercial and technical information and materials ("Confidential Information") of the other Party, which comes to its knowledge in the course of the business relationship and is identified to be confidential. Each Party is allowed to share Confidential Information with its affiliates on a need to know basis.

2. Confidential Information shall not include information that:

- (a) Is publicly known at the time of the disclosing Party's ("Discloser") communication to the receiving Party ("Recipient") or becomes publicly known through no fault of Recipient subsequent to the time of Discloser's communication thereof to Recipient;
- (b) Was in Recipient's possession free of any obligation of confidence at the time of Discloser's communication to Recipient;
- (c) Is developed independently by Recipient without reference to any of Discloser's Confidential Information, as evidenced by contemporaneous written records; or
- (d) Is rightfully obtained by Recipient from a third party authorized to make disclosure without restriction.

Section 13 Place of Jurisdiction and Applicable Law

These Terms and Conditions of Sale shall be exclusively governed by and construed in accordance with the substantive laws of the State of Texas, United States, excluding its conflict of laws principles and excluding the UN Convention on Contracts for the International Sale of Goods. Any dispute, controversy or claim arising out of or in connection with these Terms and Conditions of Sale, including validity and governing law that cannot be settled amicably within sixty (60) days shall fall within the exclusive jurisdiction of the competent court at the registered office of Seller in the United States. Trial of any dispute will be before a judge, and the parties expressly waive any right to a trial by a jury. For the avoidance of doubt, each Party shall bear its own costs and fees in respect of the resolution of such dispute, controversy or claim.

Section 14 Severability

1. If any condition (or part thereof) of these AMS Terms and Conditions of Sales shall be found to be invalid ineffective or unenforceable the invalidity, ineffectiveness or unenforceability of such condition (or part thereof) shall not so far as possibly affect any other condition (or part thereof) and accordingly all such conditions (or parts thereof) not affected by such invalidity, ineffectiveness or unenforceability shall remain in full force and effect.

Section 15 Order of Precedence

1. In the event of a conflict between these AMS Terms and Conditions of Sales and any other documents issued pursuant to these AMS Terms and Conditions of Sales, the order of precedence shall be as follows for determining which provision controls:



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- (1) Sections 1 to 15 of these AMS Terms and Conditions of Sales
- (2) Appendices and attachments to these AMS Terms and Conditions of Sales
- (3) Purchase Order