



BMT AEROSPACE ROMANIA s.r.l.

Soseaua Iasi-Tomesti nr. 33B

Iasi, 700291, Romania

GENERAL PURCHASING TERMS AND CONDITIONS

10 November 2022

Revised

01 May 2024

1. SCOPE OF APPLICATION

- 1.1. Unless expressly agreed otherwise in writing, these General Purchasing Terms and Conditions (“**GPTC**”) shall apply to the purchase of any products, equipment, or raw material offered or provided by the Supplier (“**Goods**”) and/or any services performed by the Supplier (“**Services**”) to BMT Aerospace Romania, s.r.l., its affiliates and/or its subsidiaries (hereinafter referred to as “**BMTA**”). They are an integral part of any purchase order placed by BMTA with Supplier (hereinafter “**Purchase Order**”) (the Purchase Order and these GPC are referred to together as the “**Agreement**”) with the express exclusion of any and all of the Supplier’s terms and conditions contained in offers, order confirmations or any other document issued by Supplier.
- 1.2. In case of conflicting provisions, the following order of precedence shall apply: 1. Purchase Order or Master Supply Agreement (MSA) that these GPTC’s are attached; 2. Most current version of the Specifications; 3. These General Purchasing Terms and Conditions; and 4. The Scope of Work.. These terms and conditions constitute the entire agreement between parties and no change to or modification of this Purchase Order shall be binding upon BMTA unless signed in writing by a BMTA authorized representative.
- 1.3. BMTA expressly rejects any additional or inconsistent terms and conditions offered by Supplier at any time, whether or not such terms or conditions materially alter the Purchase Order and irrespective of BMTA’s acceptance of or payment for the Goods and/or Services. BMTA HEREBY NOTIFIES THAT THE TERMS AND CONDITIONS SET FORTH IN THE MSA or THESE GPTC’s ARE THE ONLY TERMS AND CONDITIONS UNDER WHICH BMTA AGREES TO BE BOUND.

2. ORDER AND ACCEPTANCE; CHANGES; MODIFICATIONS

- 2.1. Purchase Orders for the manufacturing and/or delivery if the Goods or Services can be issued to the Supplier on paper, by electronic mail or by any other means of electronically exchanging information.
- 2.2. A Purchase Order will be considered as accepted by the Supplier either expressly by giving notice of acceptance or implicitly by fulfilling the Purchase Order, in whole or in part, and will be deemed accepted within 14 days of receipt. BMTA reserves the right to revoke a Purchase Order prior to acceptance by Supplier without further consequence. Supplier’s acceptance of this Purchase Order also constitutes acceptance of all specifications, drawings or other descriptions of the work provided by BMTA (“**Contract Documents**”).
- 2.3. A “**Forecast**” is a delivery and quantity schedule of BMTA’s needs and is intended as a notification to the Supplier of the volume and delivery time of the Goods and/or Services BMTA expects to order in the indicated period. BMTA may from time to time provide Supplier with Forecasts, which are not Purchase Orders, and are non-binding on BMTA and merely indicative of its future volume requirements for the Goods and/or Services.
- 2.4. BMTA may request the Supplier to perform a change (“**Change**”) to the materials, drawings, specifications of the Goods, time and place of delivery, and/or the nature and scope of the Services. If any such Change causes an increase or decrease in price/cost or effects the nominated Delivery Date for the Goods and/or Services, Supplier shall inform BMTA within Ten (10) business days, and the Supplier and BMTA will agree upon an equitable adjustment in the price/cost and/or delivery schedule, and will be conditional upon the receipt, and limited to the amount of equitable adjustment received by BMTA from BMTA’s customer.
- 2.5. No modifications. Supplier may not make any modifications to the prices or any other detail of BMTA’s Purchase Order, specifications, drawings, etc. or other documents are permitted without the prior approval of BMTA’s authorized representative in writing.
- 2.6. Supplier may not suspend performance of the Purchase Order while BMTA and Supplier are in the process of making changes; any related adjustments, or negotiating any equitable adjustment, and, upon direction in writing by BMTA, Supplier will comply with and perform such changes in accordance with the terms of the Purchase Order during such time.

3. PRICE AND PAYMENT

- 3.1. The price and/or rates for the Goods and Services is exclusive of VAT but inclusive of all other taxes, duties and any other costs and expenses in accordance with the agreed INCOTERM. Prices are fixed, not subject to adjustments, and in currency as defined by the Purchaser in the Purchase Order. Prices include all work, services and supplies.

- 3.2. Supplier shall issue monthly invoices for Goods delivered and Services performed in that particular month. These invoices be payable on sixty (60) days end of month of (i) the receipt of the relevant invoice by BMTA, or (ii) the receipt of the Goods or Services by BMTA, whichever occurs last. Payment can only take place after the Goods or Services have been definitively approved and accepted and after the receipt of a valid and correct invoice from the Supplier.
- 3.3. Payment of any invoice by BMTA to the Supplier for Goods delivered will not constitute a waiver of any claims or rights which BMTA may have against the Supplier and will not, by itself, constitute acceptance by BMTA of the performance by the Supplier of its obligations hereunder.
- 3.4. BMTA reserves the right to set off any amounts owed to Supplier against any claims asserted by BMTA against Supplier, or withhold payment for Goods and/or Services not provided in accordance with the Purchase Order and/or the Agreement.

