

## General Terms and Conditions for the Procurement of work, goods as well as for other procurements by Beyond Gravity companies (GTC-P)

### 1. Scope and Validity

- 1.1 These GTC-P provide for the conclusion, content and performance of contracts for the procurement of goods, work as well as for services or similar procurement contracts by Beyond Gravity companies,
- 1.2 These GTC-P shall be considered accepted if Supplier submits an offer to Beyond Gravity or confirms an order of Beyond Gravity. Execution of an order, provision of an invoice or acceptance of a prepayment is considered as acceptance of the order. General Terms and Conditions of Supplier are explicitly excluded. This also applies to subsequential orders by Beyond Gravity and also if "accept" or the like has to be selected to enable software installations.

### 2. Offer and Order

- 2.1 The offer is free of charge unless provided otherwise in the request for proposal.
- 2.2 The offer is binding during the period mentioned in the request for proposal or in the offer. If there is no respective information, Supplier is bound for 4 months from the date of the offer.
- 2.3 If the offer deviates from the request for proposal, Supplier shall explicitly point this out.
- 2.4 Orders are only binding if they are placed in writing. Electronic orders are binding if this is customary in the sector, foreseen in a written agreement between the parties or in the case of qualified electronic signatures, which are on par with handwritten signatures by applicable law. This is valid mutatis mutandis, wherever these GTC-P require written form.

### 3. Execution

- 3.1 Supplier shall inform Beyond Gravity regularly about work progress and in particular shall obtain all required specifications. Supplier shall inform Beyond Gravity at once about all circumstances, which might jeopardise the contractual performance. This also includes the change of production sites, subcontractors and Sub Suppliers.
- 3.2 If for the execution Beyond Gravity premises have to be entered, Supplier shall comply with Beyond Gravity's company regulations, in particular with the safety regulations and house rules, which he will be handed upon request.
- 3.3 The Supplier shall provide Beyond Gravity with complete documentation, including operating and installation instructions and any necessary product safety certificates. Unless otherwise agreed, the documentation must be created in English.

### 4. Engagement of Subcontractors and Sub Suppliers

- 4.1 Supplier may only engage subcontractors which, in whole or in part, provide services to Beyond Gravity on behalf of Supplier, upon prior written approval by Beyond Gravity. Supplier shall remain fully responsible to Beyond Gravity for the performance of the contract.
- 4.2 Beyond Gravity may direct Supplier to hire a specific subcontractor (a "Required Sub-contractor"). In such case, Supplier shall be relieved of liability for any inadequate performance by such Required Sub-contractor, if Supplier can reasonably demonstrate that it properly supervised and oversaw the Required Sub-contractor.
- 4.3 Upon request Supplier shall disclose its existing or customary sub-suppliers to Beyond Gravity.

### 5. Remuneration

- 5.1 The Supplier provides the services at fixed prices or on a time and material basis with an upper limit of the remuneration (cost ceiling). In his offer he discloses the cost types, quantity structures and cost rates.
- 5.2 The remuneration compensates for all performances required for the proper performance of the contract. In particular it covers installation-, test- and documentation costs, the costs for a possible initial instruction, the

expenses (particularly for subsistence, travel and accommodation) the license fees, the costs for transport packaging, equipment, gauges, tools etc., which have to be specially manufactured, as well as public charges such as taxes and customs duties.

- 5.3 Unless otherwise agreed, charges for the rental and use of transport equipment and temporarily installed components as well as repair are included in the remuneration.

### 6. Terms of Payment

- 6.1 Unless otherwise agreed, the payments become due upon acceptance. Beyond Gravity pays invoices made out after the due date within 90 calendar days of receipt of the invoice. If payment is made within 30 days, a 2% discount shall be deducted from the invoice, if payment is made within 60 days, a 1% discount shall be deducted. The time of the transfer is decisive.
- 6.2 Beyond Gravity reserves the right to return incorrect, unverifiable invoices for correction. The term of payment starts anew with corrected invoicing.
- 6.3 Business Email Compromise: It is the Supplier's responsibility to protect against "phishing" or email hacking. He is liable for all damage caused by the fact that his e-mail account was hacked and payments from Beyond Gravity are sent or forwarded to third parties due to fraudulent intrusions.
- 6.4 If partial payments (downpayments and instalments) are agreed upon, Beyond Gravity may request securities from Supplier at his expense.

