# General Terms and Conditions of Purchase of OHB System AG



#### 1. Scope

- 1.1. These General Terms and Conditions of Purchase apply exclusively to the purchase and delivery of goods and services from suppliers by OHB System AG (hereinafter referred to as "OHB") as the recipient of these goods and services.
- 1.2. Deviating or supplementary Terms and Conditions of suppliers are not binding for OHB even if OHB does not expressly object to them or the supplier declares that they only wish to deliver based on their Terms and Conditions. Terms and Conditions of the supplier do not become part of the contract as a result of implied acceptance by unconditional acceptance of deliveries and performance or payment made for these by OHB. Terms and Conditions of the supplier are only binding for OHB if they have been expressly confirmed in writing by OHB.

#### 2. Concluding contracts

- 2.1. An order placed by OHB is an offer to the supplier to acquire the goods and services specified in the order (hereinafter referred to as the "contractual items") at the conditions specified in the order. An order may be revoked at any time by OHB before acceptance by the supplier.
- 2.2. The acceptance of an order shall contain all fundamental order information, in particular the exact description of the ordered goods and services, order number, order date, delivery date and price. Alterations or supplements to an order shall be expressly referred to by the supplier in writing. These shall only be components of the contract if they are expressly confirmed by OHB in writing.

#### 3. Scope of services/changes to the scope of services

- 3.1. The scope of services results from information agreed upon when concluding the contract: the specifications, description of services, other information provided to the supplier upon conclusion of the contract and supplemented by, or in the event that such information is missing, the information in the offers by and catalogue of the supplier.
- 3.2. OHB may make alterations to the contractual items after the contract has been concluded within the framework of what is possible and reasonable. In the event of an increase or decrease of costs and alterations to the agreed delivery date the parties shall agree mutual regulations taking into account the agreements already made. If the parties are unable to agree OHB is entitled to terminate the contract if performance of the contract in the original foreseen form is commercially no longer in the interests of OHB for reasons for which OHB is not responsible. If the contractual items have already been delivered the supplier may demand the agreed remuneration.
- 3.3. The supplier guarantees that the contractual items are suitable for their intended use and correspond to the current scientific and technical state-of-the-art. The supplier shall adhere to all relevant norms, statutes and legal regulations (e.g. DIN, VDE (The German Association for Electrical, Electronic & Information Technologies), VDI (The Association of German Engineers) etc.) as per the applicable law, in particular to relevant environmental protection, hazardous substances, hazardous materials and accident prevention regulations (all EU directives also apply here as they have direct effect in German law), shall ensure the safety of the delivery chain in accordance with the applicable customs provisions and shall ensure that all recognised safety-related regulations and OHB norms made known to them are adhered to.

## 4. Sub-contractors

The supplier is not entitled to assign or subcontract the contract or have the contract performed by third parties in whole or in part without the prior written consent of OHB. If the supplier does not comply with the above sentence one OHB is entitled to withdraw from the contract in whole or in part and to claim damages.

## 5. Prices/payment conditions

- 5.1. The agreed prices are fixed prices and exclude any additional charges or price increases of any type, notwithstanding the provisions in section 3.2.
- 5.2. Bank details for the transfer, the place of delivery, the order and material numbers, quantities and individual price of the contractual items shall be stated in every invoice. Furthermore you must provide information entitling the deduction of input tax, in particular tax ID or VAT number, invoice number and other information compulsory on an invoice pursuant to the relevant statutory provisions. Should an invoice not contain this information, OHB is not obligated to pay the stated VAT. If OHB is unable to deduct input tax as a result of an improper invoice the supplier shall repay the paid VAT to OHB.

- 5.3. Payment shall be made by OHB, provided nothing else is expressly agreed, by bank transfer. If payment is made after delivery/acceptance and receipt of invoice a 2% deduction is allowable for payments within 14 calendar days or without deduction within 45 calendar days. Discounts are also permitted in the event of set-off or the justified exercise of rights of retention due to defects.
- 5.4. OHB shall make payments in euro. If invoices are made in a currency other than the euro conversions shall take place in accordance with the official euro reference exchange rate of the European Central Bank at the time the invoice is received.
- 5.5. The supplier is not entitled to assign their receivables from OHB. The supplier is only entitled to set off their claims against OHB or assert a right of retention if and provided that their claims are undisputed or their counterclaim has been legally established.