4. DELIVERY AND INSTALLATION

- 4.1. Supplier will comply with BMTA's "ship to" and "bill to" instructions as shown in this Purchase Order. Supplier will route its shipments in accordance with the delivery terms set forth on the face of the Purchase Order. Unless otherwise agreed, the Supplier will deliver the Goods ("**Delivery**") to the delivery point specified in the Purchase Order ("**Delivery Point**") - or BMTA's place of business if no other point of delivery has been specified in the Purchase Order, in accordance with the Incoterm "DDP Place of Destination" (ICC Incoterms 2020), or, if applicable, upon successful installation of the Goods ("**Installation**"). In case Installation or Services is provided through Suppliers personnel, Supplier will only use such personnel that presents the appropriate skills and quality to perform the Installation or Services.
- 4.2. Supplier shall ensure that each Delivery is accompanied with the required export / import / customs documents and a delivery note, which shall contain the following minimum information (unless required otherwise by BMTA): the Purchase Order number, date of Purchase Order, BMTA part number, number of packages and contents and, in the case of partial delivery, the outstanding balance remaining to be delivered.
- 4.3. Notwithstanding the agreed INCOTERM, Supplier shall ensure that: (i) the Goods are contained or packaged in a manner adequate to preserve and protect the Goods during normal air and motor freight transportation to the point of Delivery; (ii) in strict conformity with BMTA's packaging requirements, and (iii) in full compliance with the legal and regulatory requirements of the place of destination. Supplier will reimburse BMTA for and/or replace any damaged Goods (or parts) if Supplier's packaging fails to protect the Goods.
- 4.4. If Goods are delivered in excess of the quantities ordered, BMTA shall not be bound to pay for the excess and any excess will be and will remain at the Supplier's risk. At BMTA's option, BMTA shall be entitled either to return the same to the Supplier at the Supplier's risk and expense or require the Supplier to collect the same from BMTA's plant at the Supplier's expense.
- 4.5. Supplier understands that BMTA establishes its delivery schedules based on its customer's manufacturing schedules, and will rely on Supplier's timely performance of each Purchase Order and that time of performance is a material element of the Purchase Order and is essential to fulfilment of the obligations under the Purchase Order. Delivery of the Goods or performance of the Services shall occur on the delivery date ("**Delivery Date**") as agreed upon or as stated on the Purchase Order. Supplier shall immediately notify BMTA of any circumstances that could result in a delay of deliveries and will take all appropriate measures in order meet the agreed Delivery Date. If Supplier's acts or omissions result in or are likely to result in Supplier's failure to meet BMTA delivery requirements and BMTA requires a more expeditious method of transportation for the Goods, Supplier will be solely responsible for all costs and expense associated with such expedited shipments.
- 4.6. Supplier understands that BMTA has delivery requirements in its contracts, and in turn, relies on Supplier's timely performance of this Purchase Order and that time is of the essence in Supplier's performance. If Supplier fails to deliver the Goods or perform the Services on the required Delivery Date(s) then, without prejudice to any other rights which BMTA may have under this Agreement, any Purchase Order, at law or in equity, and without any further notice being required from BMTA, BMTA shall be entitled to liquidated damages ("**Liquidated Damages**") in an amount of 1% of the amount of delayed Goods or Services per started week of delay up to a maximum of 10% of the relevant Purchase Order. Parties hereby explicitly agree that said Liquidated Damages can be offset from any invoiced amount.

5. RISK AND TITLE

- 5.1. Title to the Goods shall pass to BMTA upon Delivery in accordance with clause 4.1. Risk of loss or damage to the Goods shall pass to BMTA as per the applicable Incoterm. Passing of title or risk does not constitute acceptance of the Goods or Services by BMTA.

- 5.2 If BMTA makes progress payments to Supplier under the Purchase Order, title to the Goods ordered hereunder shall pass to BMTA at the time that Supplier identifies the Goods to the Purchase Order. Supplier shall clearly identify the Goods as property of BMTA by visible marking or tagging, and BMTA shall have the right, at BMTA's option, to inspect and verify that said Goods have been identified as BMTA's property. Care, custody, and control of such Goods remains with Supplier until such time as BMTA takes actual physical possession of the Goods.

6. INSPECTION AND ACCEPTANCE

- 6.1. Within a reasonable time after Delivery, BMTA will perform an incoming inspection (**'Inspection'**) on conformity with the (i) Purchase Order (ii) latest issue of the Specifications, drawings, (iii) applicable quality requirements and (iv) any other acceptance criterion that can reasonably be expected upon Delivery as specified in the MSA or Purchase Order (the **"Acceptance Criteria"**), and only a positive result of such inspection shall be considered an acceptance of Goods and/or Services by BMTA. On the subject of measurements, quantities and weights, the findings of the examination of BMTA are decisive.
- 6.2. Notwithstanding any inspection or test sampling by BMTA, Supplier shall remain fully responsible for the Goods' compliance with the Purchase Order and/or Agreement. For the avoidance of doubt, inspection or testing of Goods by BMTA shall in no event release Supplier from or limit Supplier's warranties or liabilities in any way.
- 6.3. If any Goods delivered to BMTA do not meet the Acceptance Criteria or are otherwise not in conformity with the Purchase Order, then, BMTA will notify Supplier in writing within fifteen (15) business days of actual inspection of the Goods if any Goods are being rejected by BMTA for non-conformity with the Product Specifications or non-compliance with Applicable Law, and BMTA will provide the Supplier with the details of the relevant defects (**"Rejection Notice"**). If Goods are rejected for damage in transit, BMTA will be responsible for notifying the carrier of any damage, but Supplier will be responsible for making a claim against the carrier.
- 6.4. Without limiting any other right or remedy that BMTA may have under this Agreement, at law or in equity, BMTA may at its discretion, either (i) request replacement of the rejected Goods within a period to be determined by BMTA, whereby the rejected Goods will be returned to the Supplier at the expense and risk of the Supplier; (ii) have the delivered Goods repaired or the Services re-performed without cost to BMTA; or (iii) request compensation for the reasonable costs of repair or replacement of the rejected Goods and/or re-performance of Services by third parties engaged by BMTA.
- 6.5. Any Rejected good will be replaced/repared immediately without causing any delay for subsequent deliveries, if any, and are at the full expense and risk of the Supplier.
- 6.6. Acceptance of Goods or Services is limited to acceptance of quantities and apparent visible defects, and does not constitute any acceptance of hidden defects, and BMTA can demand equitable relief of such hidden defect until a reasonable time after such defect has become apparent to BMTA.
- 6.7. If Delivery of the Goods has occurred in batches, and Inspection is done through sampling testing, BMTA reserves the right to reject and return a full shipment.
- 6.8. In case of nonconformity, be it visible or latent, BMTA reserves the right to claim a penalty charge of 2500 USD per nonconformity detected, as an administrative charge to cover BMTA's initial costs and expenses. Parties agree that these charges are not a penalty and do not compensate BMTA for other damages BMTA may sustain as a result of such nonconformity. They are not a sole and exclusive remedy for Suppliers failure to meet quality or acceptance criteria.