### 7. Changes to Contractual Specifications

- 7.1 Supplier shall inform Beyond Gravity about all developments, which for technical or economic reasons invite for specifications to be modified.
- 7.2 The parties may request changes to the agreed contractual specifications in writing at any time. If Beyond Gravity should want a change, Supplier shall inform in writing within 20 days whether the change is possible and what consequences it will have on the goods and services to be provided and for the remuneration including deadlines. Beyond Gravity decides within the same period whether the change is to be accomplished. If Supplier should want a change, Beyond Gravity shall approve or refuse the substantiated application within the same period.
- 7.3 Supplier may not deny the approval of a change request by Beyond Gravity if the change is objectively possible and the overall character of the performance to be provided is preserved.
- 7.4 Prior to their realization the change of contractual specifications and possible adjustments of remuneration, deadlines and other points of the contract are laid down in a written amendment to the contract. The adjustment of the remuneration is calculated based on the original cost basis.
- 7.5 Without an agreement to the contrary Supplier shall continue his work as planned during the examination of the proposed changes.

### 8. Property on Material furnished by Beyond Gravity

- 8.1 Materials, samples, drawings, utilities such as test equipment, gauges and tools, remain the property of Beyond Gravity and (until a possible installation or use/consumption) shall be designated as such and separated.
- 8.2 Upon receipt furnished material is to be thoroughly inspected by Supplier. It is considered free from defects, if Beyond Gravity is not notified in writing within 5 calendar days of damages, defects and missing components.
- 8.3 As long as the furnished material is with Supplier, he has to inventory it, keep it in safe custody and maintain it at no additional cost for Beyond Gravity, and to insure it at his own expense. At the request of Beyond Gravity Supplier shall hand over written proof of insurance and an updated inventory stating the condition of the furnished material.
- 8.4 The furnished material may only be used as agreed and may not be used or copied for any other purpose. Unless otherwise foreseen, after termination of the contract, they are to be returned to Beyond Gravity without being specifically requested and free of charge.

## 9. Default

9.1 If the parties have agreed upon an exact deadline for performance, the Supplier, in case he does not meet the deadlines so fixed, comes into default without further ado; in the other cases after reminder by Beyond Gravity and granting of a reasonable respite.

9.2 Without the written approval of Beyond Gravity neither part deliveries nor advance deliveries are permitted.

9.3 Beyond Gravity shall be notified immediately in writing of each emerging default of the Supplier.

9.4 If Beyond Gravity does not meet its obligations in a timely manner, the Supplier must report this in writing. In this case, the parties shall endeavor to catch up on arrears. Insofar as this is not possible, missed deadlines for which Beyond Gravity is responsible will lead to a corresponding postponement of the dates affected.

**9.5 If Supplier comes into default, he owes an amount of 1% of the total remuneration per day of delay, with a maximum of 10% of the total remuneration. It is also owed if the items are accepted without reservation. This payment does not relieve Supplier from the other contractual obligations; however, it is credited against the compensation for damages to be paid. Personal negligence of Beyond Gravity and Force Majeure remain reserved.**

## 10. Termination and contract dissolution

10.1 Each Party may terminate or revoke service mandates at any time in writing. In this case, the Supplier is entitled to remuneration for services already rendered. Claims for damages in the event of termination at an inopportune time remain reserved.

10.2 In case of purchase and contracts of work, Beyond Gravity is entitled to withdraw from the order in whole or in part at any time. Beyond Gravity shall notify Supplier of such withdrawal in writing.

10.3 In such a case Supplier is only entitled to be paid for work demonstrably performed or accrued expenditure for Beyond Gravity only and a reasonable margin of profit thereon, unless such withdrawal took place due to Supplier's violation of the contract, non-performance or bad performance. Development costs, fixed costs or similar costs not specifically incurred as a result of ordering Beyond Gravity are not taken into account.

10.4 Beyond Gravity is only under the obligation to pay claims as per para. 10.2 to the extent that Supplier transfers the work begun to Beyond Gravity free of third-party rights or claims.

## 11. Instructions and Cooperation

11.1 Beyond Gravity may issue instructions for service mandates and may modify or revoke any instructions. Instructions issued electronically are equivalent to written instructions, provided they do not represent a change to the contract. Mere suggestions and proposals from Beyond Gravity are not deemed to be instructions and are not binding and in no event shall be deemed to modify any terms of a contract. Supplier shall not commence performance without written confirmation of any change or modification.

11.2 Beyond Gravity provides the Supplier with all documents, information, approvals, access- or usage rights, etc. required for the provision of his performance in a timely and complete manner.

