

General Terms and Conditions of Purchase of QinetiQ GmbH

1. Scope

1.1 These general Terms and Conditions of Purchase (**‘Purchase Conditions’**) apply exclusively to all deliveries and services based on purchase, service and/or work contracts (**“Services”**) to QinetiQ GmbH (**‘QinetiQ’**), which the contractor acknowledges by preparing a quotation, accepting an order, making a delivery or providing a service.

1.2 The validity of any deviating or supplementary terms and conditions of the contractor is excluded unless we have expressly agreed to their validity in writing in advance. This shall also apply if QinetiQ does not expressly object to deviating or supplementary terms and conditions of the Contractor.

1.3 These Purchase Conditions shall also apply to all future transactions between QinetiQ and the Contractor.

2. Offers, conclusion of contract, amendments

2.1 The preparation of the offer or cost estimate by the Contractor shall be free of charge for QinetiQ. The contractor must expressly point out any deviations from QinetiQ's request in the offer and cost estimates and additionally offer QinetiQ alternatives that are technically or economically more favourable than the request.

2.2 Orders, purchase orders or confirmations from QinetiQ shall only be considered binding if they are expressly marked as such and are made in writing. The contractor must confirm orders and purchase orders in writing within a period of three (3) days or execute them without reservation by providing the service (e.g. by dispatching the delivery item). Late acceptance shall be deemed a new offer and requires acceptance by QinetiQ. Verbal agreements or commitments require written confirmation by authorised representatives of QinetiQ to be effective.

2.3 In the case of services under a contract for work and services, QinetiQ shall be entitled, as long as the contractor has not yet fully fulfilled its obligations, to request changes to the order within reasonable limits with regard to design, execution, quantity and delivery time. The effects (e.g. additional or reduced costs, delivery dates) shall be settled by mutual agreement.

2.4 The contractor is obliged to inform itself sufficiently about the nature and scope of the services by inspecting the available documents before performing the service. If, upon inspection, the contractor discovers obvious errors, typing errors and/or calculation errors in the documents etc. submitted by QinetiQ, it is obliged to notify QinetiQ of such errors without delay so that the order from QinetiQ can be corrected accordingly. This applies mutatis mutandis in the event of missing documents. The contractor is also obliged to describe the effects on its scope of delivery and services resulting from these documents in technical terms, to provide an estimate of the effects on deadlines and costs, and to check compatibility with its scope of delivery or services in a timely manner.

3. Performance deadlines and dates, delay

3.1 The performance deadlines or dates specified by QinetiQ in orders or purchase orders (e.g. a delivery deadline or delivery date) are binding. Early performance (e.g. in the form of early delivery) is not permitted. The contractor is not entitled to make partial deliveries without the prior written consent of QinetiQ.

3.2 As soon as it becomes apparent to the contractor that the performance deadlines or dates cannot be met, the contractor is obliged to inform QinetiQ immediately.

3.3 If the contractor fails to perform its services or does not perform them on time, or if it is in default, QinetiQ's rights – in particular to withdraw from the contract and claim damages – shall be determined in accordance with the statutory provisions. The provisions in section 3.4 remain unaffected.

3.4 If the contractor is in default, QinetiQ may – in addition to further legal claims – demand lump-sum compensation for its own damage caused by the delay in the amount of one per cent (1%) of the net price per completed calendar week, but not more than five per cent (5%) of the net price of the delayed service in total.

QinetiQ reserves the right to prove that higher damages have been incurred. The Contractor reserves the right to prove that no damages or only minor damages have been incurred.

4. Performance, delivery, transfer of risk

4.1 The Contractor is not entitled to have the service owed by it performed by third parties (e.g. subcontractors) without the prior written consent of QinetiQ. The contractor shall bear the procurement risk for its services, unless otherwise agreed in individual cases.

4.2 Services shall be provided at the location specified in the order (**‘place of performance’**). Deliveries within Germany shall be made **‘free domicile’** (Delivered Duty Paid – DDP, Incoterms® 2020) to the place of performance. If the place of performance is not specified and nothing else has been agreed, the service shall be performed at QinetiQ's registered office in Mönchengladbach (Germany).

4.3 For deliveries, the contractor shall send QinetiQ a shipping notice separately from the delivery note, stating the order number, item number, delivery quantity and delivery address.