7. TESTS AND AUDIT

- 7.1. BMTA and its authorized representatives, including BMTA's Customers, shall have the right, but not the obligation, to: (i) review any designs, drawings or specifications prepared by Supplier under this Purchase Order; (ii) to carry out all relevant tests, inspections and verifications it deems necessary in the workshops or stores of the Supplier and/or its contractors during production and/or before, during, or after Delivery; and/or (iii) demand test samples of the respective Goods, or any parts or materials thereof. Unless stated otherwise, the verification, run at rate and inspections are executed in the workshop of the Supplier during normal working hours. If the technical requirements of the tests are not specified in the Agreement, the tests will be carried out in accordance with the general use in the relevant branch of industry of the country where the Goods shall be delivered.
- 7.2. BMTA's making of or failure to make an inspection, examination or test of, or payment for, or BMTA's acceptance of Goods, shall in no way relieve Supplier from its obligation to conform to all of the requirements of the Purchase Order and shall in no way impair BMTA's right to reject or revoke acceptance of nonconforming Goods, or to avail itself of any other remedies to which BMTA may be entitled, notwithstanding BMTA's knowledge of the nonconformity, its substantiality or the ease of its discovery.

- 7.3 If it is found during a test that the Goods or Services are defective or not in conformity with the Agreement, the Supplier shall remedy the defects at its sole cost and expense, as soon as possible to see to it that the goods meet the requirements of the Agreement and a new test shall be carried out.
- 7.4 Nothing contained herein shall relieve Supplier from its obligation to perform full and adequate testing and inspection of the Goods.

8. TECHNICAL SPECIFICATIONS, DRAWINGS AND TOOLING

- 8.1. The weights, dimensions, capacities, specifications and other data comprised in the drawings, or technical specifications (the “**Specifications**”) shall be regarded as binding. Conflicting weights, dimensions, capacities, or specifications as mentioned in catalogues, prospectuses, circulars, illustrations or other Supplier documentation, will be regarded as approximations only.
- 8.2. Any drawings or Specifications provided by BMTA to the Supplier, before or after the parties enter into the Agreement or the Purchase Order, for Supplier’s use in the manufacture, supply or assembly of the Goods or any part thereof and/or to perform the Services, shall remain the sole property of BMTA or BMTA’ customer. The Supplier may not use for purposes other than supplying the Goods to BMTA or performing the Services, copy, transfer or otherwise disclose the drawings or Specifications to third parties, without BMTA’s prior written consent. If BMTA consents to Supplier to disclose the drawings or Specifications to third parties, Supplier shall sign a non-disclosure agreement with such third parties in a form and substance satisfactory to BMTA. In accordance with Clause 14 below, the Supplier shall maintain the confidentiality of all Confidential Information furnished to it by BMTA.
- 8.3. By confirmation of the Purchase Order, the Supplier acknowledges its receipt, review and acceptance of the complete Specifications furnished by BMTA in connection with the Purchase Order, and that it is fully aware of all details and intended use of the Goods by BMTA or its customer. The Supplier is responsible to duly verify the Specifications and indicate any flaws therein to BMTA. Delivery by BMTA of the Specifications will not release the Supplier from its liability for the Goods and from its duty to duly identify and inform BMTA of possible flaws in the technical specifications in writing.
- 8.4. Supplier shall not substitute or modify any of the materials in the Goods or make any changes to the design of or specifications for the Goods without BMTA’s prior written approval.
- 8.5. The Supplier will at the request of BMTA provide BMTA, free of charge, with all drawings, manuals, technical specifications and other information necessary to enable BMTA to readily use and maintain all the Goods and parts thereof, as well as to carry out standard repairs, and to make product assembly and start-up possible. Any information directly, or indirectly derived from BMTA supplied Specifications, shall become the full and unrestricted property of BMTA. 8.6. At expiry or termination of the Agreement, BMTA will have the right to present the designs and other documents of the Supplier to the new supplier in order to enable the latter to make the Goods.
- 8.7. If, for the fulfilment of the Purchase Order, models, dies, fixtures, tools and/or other equipment (“**Tooling**”) are made available by BMTA or are made or purchased by the Supplier entirely or mainly at BMTA’s expense, all such Tooling shall remain, or as the case may be, become the property of BMTA. The Supplier undertakes to keep such Tooling and the drawings related thereto for the benefit of BMTA at Supplier’s own expense and risk. The Supplier shall ensure that all Tooling is maintained, repaired and replaced, at its own expense and risk. Supplier shall insure all Tooling, at its own expense, against loss, theft, natural disaster, damage and casualty.

9. SERVICE PARTS

The Supplier shall be responsible for subsequent delivery of Goods to BMTA after delivery of the initial Purchase Order, and the service parts needed to fulfil subsequent Purchase Orders, for at least 15 years after the last serial delivery of a Good to BMTA for serial production, or such time as specified in the MSA or Purchase Order. The last price valid for the (serial) production shall apply to the service parts for a period of three years after the end of (serial) delivery, after which period the price shall be reasonably renegotiated on the basis of a cost analysis. If this is no longer possible on account of winding-up, bankruptcy or a similar event, or due to a Force Majeure event, the Supplier shall be obliged to immediately deliver to BMTA at no cost, all drawings, tools, equipment, etc., that it has used for the fulfilment of its contractual obligations, and to do so as soon as practically possible.

10. SUPPLIER’S WARRANTIES

- 10.1. Supplier warrants full and unrestricted title to BMTA, and/or BMTA’s Customer(s) where appropriate of any and all Goods and Services furnished by Supplier under the Purchase Order that such Goods and Services are free and clear of any and all liens, restrictions, reservations, security interests, and encumbrances.