## 12. Place of Performance

12.1 Unless otherwise expressly agreed, Beyond Gravity shall determine the place of performance (delivery, handover or any other supply).

12.2 With each delivery Supplier shall enclose a dispatch note with reference to the respective order number and issue the required forwarding documents. If the goods are not transported directly to Beyond Gravity, a separate copy of the dispatch note is to be sent to Beyond Gravity.

12.3 Title and risk are transferred upon inspection or, if applicable, acceptance of the subject-matter of contract by Beyond Gravity. If the required accompanying documents are missing, Beyond Gravity shall store the subject-matter of contract at Supplier's expense and risk.

## 13. Inspection and acceptance

13.1 In the case of purchase contracts Beyond Gravity shall inspect the goods within 30 days after delivery. In case of installation by Supplier the period starts after completed installation.

13.2 In case of work contracts Supplier shall invite Beyond Gravity in due time to the acceptance inspection. In the case of an inspection before shipment, this is carried out by Beyond Gravity in the interest of both parties, but

subject to the actual acceptance inspection after delivery, unless otherwise expressly agreed. Beyond Gravity shall notify Supplier immediately of any non-conformity detected at the inspection before shipment.

13.3 If during the acceptance inspection under work contracts major defects are detected, acceptance is postponed. Supplier remedies detected defects immediately and notifies Beyond Gravity of a new acceptance date.

13.4 If during acceptance minor defects are detected, acceptance takes place anyway with the completion of the acceptance inspection. Supplier remedies detected defects immediately.

13.5 If acceptance of larger projects takes place in multiple stages (e.g., for concepts; construction drawings; prototypes; testing's; pilot phase; final rollout), the inspection and acceptance of such interim results is a measure to avoid unnecessary costs. However, the acceptance of corresponding interim results is subject to final acceptance. Provided that detected defects in interim results were not deliberately concealed by Beyond Gravity, Beyond Gravity's right to final acceptance shall not be limited, if such final acceptance fails due to defects that already existed at these stages.

13.6 If in the case of work contracts Beyond Gravity does not request an acceptance inspection, the subject-matter of contract is considered accepted with the successful start of the productive operation for at least 30 days.

13.7 The delivery of an inspection report with complaints is considered a notification of defects.

13.8 In the case of service mandates there is no acceptance.

## 14. Warranty

14.1 The supplier as a specialist and in awareness of its purpose warrants that the subject-matter of contract shows the agreed factual and legal properties customary in the industry sector and is suitable for the specified use. The supplier expressly warrants that he is entitled to deliver and/or provide to Beyond Gravity the subject-matter of contract and the performances, and that no legally effective third party rights are opposed to the use of the subject-matter of contract.

14.2 Defects are to be notified within 45 calendar days after their detection. Unless otherwise agreed and in writing, the warranty rights lapse within 2 years after acceptance. After the rectification of notified defects, the periods for the repaired component start anew, they are extended by no more than a year beyond the original warranty period. Maliciously concealed defects can be asserted during a period of ten years after acceptance. If the subject-matter of contract is defective, Beyond Gravity can demand rectification. Supplier rectifies the defect within the specified period and bears all resulting costs. If the defect can only be rectified through reprogramming or re-production, the right to rectification also includes the right to reprogramming or re-production.

14.3 In the case of purchase contracts, a free replacement is owed instead of free rectification. If there are serial defects, i.e., if at least 3% of all identical or similar delivery items have the same defect, the Supplier is obliged to replace all delivery items. He must also prove that the cause of the defect has been remedied. Beyond Gravity can waive the exchange of all delivery items if the Supplier signs a waiver of the statute of limitations for at least two additional years.

14.4 If Supplier has not provided the requested replacement or rectification or not provided it successfully, Beyond Gravity can claim damages and:

- a) deduct an amount corresponding to the reduced value from the remuneration; or
- b) withdraw from the contract in whole or in part, but only in case of major defects; or
- c) demand the necessary documents (in case of software also the source code) as far as no legal or contractual provisions are opposed to this and perform the respective measures at Supplier's risk and expense or have them performed by a third party, but only in case of major defects.

14.5 Deliveries of spare parts, maintenance and support services by Supplier during the warranty period are considered rectifications of defects unless Supplier can prove otherwise.

14.6 In the case of service mandates, faithful and careful execution of the service that is customary in the industry sector is owed.