4.4 For deliveries, the risk of accidental loss or accidental damage shall only pass to QinetiQ when the delivery item is handed over to QinetiQ at the place of performance.

4.5 The contractor must ensure that materials with a limited shelf life are delivered with a remaining minimum shelf life of 80% of the actual shelf life, unless otherwise specified in the material specifications or order documentation. For materials that are hazardous substances, the Contractor undertakes to notify QinetiQ immediately in writing of any changes and to immediately provide a safety data sheet (SDS) in accordance with Regulation (EC) No. 1907/2006, as amended, and to provide a technical data sheet (TDS) to QinetiQ.

4.6 The contractor undertakes to report any defects in delivery items that become known to QinetiQ immediately after delivery, at the latest within three (3) working days of becoming aware of them.

5. Software

If the scope of delivery includes non-standardised software, the Contractor agrees to make changes/improvements to the software at QinetiQ's request for a period of five (5) years from delivery of the delivery item, in return for reasonable reimbursement of costs. If the software originates from upstream suppliers, the Contractor shall oblige them to do the same.

6. Prices and terms of payment

6.1 The price stated in orders or purchase orders is binding. All prices include statutory value added tax, unless this is shown separately. If value added tax is applicable, it must be shown separately on the invoice.

6.2 Unless otherwise agreed in individual cases, the agreed prices are fixed prices and include all services and ancillary services provided by the seller (e.g. assembly, installation) as well as all ancillary costs (e.g. customs duties, proper packaging and transport costs, including any transport and liability insurance). Any additional claims, in particular due to increases in wages and material prices or changes in public levies and taxes, are excluded.

6.3 All order confirmations, delivery documents and invoices must state our order number, the item number, delivery quantity and delivery address, where relevant. If one or more of these details are missing and this delays processing within the normal course of business at QinetiQ, the payment periods specified in clause 5.4 shall be extended by the period of the delay.

6.4 Payment shall be made upon receipt of the invoice within fourteen (14) days, with a three per cent (3%) discount on the net amount of the invoice, or, unless otherwise agreed in writing, within thirty (30) days by a means of payment chosen by QinetiQ. Payment periods shall commence upon delivery or acceptance of the service.

6.5 QinetiQ shall not owe any interest on arrears. The statutory provisions shall apply to late payment, with the proviso that the interest on arrears shall be 5% above the base rate.

6.6 QinetiQ shall be entitled to set-off and retention rights and to the defence of non-performance of the contract to the extent permitted by law. In particular, QinetiQ is entitled to withhold due payments as long as QinetiQ still has claims against the contractor arising from incomplete or defective services.

6.7 The contractor shall only have a right of set-off or retention on the basis of legally established or undisputed counterclaims.

7. Confidentiality and retention of title

7.1 QinetiQ reserves the ownership rights and copyrights to illustrations, plans, drawings, calculations, implementation instructions, product descriptions and other documents. Such documents are considered '**confidential information**' and may only be used for the purpose of performing the service, must be kept secret (including from third parties) and must be returned to QinetiQ upon completion of the contract or destroyed securely in consultation with QinetiQ. This does not apply to documents and records that must be archived in accordance with legal provisions, or to automatically generated backup copies, provided that these cannot be deleted in a reasonable manner and are not accessible to the contractor's employees in the normal course of business. The obligation to maintain confidentiality of confidential information shall continue to apply after termination of the contract, unless otherwise agreed, for a period of five (5) years after delivery or performance. The obligation to maintain confidentiality of confidential information shall only expire before the end of this period if and to the extent that confidential information has become public knowledge.

7.2 The contractor may not advertise its business relationship with QinetiQ without the prior written consent of QinetiQ.

7.3 Section 7.1 applies accordingly to substances and materials (e.g. software, finished and semi-finished products) as well as to tools, templates, samples and other items provided by QinetiQ to the contractor for the performance of the service. Such items shall – as long as they are not processed – be stored separately at the Contractor's expense and insured to an appropriate extent against destruction and loss.

7.4 Any processing, mixing or combining (further processing) of provided items by the contractor shall be carried out for QinetiQ. The same shall apply to further processing of the delivery item by QinetiQ, so that QinetiQ shall be deemed the manufacturer and shall acquire ownership of it in accordance with the statutory provisions at the latest upon further processing.