- 10.2 The Supplier undertakes and warrants that the supplied Goods and/or Services : (i) will be of good quality and workmanship and fully comply with the quality, description, performance specifications and other particulars stated or referred to in this Agreement and/or Purchase Order or related documents; (ii) shall be fit for the purpose for which they were made, produced or performed, for which they are ordinarily used and for any purpose which BMTA has disclosed to the Supplier; (iii) shall be free of any defects, apparent or hidden, including but not limited to defects in design, materials and workmanship, defects in the aesthetic quality or appearance, and any defects resulting in poor performance of the Goods (fair wear and tear and misuse by BMTA excepted); (iv) will not infringe any Intellectual Property rights of third parties; (v) are new and unused at the date of Delivery and are composed of new and unused sub-parts and/or raw materials, whereby the Supplier will only use parts, components, products and raw materials of which the seller and/or the manufacturer can be identified; (vi) are free and clear of any and all liens, security interests and other encumbrances; (vii) have the qualities represented by any sample or model Supplier furnishes to BMTA; and (viii) at the time of the delivery comply with the appropriate legal requirements and governmental regulations applicable in the country of manufacturing, shipment and destination and other by BMTA identified countries.
- 10.2. In performing its obligations under this Agreement, the Supplier warrants that it shall comply with (i) all applicable laws and regulations; (ii) BMTA's policies and procedures; (iii) all relevant national and international standards and codes of practices in relation to the performance of the Services and in relation to the design, manufacture, packaging, labelling, transportation and delivery of the Goods; and with (iv) any certification, approval or registration concerning assurance of the quality of the Supplier's systems, procedures, processes, business practices and production (Quality Assurance Certification) which BMTA reasonably requires the Supplier to hold or which the Supplier held at the commencement date.
- 10.3. Unless otherwise expressly agreed in the Purchase Order, the warranty period shall be the longer of (i) thirty-six (36) months from Delivery; (ii) twenty-four (24) months after the Goods have been shipped as such or as parts of the BMTA products to the BMTA customer], (iii) expiration of any warranty applicable to the Goods provided by BMTA to BMTA's customer; or (iv) the date of expiration of any warranty period provided under applicable law, without prejudice to the Supplier's liability pursuant to applicable law for hidden defects which become apparent only after this warranty period. The warranty shall endure even in case the Goods will be built into another item/machine or merged with other Goods.
- 10.4. The Supplier undertakes to repair, replace or re-perform, as quickly as possible, any defect or defective Good and/or Service, all related costs being at the expense of the Supplier. If the Supplier refuses to meet its obligations of repair or replacement in due time, BMTA has the right, without prior written permission of the Supplier to proceed with the necessary repairs or replacements by a third party at the cost and risk of Supplier, and/or to terminate the Purchase Order and/or Agreement.
- 10.5. The parts that are replaced/repared shall be guaranteed under the same conditions and for the same period as the original Goods.

11. QUALITY ASSURANCE

- 11.1. The Supplier shall ensure the quality of its Goods and Services through the implementation of an adequate quality assurance system such as ISO 9001 et seq., NADCAP or similar, and by means of quality assessments and inspections as defined in BMTA's Quality Requirements (www.bmtaerospace.com/supplier-terms-conditions)
- 11.2. BMTA shall be entitled to require proof of Supplier's quality assurance system, including the right to audit Supplier's quality management system at any time at Supplier's premises. No audit or inspection by BMTA shall relieve Supplier of any of its responsibilities under the Purchase Order or Agreement.
- 11.3. The Supplier shall pass on the obligations according to this Clause 11 to its suppliers and verify compliance within the supply chain.
- 11.4. Supplier shall not be allowed to change the Goods/Services (including any changes to design, material and/or specifications), the production processes and /or the production/manufacture/assembly location without BMTA's prior written consent.

12. BMTA RIGHTS TO TAKE OVER THE WORK

- 12.1 If, in BMTA's opinion, Supplier fails to perform the work with the diligence necessary to ensure timely completion, or to comply within the quality requirements, BMTA may order Supplier to work overtime and/or employ additional workers, equipment, or machinery, at no expense to BMTA. If Supplier fails to comply with these requirements within seven (7) days of receipt of such Purchase Order, BMTA shall have the option, but not the obligation, to take over the work and employ any other person, firm, or entity to finish the work, or otherwise finish the work by whatever method BMTA may deem expedient. In this event, Supplier shall receive no further payment until the work is wholly completed. BMTA shall deduct any expenses, including reasonable attorney fees and costs, incurred in the completion or correction of the work from any remaining payments to Supplier

under the Purchase Order. If BMTA expenses are less than the remaining payments to be made to Supplier, BMTA shall pay Supplier the balance. If BMTA expenses are more than the remaining payments to be made to Supplier, Supplier shall pay the difference to BMTA upon demand.

13. LIABILITY AND INDEMNITY; INSURANCE

- 13.1. To the extent permitted by applicable law, Supplier shall indemnify and hold harmless BMTA and its respective owners, directors, officers, employees, agents, contractors, customers, successors and assigns, against and from any liability, cost, claim, expense (including reasonable attorneys' fees and expenses) or any loss or damage of any other kind whatsoever including, without limitation, any material or immaterial damage in the form of personal injury, illness or death to any person or damage to any property, arising from or in connection with, whether directly or indirectly : (i) any breach or failure to perform the Purchase Order and/or Agreement by the Supplier, its employees, agents or subcontractors; (ii) any supply of Goods and/or Services which does not meet the requirements set out in the Purchase Order or Agreement; (iii) any infringement or alleged infringement of any Intellectual Property rights caused by any kind of use of the Goods or Services ; and (iv) any claim made by a third party against BMTA in connection with, relating to or arising from the Goods and/or Services delivered by Supplier.
- 13.2. PATENT INDEMNITY: Supplier agrees, at its own expense, to defend any suit or action against BMTA or against those selling or using the Goods or Services covered by the Purchase Order for alleged infringement or patent or invention rights arising from the sale or use of such Goods or Services and to indemnify and save BMTA harmless from any damages, liabilities, claims, losses, and expenses (including reasonable attorneys' fees) paid or incurred by BMTA in connection with any such suit or action, whether against BMTA or against those selling or using the Goods or Services covered by the Purchase Order; provided, however, that the indemnity shall not apply to any such damages, liabilities, claims, losses or expenses arising out of compliance by Supplier with designs furnished by BMTA. In case the item in such suit is found to infringe and the use thereof enjoined, Supplier shall, at its own expense, either procure for BMTA the right to continue using it, or modify it so that it becomes non-infringing.
- 13.3. INSURANCE: Supplier shall maintain in force, and upon request shall provide evidence of, adequate liability insurance and statutory worker's compensation/employer's liability insurance with reputable and financially sound insurer in amounts not less than industry standard or what is set forth in the Purchase Order or Scope of Work. The Supplier shall also provide a certificate of the insurance it has engaged in covering any possible recall of Goods or BMTA products due to an error or defect or fault in the Goods delivered by Supplier. Nothing contained in this Clause 13 shall relieve Supplier from any of its contractual or other legal liabilities. Insurance maintained by Supplier shall not be construed as a limitation of Supplier's liabilities to BMTA under this Agreement. Each policy of insurance shall name BMTA and BMTA Customer(s), where appropriate, as additional insureds and shall provide for thirty (30) days' notice of cancellation to BMTA. Certificates evidencing such insurance shall be delivered to BMTA as a condition of commencing work on any Purchase Order and on a yearly basis thereafter.
- 13.4. If, as a result of a default or of a tort committed by the Supplier, BMTA has a claim for damages against the Supplier, BMTA is entitled to suspend, without interest payment, its debts or possible liabilities which may exist out of the Purchase Order or the Agreement, or out of previous or subsequent contracts for which there are no disputes between the parties, until parties have reached a mutual agreement on the claim for damages or a decision from the competent jurisdiction as per Clause 20 has been issued.