#### 6. Delivery dates/default

- 6.1. Agreed delivery times and periods are binding. Partial deliveries and advanced deliveries are only permitted with the prior consent of OHB. Time of arrival at the receiving location stipulated by OHB shall be decisive for determining the timeliness of deliveries and services.
- 6.2. If the agreed delivery date is exceeded the supplier shall go into default without requiring a dunning letter. Going into default is not dependent on whether the supplier was supplied on time themselves by third parties.
- 6.3. The supplier shall immediately inform OHB of the reasons and the expected duration of known delays in delivery. The supplier may only rely on a delay in delivery for which they are not responsible if they immediately inform OHB of the reason for the delay. Acceptance of a late delivery does not imply the waiver of claim for damages.
- 6.4. Each time the supplier exceeds a delivery date or delivery period OHB is entitled to claim a contractual penalty of 0.25% of the total net order value per calendar day the date is exceeded, however, a maximum in total of 5% of the net amount as per the final invoice. Multiple contractual penalties shall be totalled together. The provision stated upon acceptance of asserting a claim may be clarified up until the date when the final invoice is due for payment. OHB's additional claims, in particular claims for damages, are not affected by promised contractual penalties. If the supplier proves that no losses or significantly less losses were incurred as a result of non-adherence to the delivery period or the delivery date than the contractual penalties determined in accordance with sentences one and two above, the contractual penalties shall not be applicable or shall be reduced accordingly. The contractual penalties shall be offset against any claims for damages made with regard to default.
- 6.5. If the delivery date or delivery period is exceeded due to circumstances for which the supplier is not responsible, e.g. force majeure or industrial action, OHB may either demand the delivery obligation be performed at a later time or, if these circumstances cannot be remedied within a reasonable time, OHB may terminate the contract without notice. In this case OHB shall be only liable for remuneration for contractual items already delivered in accordance with the contract.
- 6.6. In the event of default on delivery OHB also has rights as per the statutory provisions.

## 7. Delivery terms/transfer of title and risk

- 7.1. The place of performance for deliveries and services of the supplier is the registered office of OHB in Bremen, unless otherwise (e.g. delivering/sending to another receiving location) agreed in writing.
- 7.2. Prices include carriage paid to the place of performance. They include all costs of packaging, shipping, customs charges and transport insurance. The supplier shall properly pack and send the contractual items in accordance with industry standards and due care. If these provisions are not adhered to any damage and losses to the shipment shall be borne by the supplier. The supplier shall solely bear the transport risk.
- 7.3. Packages shall be accompanied by one copy of the conformity or other delivery note stating information about the individual and overall quantities and the gross and net weights. Invoices are not considered to be delivery notes. Order confirmations, delivery notes, transport documents, invoices and all other correspondence shall contain the order number, supplier number, item number, material number and article number. Additional costs incurred by OHB as a result of non-observance of the above regulations shall be borne by the supplier.

# General Terms and Conditions of Purchase of OHB System AG



7.4. For deliveries made without installation or assembly, title and risk shall pass upon arrival of the delivery at the receiving location. For deliveries made with installation or assembly, title and risk shall pass upon acceptance at the place of installation. Transfer of title does not represent an inspection or other acceptance of the contractual items in any way.

7.5. In the event of retention of title by the supplier, title to the contractual items passes to OHB at the latest upon payment. Further retention of title is excluded.

#### 8. Import and export regulations/evidence of origin

The supplier is responsible for adhering to all relevant export control regulations applicable at the time of delivery. The supplier shall obtain all required import or export permits and other governmental consents at their own costs and risk and shall carry out all required customs formalities. The supplier shall voluntarily inform OHB of any collaborative action required in good time and shall support OHB with this. The supplier shall immediately provide duly signed evidence of origin documentation requested by OHB with all the required information.

#### 9. Inspection obligation and obligation to report defects

9.1. With deliveries of large quantities and deliveries of multiple identical or similar contractual items OHB shall satisfy its inspection obligation and obligation to report defects regarding delivered goods by inspecting a representative part of the delivery on a random basis. The inspection shall be carried out within a reasonable time after delivery provided this corresponds to the actualities of normal business operations. This shall cover the quantity and externally visible characteristics of the contractual items. OHB is not obligated to test the function or quality attributes and measures which are not visually identifiable of the contractual items. Any detected defects shall be reported within a reasonable time. The same applies for any hidden defects which are determined later.

9.2. OHB's inspection obligation and obligation to report defects are restricted to that stated in section 9.1. The supplier hereby waives objections to delayed default notification as per section 377 German Commercial Code (HGB).