7.5 The transfer of ownership of the delivery item to QinetiQ must take place unconditionally and regardless of payment of the price. However, if QinetiQ accepts an offer of transfer of ownership by the contractor in individual cases, conditional upon payment of the purchase price, the contractor's retention of title shall expire at the latest upon payment of the purchase price for the delivery item. QinetiQ remains authorised to resell the delivery item in the ordinary course of business even before payment of the purchase price. An extended and/or prolonged retention of title will not be recognised.

8. Acceptance

8.1 In the case of work performance and in particular if the scope of the order includes the installation or assembly of the delivery item, formal acceptance must take place by countersigning an acceptance report. In the case of corresponding services which cannot be checked and examined later due to further execution, the contractor must request QinetiQ in writing in good time to carry out an inspection. The risk shall pass upon acceptance.

8.2 QinetiQ shall only be obliged to declare acceptance if the service has been performed completely and in every respect in accordance with the contract. QinetiQ shall have a reasonable inspection period of at least ten (10) working days from receipt of the contractual service. If no formal acceptance is required in accordance with Section 8.1, the service shall be deemed to have been accepted four (4) weeks after the delivery item has been put into use, provided that QinetiQ does not assert any defects that prevent acceptance during this period. Payment alone shall not constitute acceptance.

8.3 If there are defects that prevent acceptance and QinetiQ therefore refuses acceptance, the acceptance test shall be repeated in its entirety as soon as the contractor has made the work result available for acceptance again after rectifying the defects.

8.4 If the contractor exceeds the agreed deadlines and time limits for remedying defects, the contractor shall be in default.

9. Liability for defects

9.1 The statutory provisions shall apply to QinetiQ's rights in the event of material defects, defects of title and other breaches of duty by the Contractor, unless otherwise specified in these Purchase Conditions.

9.2 The statutory provisions (§§ 377, 381 HGB) apply to the commercial obligation to inspect and give notice of defects, with the following proviso: QinetiQ's obligation to inspect is limited to defects that are apparent during the incoming goods inspection upon external examination, including the delivery documents (e.g. transport damage, incorrect and short deliveries) or that are recognisable during the incoming goods inspection by means of random sampling. If acceptance has been agreed, there is no obligation to inspect. Otherwise, it depends on the extent to which an inspection is feasible in the ordinary course of business, taking into account the circumstances of the individual case. The obligation to give notice of hidden defects remains unaffected. A notice of defects is deemed to have been given in good time if it is sent within seven (7) days of discovery or, in the case of obvious defects, within seven (7) days of delivery.

9.3 Subsequent performance also includes the removal of the defective delivery item and its reinstallation, provided that the delivery item has been installed or attached to another item in accordance with its nature and intended use. The contractor shall bear the expenses necessary for the purpose of inspection and subsequent performance even if it transpires that there was in fact no defect.

9.4 If the contractor fails to fulfil its obligation to remedy the defect – at QinetiQ's discretion, either by rectifying the defect (repair) or by delivering a defect-free replacement – within a reasonable period set by QinetiQ, QinetiQ may remedy the defect itself and demand compensation from the contractor for the costs incurred in doing so., within a reasonable period set by QinetiQ, QinetiQ may remedy the defect itself and demand reimbursement from the contractor for the necessary expenses incurred or a corresponding advance payment. If the contractor's subsequent performance has failed or is unreasonable for QinetiQ (e.g. due to particular urgency,

endangerment of operational safety or the threat of disproportionate damage), no deadline need be set; QinetiQ shall inform the contractor of such circumstances without delay, if possible in advance.

9.5 If the contractor provides a service, the contractor shall be obliged – purely objectively speaking – to perform the service in the best possible professional manner. In the event of improper services, the contractor shall be entitled to subsequent performance and QinetiQ to subsequent performance.

10. Limitation period

10.1 The mutual claims of the parties shall become time-barred in accordance with the statutory provisions, unless otherwise specified below.

10.2 The general limitation period for QinetiQ's rights due to defects is three (3) years from the transfer of risk. If formal acceptance has been agreed or is required by law, the limitation period shall commence upon acceptance. QinetiQ's rights in relation to defects of title, defects in a building and defects in a work whose success consists in the provision of planning and supervision services for buildings shall become time-barred after the statutory limitation period. Furthermore, rights due to defects of title shall in no case become time-barred as long as the third party can still assert the right against QinetiQ, in particular due to the absence of a limitation period.