14. INTELLECTUAL PROPERTY RIGHTS

- 14.1 "Intellectual Property" means all (i) inventions (whether patented or not), trade secrets, know-how, technical information, data, design drawings, designs, specifications; (ii) all works of authorship, including documents, drawings, software, software documentation, photographs, videotapes, sound recordings and images; and (iii) patents, patent applications, utility models, industrial designs, trade names, trade-marks, copyrights and respective applications, renewals, extensions, and restorations.
- 14.2. To the extent that any Intellectual Property is embodied in or relates to the Goods or Services, the Supplier grants to, or will procure for BMTA from the owner of that Intellectual Property a perpetual, irrevocable, royalty free, transferable, non-exclusive licence to use the Intellectual Property in relation to the Goods and Services.
- 14.3. The Supplier shall not mention or use the trade-name, trade-marks or products of BMTA for referential or advertising purposes without the prior written consent of BMTA.
- 14.4 Supplier shall not use, duplicate, or transfer the Confidential Information and Intellectual Property of BMTA to any affiliate or third party for any purpose except to accomplish the production objectives of this Purchase Order. Supplier shall not reverse engineer the Products and/or components owned and/or contributed by BMTA.

- 14.5 Supplier shall not place any identifying markings on BMTA's drawings, prints, or its Products, unless required by law or regulation, without the prior written permission of the BMTA.

15. CONFIDENTIALITY

- 15.1. The terms and conditions of any separate Non-Disclosure Agreement, entered into by the Parties shall apply to the Purchase Order, and is incorporated by reference as if fully set forth here. In the absence of such a nondisclosure agreement, Supplier agrees that: (i) all information, whatever its nature, provided in any way whatsoever by BMTA to Supplier is and shall remain the property of BMTA; (ii) such information shall be treated as proprietary and confidential; and (iii) Supplier shall restrict disclosure of such confidential information to such of its employees, agents, advisors or sub-contractors on a need to know basis for the purpose of the execution of its obligations under this Agreement and/or Purchase Order. The Supplier shall ensure that such employees, agents, advisors or sub-contractors are subject to and comply with the same obligations of confidentiality as applicable hereunder (or in any separate nondisclosure agreement entered into by the Parties) and shall be liable for any unauthorized disclosures by it or its employees, agents, advisors or subcontractors.
- 15.2. The Supplier shall use such confidential information solely for the purposes of performing its obligations under this Agreement and must take all steps reasonably necessary to guard against unauthorised disclosure, misuse, or access to such Confidential Information during the term of this Agreement, and for a period of 10 years after the expiry or termination of the Purchase Order.

16. SUSPENSION AND TERMINATION

- 16.1. **Stop Work:** At any time by Notice, with or without cause, and at no cost, BMTA may require Supplier to stop all or any part of the work under a Purchase Order for up to hundred and eighty (180) days ("Stop Work Order"), and for any further period as mutually agreed. Immediately upon receipt of a Stop Work Order, Supplier will comply with its terms. At any time BMTA may, in whole or in part, either cancel the Stop Work Order or terminate the work under the Termination for Convenience article (subsection 16.2 below). To the extent the Stop Work Order is cancelled or expires, Supplier must resume work within ten (10) days after receipt cancellation or expiry of such Stop Work Order. Supplier shall have no further claim against BMTA, BMTA's Customers for damage or loss resulting from such Stop Work Order, including loss of profit or business opportunity, indirect, incidental, consequential or liquidated damages. During such Stop Work period, Supplier shall properly care for, protect and insure all work in progress and materials, supplies and equipment Supplier or its suppliers have on hand for performance of the Purchase Order or Agreement.
- 16.2. **Termination for Convenience:** BMTA may terminate performance of all or part of the Purchase Order at any time, by providing written notice, for its convenience. Upon receipt of such notice, Supplier shall stop all work on the terminated portion of the Purchase Order and place no additional orders. Upon termination pursuant to this Article 16.2, Supplier shall be entitled to make a claim for the following amounts: (i) the contract price for all Goods/Services that have been completed in accordance with the Purchase Order and not previously paid for; and (ii) the actual costs of work-in-process and raw materials purchased in accordance with BMTA's fixed window and in relation to the Purchase Order; to the extent such costs are reasonable and properly allocable or apportionable to the terminated portion of the Purchase Order, and provided that Goods, or raw material is no longer marketable by Supplier or can be returned to its suppliers. Any request for payment submitted by Supplier must be submitted within thirty (30) days of notice of such termination for Convenience, and must include sufficient supporting data, including without limitation such supplemental information as BMTA may reasonably request. Failure to submit claim for terminations beyond this period will be deemed as waiver of claims. Any payments made under this Clause will not exceed the aggregate price payable by BMTA for finished Goods under the terminated Purchase Order. Without limitation of the foregoing, BMTA has no liability to Supplier for lost profits, unabsorbed overhead, capital investments, interest expense, facilities and equipment rearrangement costs, product development and engineering costs, unamortized depreciation costs, penalties or general administrative charges.
- 16.3. **Termination for Cause:** Without affecting any other right or remedy available to it, BMTA shall have the right to terminate the Agreement and/or any Purchase Order at any time by giving the Supplier notice to that effect, effective on the date specified in the notice, in case of: (i) a material breach by the Supplier of its obligations under a Purchase Order and/or this Agreement; and Supplier's failures to take effective remedial action within one (1) month as from receipt of notice specifying the breach and requiring its remedy; (iii) if the Supplier dissolves, liquidates, winds up its affairs or is adjudicated bankrupt (or any similar proceedings); (iv) if an event of Force Majeure occurs and exceeds thirty (30) calendar days. BMTA will have no liability to Supplier if BMTA cancels or terminates the Purchase Order (or portion thereof) because of a default or breach by Supplier or for any other termination for Cause, without prejudice to BMTA's right to recover any and all damages or other accrued rights.