# 10. Liability for defects

- 10.1. The supplier warrants that all contractual items delivered by them:
  - a) correspond to the current scientific and technical state-of-the-art regarding procedures, facilities, functions and construction and also correspond to the applicable statutory provisions and norms;
  - b) correspond to the specifications in the order;
  - c) are free from defects;
  - d) are not subject to third party rights;
  - e) are of the quality standard for the market and industry and
  - f) are suitable for the specific purpose for which they were ordered, provided the supplier was aware of this or should have been aware of this.
- 10.2. In the event of defects in the contractual items OHB is entitled to the rights in section 437 et seq. German Civil Code (BGB). Should the supplier culpably not comply with their obligation to provide supplementary performance or not do so within a reasonable time, OHB is entitled to remedy defects in the contractual items themselves or to have this done by a third party or to replace the contractual items or to have them replaced by a third party regardless of whether the work was made by the supplier themselves or not. The supplier shall bear the costs of this.
- 10.3. The supplier shall be liable to the same extent for replacement deliveries and work to rectify defects as for the original delivery/service. Warranty periods recommence from the time of replacement delivery.
- 10.4. Defect claims have a limitation period of two years after handover of the item unless a longer limitation period is prescribed by law. Claims by OHB which arise during the warranty period have a limitation period of at least 6 months after when the claim arose, however, not before the end of the statutory limitation period.
- 10.5. The statutory provisions shall apply for construction/property.

## 11. Materials

11.1. All materials provided by OHB, including on a loan basis, for example documentation, models, material, equipment, components, production resources, packaging, tools, measuring instruments, devices or the other items provided which are located with the supplier as intended (hereinafter referred to as "materials") shall remain the property of OHB, unless otherwise expressly agreed or there are mandatory legal

regulations to the contrary. In the event of processing or transformation OHB shall be the sole manufacturer of the new item within the meaning of section 950 para. 1 German Civil Code (BGB). In the event of combining or inseparable mixing with other objects OHB shall acquire co-ownership and the co-ownership shares shall be determined by the ratio of the value of the items at the time they were combined. Section 947 para. 2 German Civil Code (BGB) is waived.

- 11.2. Materials shall be immediately examined and inspected by the supplier; any complaints should be made to OHB immediately in writing. The supplier may only use the materials for manufacturing the contractual items and the supplier may not use them for other purposes, allow third parties to use them or to destroy them without the prior written agreement of OHB.
- 11.3. Materials shall be clearly identified as the property of OHB and the supplier shall keep them safe for OHB free of charge. The supplier shall treat the materials with the usual level of due care and shall maintain them in proper condition at their own cost (maintenance, servicing, partial renewal etc.). The supplier shall bear the risk of loss and damage for materials and items provided unless the supplier was not responsible for the loss or damage. The supplier is obligated to insure the materials at their own cost against all insurable risks (all risk cover) for the amount of their replacement value and to provide evidence of this to OHB on request. In the event of loss or damage OHB may either demand damages or for the supplier's claim against the insurance to be assigned to them

## 12. Quality management/right of access to the supplier

12.1. The supplier shall ensure that they have suitable quality assurance and monitoring procedures in place. The supplier shall keep records of quality monitoring and quality assurance measures and shall provide these OHB on request at short notice. These records shall be kept by the supplier for at least 10 years from compilation. The supplier consents to the audits being carried out by OHB or by an expert commissioned by OHB to determine the effectiveness of their quality assurance system, if necessary with the participation of OHB's customer/client.

- 12.2. The supplier shall allow and enable OHB employees tasked with the inspection of materials and the associated records, clients of OHB and representatives of the authorities or their delegates access to all premises at any time during normal business hours where work is carried out for OHB and their client regardless of whether this is at the premises of the supplier or their sub-suppliers for monitoring progress at the supplier, the associated implementation of audits and inspections and qualifying the supplier. Likewise the supplier shall grant random access to all documentation regarding the contract at the request of OHB's employees.
- 12.3. The supplier is obligated to immediately inform OHB of defective contractual items which are unavailable to be delivered or have already been delivered. OHB may, at their reasonable discretion, demand that the defect to be remedied or that non-defective contractual items be manufactured and delivered.
- 12.4. This section 12 of the Terms and Conditions only applies to contractual items for which there is a mandatory quality management system for example because it concerns products from the aerospace industry.

## 13. Spare parts/delivery readiness

The supplier is obligated to keep spare parts available for the period of the usual life of the contractual items and to supply these to OHB at reasonable conditions. If the supplier ceases to supply the contractual items or the replacement parts the supplier shall give OHB the opportunity to place one last order.

## 14. Protection rights

- 14.1. Upon delivery of a work protected by copyright OHB shall receive a non-exclusive, non-transferable and unrestricted right of use for all types of use including the rights to grant sub licences to the work free of charge.
- 14.2. The supplier shall indemnify OHB against any claims by third parties regarding the infringement of a commercial protection right, copyright or other right regarding the use of the contractual items provided by the supplier and its use in accordance with the contract.