10.3 Insofar as QinetiQ is also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (§§ 195, 199 BGB) shall apply, unless the application of the limitation periods under sales law leads to a longer limitation period in individual cases.

11. Product liability

11.1 If the contractor is responsible for a defect, it shall indemnify QinetiQ against third-party claims to the extent that the cause lies within its sphere of control and organisation and it is itself liable in the external relationship.

11.2 As part of its indemnification obligation, the contractor shall reimburse expenses in accordance with Sections 683, 670 BGB arising from or in connection with claims by third parties, including any recall campaigns carried out by QinetiQ. QinetiQ shall inform the contractor of the content and scope of recall measures – as far as possible and reasonable – and give him the opportunity to comment. Further legal claims remain unaffected.

11.3 The contractor shall take out and maintain product liability insurance with a flat-rate cover amount of at least ten (10) million EUR per personal injury/property damage.

12. Property rights

12.1 In accordance with Section 13.2, the Contractor warrants that the delivery items do not infringe any third-party property rights.

12.2 The contractor is obliged to indemnify QinetiQ against all claims asserted against QinetiQ by third parties due to the infringement of industrial property rights referred to in Section 13.1 and to reimburse QinetiQ for all necessary expenses in connection with this claim. This shall not apply if the contractor proves that it is not responsible for the infringement of property rights and, exercising commercial diligence, should not have been aware of it at the time of delivery.

12.3 Any further statutory rights of QinetiQ due to legal defects shall remain unaffected.

13. Right of access

Upon conclusion of the contract, the contractor is deemed to be an approved supplier of QinetiQ. QinetiQ has acquired various certifications and is active in the aviation industry. Therefore, Qi The contractor therefore grants QinetiQ or its customers, after prior registration, unhindered access to its business premises during regular business hours.

14. Termination, contract termination

14.1 If QinetiQ is entitled to extraordinary termination rights and exercises these rights, the contractor shall only be entitled to invoice for services demonstrably rendered up to the date of termination in proportion to the value of the partially completed service in relation to the total value of the respective individual order, insofar as QinetiQ has use for these services. QinetiQ may also demand payment for partially completed services against reimbursement of the verifiable costs incurred, but not exceeding the value of the partially completed service in proportion to the total value of the respective individual order.

14.2 If the contractor suspends payments or if insolvency proceedings are initiated against its assets, QinetiQ shall be entitled to terminate the contract with immediate effect. In this case, clause 15.1 shall apply accordingly.

15. Compliance

15.1 The contractor is obliged to comply with the relevant legal provisions in connection with the contractual relationship. This applies in particular to anti-corruption and money laundering laws as well as antitrust, labour and environmental protection laws.

15.2 The Contractor shall ensure that the delivery items meet all relevant requirements for placing them on the market in the European Union and the European Economic Area. The contractor must provide QinetiQ with evidence of compliance upon request by submitting appropriate documents.

15.3 Furthermore, the contractor is prohibited from actively or passively, directly or indirectly participating in any form of bribery, violation of the fundamental rights of its employees or child labour. It is obliged to ensure compliance with these principles by its subcontractors to the best of its ability.

16. Binding original text

The German original text of these Terms and Conditions of Purchase is authoritative. The English translation is non-binding insofar as it deviates from the German original text.

17. Assignment, severability clause, applicable law, place of jurisdiction, written form

17.1 The contractor may only assign the rights arising from the contractual relationship between the parties to third parties with the written consent of QinetiQ. Section 354a of the German Commercial Code (HGB) remains unaffected by this.

17.2 If any provision of the contract and/or these Terms and Conditions of Purchase is wholly or partially invalid, this shall not affect the validity of the remaining provisions.

17.3 These Terms and Conditions of Purchase and the contractual relationship between the parties are subject to the law of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

17.4 The exclusive place of jurisdiction for all disputes arising from or in connection with the contractual relationship between the parties is Mönchengladbach. However, QinetiQ is entitled to sue the contractor at any other legal place of jurisdiction.

17.5 Amendments and supplements to the contract as well as subsidiary agreements must be made in writing. This also applies to any waiver of this written form clause.

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