

General Terms and Conditions for Purchase

Contracts between Airborne Technologies (ABT) and the Buyer

1. Purchase Price

- 1.1. The Buyer pays the Purchase Price to ABT and ABT sells to the Buyer "The Goods". The Goods might contain aircraft and/or sensor equipment and/or aircraft modifications and certifications and/or technical additions to integrate or accommodate sensor equipment. The Buyer might provide aircraft and/or sensor equipment to ABT for integration.
- 1.2. The purchase price is provided without statutory VAT, which has to be added if applicable. Shipping costs and the costs of transferring the aircraft are not included.
- 1.3. Only the Buyer is to pay all customs duties and taxes, imposed and official deductions in connection with acquisition of The Goods. The Buyer is also responsible for processing them.
- 1.4. ABT is entitled to adjust prices during the execution of the contract in case of changes in involved currency exchange rates of more than 10% since contract conclusion, in case of key supplier's price adjustments caused by contract delays outside the reasonable control of ABT and in case of changes in applicable legal provisions or regulations in relation to this contract. ABT is also entitled to adjust prices if design changes become necessary as a result of the post contract on-site survey.
- 1.5. ABT is entitled to charge additional cost in case Buyer provides improper aircraft and/or improper sensor equipment for contracted modification, installation or certification work or in case Buyer is causing delays by not providing the aircraft and/or sensor equipment.

2. Delivery, Transport

- 2.1. The purchase price and delivery terms apply ex works Wiener Neustadt, Austria (Incoterms 2000 of the International Chamber of Commerce in Paris). The Buyer is obliged to pick up the Goods on his own. The risk of accidental damage or theft or damage to the aircraft is transferred to the Buyer on the scheduled delivery date.
- 2.2. Transport, dismantling aircraft for transport, shipping or transfer of the aircraft in any way, plus training sessions, insurance, licenses and registrations regarding the aircraft, the equipment and the sensor equipment are not included in this contract but are effected exclusively via a separate contract between the parties and at the Buyer's expense and risk.

- 2.3. In case the Buyer instructs ABT to organize shipping of any equipment to ABT, Buyer is responsible for appropriate packing of equipment and ABT is not liable for any damages due to inappropriate packing.

3. Delivery Dates and Cancellation Rights

- 3.1. Deliveries can be made with up to ten months delay due to production-related circumstances. If this term is exceeded, the Buyer has the right to withdraw from the contract after setting a grace period of a further two months. In case of cancellation by the Buyer after such grace period, any payments made will be refunded (interest-free). If the delay applies only to parts of the Goods, the Buyer is only partly entitled to cancel as long as this does not impair airworthiness. Any Buyer's cancellation rights that go beyond this are excluded. Any claims of the Buyer arising from any delivery delays caused by ABT are to be asserted no later than two weeks after handover. Any subsequent assertion of claims is excluded. In case of unjustified cancellation by the Buyer, Buyer has to reimburse to ABT all costs occurred, but not less than 25% of the purchase price.
- 3.2. ABT shall be entitled to rescind from the agreement with a notice period of two months if the Buyer delays one or more payments due in accordance with this contract or if doubts as to the Buyer's creditworthiness arise, if the Buyer fails to meet other contractual obligations on time (such as handing over required documents, providing required information, etc.) or opens bankruptcy proceedings into the Buyer's assets or is barred due to a lack of cost-covering assets. The Buyer is obliged to reimburse any costs incurred by that date and any damages to the full extent.
- 3.3. If the aircraft provided by the Buyer for ABT's certification work is not in airworthy or certified condition, or if the equipment is not proper to be integrated, ABT is not liable for non-performance of the contract (e.g. certification). If such situation turns out during the performance of the contract, Buyer has no right to withdraw from the contract and has to pay the purchase price in full. Any additional costs occurring from the situation described in 3.3. have to be borne by the Buyer.
- 3.4. If delivery is delayed due to force majeure, which includes in particular sovereign denials, sovereign acts, fire, storm, explosions, internal unrest, war, strikes, lock-outs or loss of key supplier or as the result of official decrees and/or obligations or any required alterations to the aircraft or sensor equipment that become necessary, cancellation is excluded. The Buyer's claims against ABT, of whatever kind, are excluded in the case of delays due to such force majeure. In case of force majeure event, ABT and the Buyer shall use its best common efforts to achieve the most suitable solution for both parties.