- 16.4 Upon expiration or earlier cancellation or termination, Supplier agrees to take such action as may be reasonably required by BMTA to accomplish the transition from Supplier to an alternative supplier. Supplier shall immediately and at Supplier's expense safely return to BMTA all BMTA property (including any Tooling in good condition reasonable wear and tear excepted, documentation, data, and BMTA Intellectual Property).
- 16.5 **Consequences of Termination.** In the event of termination for cause, BMTA may complete the performance of the Purchase Order by such means as BMTA selects, and Supplier shall be responsible for any additional costs incurred by BMTA in so doing. Supplier shall deliver or assign to BMTA any raw material or work-in-progress as BMTA may request. Any amounts due Supplier for Goods and Services provided by Supplier in full compliance with the terms of the Purchase Order prior to such cancellation shall be subject to full setoff against BMTA's additional costs of completing the Purchase Order and other damages incurred by BMTA as a result of default. Waiver by BMTA of any default of Supplier shall not be considered to be a waiver by BMTA of any provision of the Purchase Order or of any subsequent default by Supplier. As an alternate remedy, and in lieu of termination for default, BMTA, at its sole discretion, may elect (i) to extend the delivery schedule, and/or (ii) to waive other deficiencies in Supplier's performance, in which case there shall be an equitable reduction in the Purchase Order price. The rights and remedies of BMTA provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Purchase Order.

17. FORCE MAJEURE

Neither Party shall be liable for any delay in performing or for failure to perform its obligations under a respective Purchase Order if the delay or failure results from an event of "Force Majeure." For clarification, "Force Majeure," includes, but is not limited to, acts of God, acts of the Government in either its sovereign or contractual capacity, epidemics or pandemics, fires, flood, tornados, earthquakes, quarantine, embargos, blockade, national strikes, war, terrorism, or civil disobedience. The failure of any of Supplier's Subcontractors or suppliers to furnish labour, Services, Goods or equipment, through no fault of its own, shall be considered an event of Force Majeure. Provided that (a) such Force Majeure event prevents the affected Party from substantially performing the respective Purchase Order, (b) the affected party has taken all reasonable precaution, due care and alternative measures, and (c) the affected Party provides notice to the other Party of the respective event of Force Majeure as soon as possible following the occurrence of such event, but in no case more than three (3) calendar days following the occurrence. The affected Party shall use its reasonable efforts to minimise the effects of any event of Force Majeure. It is understood and agreed that the following events will not constitute an event of Force Majeure: lock-out, failure of Supplier's subcontractors or suppliers to timely furnish labour, services, raw materials or equipment (unless such failure is directly due to a "Force Majeure" event), social unrest and/or a local plant strike.

18. HEALTH & SAFETY

- 18.1. The Supplier shall ensure its Goods and Services meet all applicable environmental protection, security, accident prevention and work safety regulations (machinery and labour) in effect in order to avoid or reduce harmful impacts on individuals and the environment.
- 18.2. The Supplier shall present duly completed material safety data sheet (MSDS) for all chemicals and hazardous Goods supplied under the Agreement, and, if applicable, ensure that it will comply with the requirements of the EU Regulation on chemicals (REACH). See Section 23.3 below.
- 18.3. Supplier shall implement appropriate measures in its organisation and its supply chain to ensure that the Goods to be supplied to BMTA do not contain 'conflict minerals' within the meaning of sections 1502 and 1504 of the US Dodd-Frank Act (as such Act may be amended from time to time), such minerals including, but not limited to, columbite-tantalite, tin, wolframite, gold and their derivatives, originating from the Democratic Republic of Congo and its neighbouring states.

19. DISASTER RECOVERY PLAN

Disaster Recovery Plan. The Supplier shall develop and maintain a Disaster Recovery Plan acceptable to BMTA for the recovery and continuation of business related to the supply, design, development, certification, manufacture, sale, use and/or support of the Products and/or Services furnished hereunder, in the event of a disaster or emergency. The Disaster Recovery Plan shall, among other things, prevent or limit the interruption of the supply of Products and/or Services in conformity with the requirements set forth herein. The Disaster Recovery Plan shall contain at a minimum, provisions for a risk assessment and business impact analysis, a prevention/mitigation plan, and a resumption of services plan, including a recovery/restoration plan. Supplier shall furnish a copy of Disaster Recovery Plan to BMTA upon request.

20. DATA PRIVACY

- 20.1. Within the framework of this Agreement, BMTA will be processing personal data of representatives or identifiable contact persons within Supplier's organization, such as their name, address, phone number and e-mail address. This processing shall occur for the purposes of properly performing this Agreement and for

organizing and maintaining a proper Supplier administration within BMTA.

- 20.2. The personal data of representatives or identifiable contact persons within Supplier's organization may be shared with IT service providers, hosting providers, other entities within the BMTA Group to which BMTA belongs, public authorities, and advisors (legal, tax, HR). It shall be stored for as long as necessary for the purposes described above, and in any event for a period of ten (10) years as from the termination of this Agreement, or if conflicting, to the applicable statute of limitations.
- 20.3. Supplier shall inform its representatives or identifiable contact persons of the processing of their personal data by BMTA, including their associated rights e.g. the right to request access to and rectification or erasure, to restrict processing, to object processing, the right to data portability as well as the right to lodge a complaint with the relevant Data Protection Authority.