14.7 Other provisions on warranty in the contract remain reserved.

## 15. Investment Protection

15.1 Supplier warrants to Beyond Gravity for at least 8 years after expiry of the warranty period the compatibility of the subject-matter of contract with Supplier's developments. Supplier warrants to Beyond Gravity for at least 10 years from acceptance of the supply of spare- and detachable parts. In addition

- Supplier enables Beyond Gravity to cover the all-time requirement. Deviating deadlines are to be specified in the contractual document.
- 15.2 Upon Beyond Gravity's request Supplier maintains and supports for at least 8 years after expiry of the warranty period the hardware and software according to the GTC-P Maintenance, the applicable General Terms and Conditions of Beyond Gravity respectively.
- 15.3 If Supplier (due to garnishment, impending bankruptcy, composition procedures or other reasons) can no longer provide his services or have them provided by third parties at the same conditions or offer an economically equivalent alternative, Beyond Gravity can provide the services itself or have them provided by third parties. In this case Beyond Gravity is entitled, without further ado, to access the source code or other documents of Supplier and use them, as far as this is required for the maintenance and support of the software and hardware.
- 15.4 To protect the obligations to hand-out based on warranty or software maintenance Beyond Gravity may request at any time that Supplier's business-critical documents are deposited with a trustworthy company or third party or, protected by technical measures, deposited on a system designated by Beyond Gravity and kept up to date. This provision does not release Supplier from his obligation to provide the services. By analogy the same applies to hardware.
- 15.5 The delivery of spare parts by Supplier after expiry of the warranty period takes place against payment and at the rates of the original cost basis or in their absence, at competitive conditions.
- 16. Proof of Insurance**
- 16.1 Upon Beyond Gravity's request, the Supplier shall prove, by means of an insurance certificate, that it has taken out, at its own expense, a commercial general liability insurance (CGL) for the plant, operational and product risks covering at least all the legal obligations up to twice the amount of the entire order/remuneration, but not less than CHF 10 million per event. Products that are used/used in the aerospace sector or are generally considered as such must be specially declared to the CGL-insurer with regard to the product risk or specifically insured via Aviation Products Liability Insurance, as these risks are not covered by the standard CGL.
- 17. Force Majeure**
- 17.1 Parties shall not be held responsible for failure to perform or delay in performing any of their contractual obligations if such failure or delay is due to unforeseeable events or beyond its reasonable control, whether arising from natural causes such as earthquakes, volcanic eruptions, hurricanes, tornados, blizzards, floodings or human agency ("Force Majeure"), including but not limited to acts of God, riots, armed conflicts, war, terrorism, insurrection, UFO attacks, epidemics, lockdowns, sabotage, labor disputes, strikes, lock-outs, shortages of labor, interruption or delays in transportation, airspace or sea route closures, international border closures, fire, explosion, equipment or machinery break-down, acts, orders or priorities of any aviation authority or government (e.g. non-issuance of an export license or non-approval of service deliveries as well as the withdrawal of such an export authorization), and embargo. Beyond Gravity may suspend its contractual obligations including any pending orders or obligation to receive the performance if the Force Majeure as described above causes reduced demand or affects reasonable usage or handling.
- 17.2 The party affected by the Force Majeure shall notify in writing the other party within two weeks following the occurrence of any event of Force Majeure citing this clause in said notice and shall provide all relevant information on the impact of the event on the contractual obligations.
- 17.3 Unless mutually agreed to in writing, the party temporarily prevented from performing is excused from performance while the incident of Force Majeure is occurring and obligated to perform once the incident ends. In this case, it does not owe any compensation.
- 17.4 In case the duration of Force Majeure exceeds six months, the parties will have the right to terminate this contractual relationship immediately. Contractual obligations performed shall be remunerated. Remuneration already paid will be refunded less the accrued costs and expenses incurred for the contractual obligations performed up to that point.
- 18. Export Regulations and Authorizations**
- 18.1 Supplier keeps informed at all times about national and international export regulations (e.g., ITAR) and notifies Beyond Gravity immediately in writing if deliverables are subject to these provisions in whole or in part. He complies with all applicable export regulations and, on request, discloses to Beyond Gravity all relevant information for this purpose. This obligation applies beyond the duration of the contract.
- 18.2 Unless expressly otherwise agreed in writing, Supplier takes all measures required to obtain further official authorizations or licenses needed for the provision of the performances to Beyond Gravity and the use of the deliverables by Beyond Gravity as provided in the contract. Where Beyond Gravity has to apply for such authorizations or licenses, Supplier provides Beyond Gravity with appropriate support, particularly for the procurement of needed information and data.