4. Handover, Default in Acceptance

- 4.1. The Goods are handed over at the premises of ABT to the Buyer or the person authorized by the Buyer by signing the record of delivery. When handed over, the Buyer should check the aircraft thoroughly and immediately report any defects in writing, otherwise the aircraft is considered accepted free of defects.
- 4.2. The Buyer is in default of acceptance without further notice, if he does not accept the Goods on the agreed acceptance day. The Buyer is also in default of acceptance if he does not provide Buyer's own aircraft, sensor equipment or equipment if needed by ABT to deliver the Goods. ABT is entitled at its discretion after a period of two weeks from the agreed handover date either to request acceptance from the Buyer once again or to withdraw from the contract in writing and to dispose of the Goods otherwise. In any case, ABT is entitled to claim any costs and damages from the Buyer due to default and/or storage and/or sale.

5. Payment

- 5.1. In case of default of payment, 10% default interest p.a. is charged. Claims for any damages beyond this remain unaffected.

6. Retention of Title

- 6.1. The Goods remain the property of ABT until the purchase price is paid in full. The Buyer is not permitted to any resale or other disposals such as pledges or transfers of collateral of any Good under lien. In the case of a resale, even contrary to contract or other disposal of the Good under lien, the Buyer cedes already in advance any claims against third parties to ABT for payment; irrespective of this, the Buyer's contractual obligations remain entirely in force. In addition to this, the Buyer even now cedes any claims arising from insurance benefits due to accidental theft or damage of Good under lien to ABT.
- 6.2. The Buyer is obliged to declare any Good under lien at any time vis-à-vis third parties as the property of ABT and to notify ABT immediately of measures, especially official orders related to the Good under lien, and to transmit any information about implementing the ABT' property rights. The Buyer bears the costs of this legally enforced clause.
- 6.3. With default of payment and/or non-fulfillment of other obligations arising from this contract by the Buyer, ABT or its authorized representative or authorized third party is entitled at any time and without the Buyer's consent to collect the Goods in the Buyer's possession at his expense. After retrieving the Good under lien, ABT is entitled to dispose of it at its discretion. The right

of retention is not considered as withdrawal from the contract and does not release the Buyer from his obligations.

7. Warranty

- 7.1. A warranty period of 12 months apply for all Goods manufactured by ABT and for all work performed by ABT.
- 7.2. For the aircraft and/or the sensor equipment the warranty terms of the respective manufacturer apply. The warranty period starts with the physical delivery of the respective aircraft and/or the sensor equipment to ABT. Any liability beyond that by ABT for the aircraft and the sensor equipment are excluded. With regard to the processing of any claims in relation to the aircraft and sensor equipment the Buyer should contact only the respective manufacturer directly. Besides this, no further warranties, guarantees or other rights are granted, neither exclusively nor implied, in particular no promise that the aircraft, equipment or sensor equipment or parts thereof are usable or fit for a specific purpose.
- 7.3. In case the aircraft or sensor equipment or parts thereof are not operated, maintained and/or stored in accordance with the requirements, instructions, servicing, maintenance and storage of the respective manufacturer or if work has been carried out on the aircraft or sensor equipment by non-authorized third parties, any claim arising from the guarantee/warranty is excluded. The evidence in this regard is incumbent on the Buyer.
- 7.4. For defects that occur due to incorrect treatment or noncompliance with maintenance or operating instructions, due to natural wear and tear or due to accident, all claims are excluded.
- 7.5. Furthermore, claims for defects that have occurred due to force majeure (such as sabotage, riots, war, environmental disasters, vandalism, etc.) are excluded.
- 7.6. Changes to and/or interventions of any kind in the aircraft, equipment or sensor equipment, which are not expressly recommended or required by ABT or the respective manufacturer, exclude any claim.
- 7.7. Finally, any claim is excluded, if the Buyer fails to keep complete records of operation and maintenance of the aircraft and/or sensor equipment and/or fails to provide these records to ABT and the respective manufacturers.
- 7.8. Within five days of a defect occurring, the Buyer must inform ABT in writing. Defects in relation to the aircraft or sensor equipment or respective part must be sent in writing to the respective

manufacturer. The process of dealing with and eliminating defects is carried out exclusively by the respective manufacturers in accordance with their respective warranty terms.