21. APPLICABLE LAW AND JURISDICTION

- 21.1. All issues, questions and disputes concerning or arising out of the validity, interpretation, enforcement, performance or termination of the Agreement or any Purchase Order(s) shall be governed by and construed in accordance with the substantive laws of Romania, without giving effect to any other choice of law or conflict-of-laws rules or provisions. The application of the 1980 UN Convention for International Sale of Goods is hereby expressly excluded.
- 21.2. In the event of disputes, parties irrevocably submit to the jurisdiction of the court(s) sitting in Bruges, Belgium.

22. RECALL AND FIELD SERVICE CAMPAIGNS:

- 22.1 To the extent that any field campaign or recall is attributable to Supplier's Products, Supplier shall indemnify and hold BMTA harmless against all loss, liability, cost, or expense incurred by BMTA arising out of the repair, replacement, or refund of the purchase price of such Products or the end product of its customer and/or end user. This indemnity shall apply if the recall, repair, replacement or refund (a) is required pursuant to applicable statutes, laws, or regulations or (b) BMTA's customer or end user, or c) in BMTA's reasonable commercial judgment is necessary to preserve BMTA's commercial reputation as a supplier of reliable, high quality products. If the Parties cannot attribute sole cause for the field campaign or retrofit to the Suppliers Product, then the BMTA will share responsibility and allocate all such costs and expenses in an equitable manner. If they cannot agree on such allocation, then the matter can be resolved by referral to the alternative dispute procedures set forth in Clause 29.
- 22.2. Supplier will cooperate with BMTA to determine the appropriate field campaign and/or retrofit procedures, undertake all necessary obligations, perform all necessary repairs, modifications, field campaigns or replacements, and assist BMTA as may be required of it under applicable law or regulation; and the parties will cooperate with and work together in good faith to minimize the parties' financial exposure as part of the recall.

23. CODE OF CONDUCT; COMPLIANCE WITH LAWS AND REGULATIONS:

Within the scope of corporate responsibility, the Supplier confirms that it respects the statutory provisions, including the laws on the protection of the environment, employment laws (e.g. applicable laws on the general minimum wage, timely payment of wages, no employment of illegal staying residents, no child or forced labour) and regulations regarding the health of employees.

- 23.1 **CODE OF CONDUCT; ANTICORRUPTION.** Supplier represents, warrants, and covenants that Supplier will comply with all BMTA compliance requirements, including the Sarbanes-Oxley Act of 2002, the Foreign Corrupt Practices Act of 1977, the UK Anti-Corruption Act, and BMT's Supplier Code of Conduct, which could be found at _____ [insert link]. In addition, the Supplier shall: (a) comply with BMTA's Environmental, Health, and Safety rules and requirements; (b) provide a safe, clean and healthy work environment for its employees and will ensure that Supplier's workplace is in compliance with all local health, safety and environmental laws and standards; (c) that all employees are adequately trained for their respective jobs; (d) does not engage in Human Trafficking, as that term is defined in FAR Part 52.22-50, as required by DFARS Part 252.222-7007, and (e) not use slave labor or child labor and will comply with all applicable local laws.
- 23.2 **EXPORT CONTROL.** The parties shall comply with all federal, state and local laws and regulations that apply to their respective obligations under the Agreement, and to the extent the Purchase Order includes any goods, technology, or technical data sourced from the United States, the Supplier shall comply with all federal, state and local laws and regulations that apply to its obligations under this Agreement, including without limitation, the Wassenaar Arrangement, all US export control and ITAR laws and regulations, including the Arms Export Control Act, 22 U.S.C. 2751-2794, including the International Traffic in Arms Regulation (ITAR), 22 C.F.R. 120 et seq.; and the Export Administration Act, 50 U.S.C. app. 2401-2420, including the Export Administration Regulations, 15 C.F.R. 730-774, and other applicable international trade regulations (collectively, "Export Control Laws"). Without limiting the foregoing, the Supplier will not export, re-export or transfer any export-controlled

item, data, information, Proprietary Information, or services, except in compliance with the licensing and other applicable requirements of the aforementioned export control laws and regulations. Without limiting the generality of the foregoing, Supplier shall cooperate with BMTA in responding to any audits regarding such compliance by BMTA or its Customer(s).

23.3 REACH.

23.3.1 Through the performance of the Purchase Order, the Supplier guarantees to the Purchaser that the Product will comply with any and all applicable regulations and standards in force in the country where the Product or Service is delivered or rendered to the Purchaser, and in any other country where the Supplier has been informed that the Product will be used prior to manufacture of the Product. Among other things, Supplier warrants that it will comply with REACH regulation, if applicable.

23.3.2 Supplier represents and warrants that each chemical substance constituting or contained in the Goods is pre-registered if required, and registered if required, under Regulation (EC) No 1907/2006 ("REACH"), is not restricted under Annex XVII of REACH and if subject to authorization under REACH is authorized for Purchaser's use. will be conducted in conformance with this article.

23.3.3 With respect to the Goods, Supplier shall provide all relevant information, including without limitation, safety data sheets in the language and the legally required format of the location to which the Goods will be shipped and mandated labeling information, required pursuant to applicable requirements, such as: (1) the Occupational Safety and Health Act (OSHA) regulations codified at CFR Title 19 §1910.1200; or (2) REACH or EU Directive 67/548/EC, as amended, if applicable.

23.3.4 The Supplier shall hand over upon delivery or hand over at first demand by BMTA, the certificates required by the applicable regulations and relating to the Goods.

23.4. Conflict Minerals. Buyer has customers who are subject to the Dodd–Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203, H.R. 4173), and Buyer is required to certify the existence of any conflict minerals (tantalum, tin, tungsten, and gold) in products to be provided to its customers, and is also required to flow down this requirement to its suppliers as part of its Subcontract or Purchase Order. Supplier will include as part of its proposal a Supplier's Conflicts Mineral Certification (CMRT Form). The certification will identify the country of origin of any conflict minerals, whether the conflict minerals came from scrap or recycled sources, whether the conflict minerals came from a covered country (Democratic Republic of Congo, Burundi, Central African Republic, Tanzania, Zambia, Angola, Rwanda, South Sudan, and Uganda), whether the conflict minerals from the covered countries directly or indirectly finance armed groups, and Supplier's process for determining and verifying the information provided. If there are any changes to Supplier's supply base in regard to this part that affect this certification, Supplier is required to send an amended certification to Buyer's point of contact. Buyer reserves the right to request any additional information on Conflict Minerals associated with this Subcontract or Purchase Order necessary to comply with its legal requirement and Supplier will make good faith efforts to provide the requested information.