## 15. Confidentiality

15.1. The supplier undertakes to treat all information and documents (which include for example drafts, samples, production resources, models, data carriers, prototypes,

# **General Terms and Conditions of Purchase of OHB System AG**



diagrams, drawings, calculations, knowledge) of OHB which becomes known to the supplier as a result of the business relationship and which was not already generally known as confidential and to not use it for purposes other than those expressly determined by OHB. The information in orders from OHB shall also be kept confidential. Sub-suppliers are also to be accordingly obligated to confidentiality. This does not affect any confidentiality agreements concluded between the parties. The confidentiality obligation shall continue after the end of the business relationship.

- 15.2. And the end of the contract the supplier shall immediately return all documents received from OHB in full including any copies and drawings made thereof or shall destroy these at OHB's request, provided that the supplier is not obligated by law to retain them. OHB is entitled to demand the return of these documents.
- 15.3. The supplier may only reference OHB within the scope of advertising, when providing references or in other publications if this has been expressly agreed in writing by OHB in advance.

#### 16. Rights of retention

The supplier does not have any rights of retention or pledging rights with regard to documents, information, materials or other items provided by OHB unless the counterclaims are undisputed or legally established.

#### 17. Termination

- 17.1 OHB may terminate the contract at any point up until the contractual items have been received in full. If OHB terminates the contract the supplier is entitled to demand the agreed remuneration; they must however allow deduction for the amount they save in costs as a result of the termination of the contract or the income they acquire or wilfully fail to acquire by using their labour elsewhere.
- 17.2. The right to extraordinary termination without notice for cause remains unaffected. For cause shall be deemed to mean in particular but not exclusively the commencement of insolvency proceedings regarding the assets of the other contracting party or dismissal of insolvency proceedings due to lack of assets or an infringement of confidentiality obligations as per section 15.
- 17.3. OHB is entitled to terminate the contract without notice in the event of nonperformance or defective performance of the supplier after unsuccessfully setting a reasonable period for the supplier to provide performance or supplementary performance or if the supplier is in default regarding performing the contractual services they are due to fulfil by more than four weeks. This also applies if the supplier is in default regarding performing a significant part of the contractual services.

# 18. Liability/product liability

- 18.1. The supplier shall be liable for all losses in connection with the provision of services by the supplier culpably caused by the supplier including those resulting from simple negligence. The supplier indemnifies OHB against third party claims resulting from culpable breaches of obligation by the supplier. The supplier shall be liable for their representatives and subcontractors to the same extent as for situations where the supplier is at fault.
- 18.2. The supplier undertakes to indemnify OHB from all third party claims provided that this results from a defect in the contractual item. OHB may either demand damages for all their losses or indemnification against third parties. The supplier is obligated to take out adequate insurance against these loss risks. The supplier shall submit confirmation of insurance to OHB on request.
- 18.3. If OHB considers it necessary the parties shall conclude a quality assurance agreement.

## 19. Data protection

19.1. As for data protection, all legal (Federal Data Protection Law BDSG § 5) and operational stipulations are to be considered. According to the Federal Data Protection Law, the supplier will pledge both employees and assistants getting in contact with the performance contractually owed, and will deliver the record of this obligation to the OHB System AG upon request.

All effective data protection rules are to be observed. The legal data protection obligation also apply on the termination of the contractual relationship.

19.2. The supplier revocably agrees on OHB System AG being entitled to store, edit and process all order-related personal data received considering the legal stipulations.

#### 20. Legal Compliance

- 20.1 The supplier hereto agrees to comply with the regulations of its own country including but not limited to non-discrimination of employees and/or contractual partners, combating corruptibility and bribery of domestic and foreign public officials, protection of international human rights and environmental responsibility.
- 20.2 The supplier especially commits himself to comply with the applicable regulations with regard to the minimum wage (MiLoG, AEntG, etc.) as well as to pay his employee accordingly. In addition to that, the supplier is bound to make sure that both his deliverers and subcontractors get paid according to the Minimum Wage Act (MiLoG, AEntG, etc.). Upon request, the supplier is bound to provide evidence on complying the legal minimum wage requirements.

#### 21. Final provisions

- 21.1. The law of the Federal Republic of Germany applies exclusively to all legal relationships between OHB and the supplier excluding the UN Convention on Contracts for the International Sale of Goods
- 21.2. Bremen shall have exclusive jurisdiction for all disputes arising from or in connection with the contract concluded between OHB and the supplier. OHB is also entitled to commence legal proceedings against the supplier at the supplier's general place of jurisdiction.