7.9. ABT will not bear any transport, delivery and other costs incurred in conjunction with warranty provided. The Buyer bears the risk of transport and is responsible for transport to the respective manufacturer.

7.10. Any rights pertaining to the Buyer arising from the warranty may be transferred to subsequent owners of the aircraft, as long as an appropriate written declaration signed by the Buyer and new owner is issued to ABT and the respective manufacturer.

8. Liability

8.1. The liability of ABT, its constituents, representatives, employees and assistants arising from or in conjunction with this contract is excluded as long as there is no urgent statutory liability due to intent or gross negligence. This does not apply to personal injury. For indirect and subsequent damages plus lost of profit, any administrative fines, loss of usability for the aircraft, equipment or sensor equipment, restriction of the purpose or area of use of the aircraft, equipment or sensor equipment are excluded in each case. ABT liability is restricted to the purchase price amount (net) of the purchased item that causes the damage. Any claims for damages expire no later than six months from becoming aware of the damage or five years after delivering the aircraft.

8.2. Any kind of aircraft modification or equipment installation can lead to limitations of flight performance or flight envelope of the aircraft. Any liability of ABT hereof is excluded.

8.3. It is the responsibility of the Buyer to insure all aircraft and/or equipment which the Buyer places to ABT's disposal for modification, integration and certification work. Such hull insurance shall cover the risk of transport, storage risk, the risk of improper handling and the risk of system and flight tests.

8.4. Some of the items offered or sold may be controlled items and classified as dual-use/military/war material/ITAR goods and technologies and may require approval from Austrian and/or US authorities as applicable. When requested, it is the responsibility of the Buyer to provide ABT with an end-user declaration. While ABT will use its best efforts to ensure the timely receipt of such licenses, ABT accepts no responsibility for any delay in delivery caused by delays in receipt or approval of such export licenses/certificates.

9. Other Terms

- 9.1. The Buyer is not permitted to offset the Buyer's counter claims, if they have not been legally determined or acknowledged in writing by ABT. Any retention right by the Buyer is excluded. The Buyer is only entitled to assign rights and obligations arising from this contract following the prior written consent of ABT. The Buyer is also only entitled to resell the aircraft, equipment and sensor equipment following ABT' prior written consent.
- 9.2. The place of payment and fulfillment for all obligations arising from this contract is Wiener Neustadt. This agreement and any disputes arising from it or connected with it including its applicability and termination shall be governed by Austrian law, except for its conflict of law rules and the UN Convention of the Sale of Goods. However, ABT is also entitled to file lawsuits to secure aircraft, equipment and sensor equipment under lien at other locally responsible courts.
- 9.3. ABT and the Buyer shall at all times keep confidential, treat as privileged, and not directly or indirectly make or allow any disclosure of, access to, or use of, any provision of this contract or any information relating to any provision or subject matter of this contract, or any information directly or indirectly obtained from another party under or in connection with this contract.
- 9.4. Only Austrian property law applies while excluding conflicting laws and the CISG.
- 9.5. There are no oral side agreements. Any changes and additions to this contract must be made in writing to be valid, which equally applies to relinquishing the written form requirement.
- 9.6. The Buyer's data acquired in the context of this contract are automatically recorded and processed by ABT and forwarded in line with the business purpose to responsible dealers, manufacturers, insurers, refinancing banks or insurance companies or authorities at home and abroad. The Buyer consents explicitly to this use, processing and transmission of data. The Buyer must notify ABT in writing and without delay of any changes to his name, company, address, legal form or point of payment.