23.5 Compliance with Anti-Human Trafficking Laws:

23.5.1 The Supplier agrees to comply with all applicable laws and regulations related to human trafficking, including but not limited to: (i) the United States' Trafficking Victims Protection Act (TVPA), as amended, (ii) England's Modern Slavery Act, and (iii) the European Union's Directive 2011/36/EU on Preventing and Combating Trafficking in Human Beings and Protecting its Victims, and any other relevant federal, state, or local laws.

23.5.2. The Supplier will: i) not use forced labor, child labor, or engage in any form of human trafficking; ii) conduct due diligence to ensure that its own suppliers and subcontractors adhere to the same standards regarding human trafficking; iii) take all necessary measures to prevent and eliminate human trafficking in its operations and supply chain; iv) provide an annual certification that it has implemented policies and procedures to ensure compliance with anti-human trafficking laws; v) report immediately to BMTA any information indicating a violation of anti-human trafficking laws within its operations or supply chain; and vi) The Supplier shall cooperate fully with any investigations related to allegations of human trafficking.

23.5.3. Audits and Remedial Actions:

i. BMTA reserves the right to verify the Supplier's compliance with this clause through audits, inspections, or other reasonable means, and ii) in the event that the Supplier is found to be in violation of anti-human trafficking laws, BMTA reserves the right to take appropriate remedial actions, which may include termination of the subcontract.

23.6. Non-Use of Russian Steel

23.6.1. Supplier will not purchase or source any steel or steel products or include in any steel or steel products sourced or purchased by it, directly or indirectly, that:

- Originate from Russia,
- Are mined, manufactured, processed, or refined in Russia, or
- Contain any Russian steel content, regardless of the final origin of the finished product.

23.6.2. Furthermore, Supplier shall take all reasonable commercial efforts to ensure compliance with this clause, including:

- Implementing an internal control program to track the origin and content of all steel used in products purchased by Supplier;
- Obtaining written certifications from its suppliers regarding the origin and content of all steel used in products purchased by Supplier; and
- Conducting due diligence audits of its downstream suppliers as necessary to verify compliance with this clause.

23.6.3. Definitions:

- "Steel" includes all forms of rolled, forged, cast, or extruded steel products, including bars, plates, sheets, pipes, tubes, and alloys.
- "Steel products" means any product that contains steel as a primary component, including machinery, equipment, and other manufactured goods.
- "Russian steel content" means any steel that falls within the definition of "Steel" above that originates from Russia, is mined, manufactured, processed, or refined in Russia, or is part of a product containing Russian steel.

23.6 Government Contracts (Flow downs); NIST; and CMMC Compliance

23.6.1 Buyer will notify Supplier of if its Contract is subject to a contract issued by an agency or instrumentality of the United States Government, including, but not limited to the United States Department of Defense or the Federal Aviation Administration (FAA). Government clauses applicable to this Agreement from Buyer's contract with its customer, if any, may be incorporated elsewhere in the Purchase Order either by attachment or by some other means of reference. Buyer may also provide a separate list of the clauses that must be flowed down to Supplier, and which will be incorporated by reference in the applicable Purchase Order.

23.6.2 Supplier will safeguard all Technical Information including any Controlled Unclassified Information (CUI) that it receives and/or is in possession of during the term of this Purchase Order or Agreement. Supplier will furthermore comply with NIST Special Publication 800-171 Revision 2: Implementing all applicable controls from this publication for protecting Controlled Unclassified Information (CUI) in their systems; take steps to obtain level 2 CMMC 2.0 Certification from an authorized CMMC Assessment Organization (CAO); and if this Purchase Order or Agreement is subject to a Prime Contract issued by the US Defense Department, comply with DFARS Clause 252.204-7012 (Safeguarding Covered Defense Information and Cyber Incident Reporting), and adhere to all cybersecurity and data protection requirements stipulated in this clause. Supplier will upload its self-assessment score in SPRS, if so required, and will provide prompt notification of any potential or actual non-compliance. BMTA reserves the right to verify compliance through audits and access to relevant systems and records of the Supplier to confirm adherence to these requirements.

24. MISCELLANEOUS

24.1. This Agreement constitutes the entire agreement between the Parties in connection with its subject matter and supersedes all previous agreements or understandings between the Parties, whether written or oral, in connection with its subject matter.

24.2. This Agreement and/or any Purchase Order may be altered only in writing.

24.3. The Supplier cannot delegate, assign, subcontract or transfer any of its rights or obligations under this Agreement or under any Purchase Order, either in whole or in part, to any third party or any affiliate(s) without the prior written consent of BMTA. Any subcontracting or delegation of responsibilities will not relieve Supplier from its obligations under the Purchase Order.

24.4. A term or part of a term of this Agreement or of any Purchase Order that is illegal or unenforceable may be severed from this Agreement or Purchase Order and the remaining terms or parts of the term of this Agreement or Purchase Order continue in force.

24.5. BMTA does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of

that or another right, power or remedy.

- 24.6. The Supplier is an independent contractor. None of the provisions of this Agreement shall be interpreted as indicating the intent of the Parties to form a company, association or joint venture. In performing this Agreement, the Supplier shall not be regarded as a representative, agent, attorney-in-fact or employee of BMTA.
- 24.7 All notices, reports, requests, approvals and other communications required or permitted hereunder must be in writing. They will be deemed given when required if: (i) delivered personally, (ii) sent via e-mail, with confirmed receipt, (iii) sent by confirmed telex, (iv) sent by commercial overnight courier with written verification of receipt, or (v) sent by registered or certified mail, return receipt requested, postage prepaid to the addresses set forth in the Purchase Order, or other written agreement. Such notice shall be treated as having been received upon the earlier of actual receipt or five (5) days after posting. All communications must be sent to the receiving party's initial address set forth below or to such other address that the receiving party may have provided for purpose of notice.