- 18.3 Where applicable, Supplier shall provide, no later than at the time of acceptance of the contract, the following minimum information:
- The customs tariff numbers of the country of consignment, and the countries of origin for all goods.
  - For controlled goods, the relevant national export control numbers must be indicated and, if the goods and/or services are subject to U.S. export regulations, the U.S. Export Control Classification Numbers (ECCN) or classification numbers of the International Traffic in Arms Regulations (ITAR) must be specified.
  - Proofs of preferential origin as well as conformity declarations and marks of the country of consignment or destination are to be submitted without being requested, certificates of origin upon request.
- 19. Emerging Intellectual Property Rights**
- 19.1 Intellectual property rights (Copyrights, patent rights etc.) that are created during the performance of the contract, particularly on works, concepts, hardware and individual software including source code, program description in written or machine-readable form, which Supplier has developed specially for Beyond Gravity, belong to Beyond Gravity, unless otherwise agreed in the contract.
- 19.2 Intellectual property rights (Copyrights etc.) that are created during the performance of the contract, but are not part of the subject-matter of contract, belong to
- a) Beyond Gravity, if they were created by its employees;
  - b) Supplier, if they were created by his employees or by subcontractors enlisted by him.
  - c) Beyond Gravity and Supplier, if they were created jointly by employees of Beyond Gravity and Supplier, or by third parties enlisted by them. The parties refrain from mutually raising license fees and can transfer their rights to third parties or grant rights of use to third parties without the approval of the other party.
- 19.3 Both parties are entitled to use and dispose of ideas, procedures and methods which are not protected by law, but without being under the obligation to disclose them.
- 20. Pre-Existing Intellectual Property Rights**
- 20.1 The Supplier or any third party shall retain any pre-existing intellectual property rights (Copyrights, patent rights etc.). Where third-party rights are involved, the Supplier warrants that he owns the relevant distribution rights and rights of use.
- 20.2 On existing intellectual property rights Beyond Gravity is given a temporally, spatially and factually unlimited, non-exclusive, transferable right of use within the purpose of the contract. Supplier undertakes not to base any rights on these existing intellectual property rights, which could be opposed to the foreseen rights of use and distribution regarding the subject-matter of contract.
- 20.3 In the case of standard software this right includes the use of the hardware and its successor systems as foreseen in the contractual document. In case of a changed operating system or higher performance class the change and extension of the rights of use requires the approval of Supplier. He may only deny the approval for important reasons. The changes and extensions of the rights of use are calculated according to the original cost rate.
- 20.4 The use of free and open-source software (FOSS) requires the prior consent of Beyond Gravity in any case.
- 20.5 For data backup and storage purposes Beyond Gravity may make copies of the standard software. In case of a failure of the contractually specified hardware it is entitled to use the standard software on replacement hardware without any additional compensation.
- 20.6 Both parties are entitled to use and dispose of ideas, procedures and methods which are not protected by law, but without being under the obligation to disclose them.
- 21. Infringement of Intellectual Property Rights**
- 21.1 Supplier shall contest at his own cost and risk any third-party claims arising from infringement of intellectual property rights. If a third party initiates a



lawsuit against Supplier, he shall inform Beyond Gravity immediately in writing. If the third party raises direct claims against Beyond Gravity, Supplier shall participate, upon Beyond Gravity's first request, in the lawsuit according to the possibilities of the respective legal procedure. Supplier undertakes to bear all costs (including damages) accruing to Beyond Gravity from the lawsuit and its possible settlement out of court. In case of a settlement out of court Supplier shall only assume the payment to the third party if he has previously agreed to it.

- 21.2 If due to raised claims from intellectual property rights it is made impossible for Beyond Gravity to use the contractually owed performances in whole or in part, Supplier has to either change his performances in such a way, that they do not infringe on third party rights and still correspond to the contractually owed supply of performances or obtain at his expense a license from the third party. If Supplier does not realise one of these possibilities in due course, Beyond Gravity may rescind the contract at once and return the services performances concerned to the Supplier against full refund and indemnification.

## 22. Confidentiality

- 22.1 Both parties shall treat in strict confidence all information which is neither generally known nor generally accessible and shall use it only for the purpose of fulfilling the concluded contract. Moreover, the parties shall ensure confidential treatment by their personnel and enlisted specialists. In case of doubt, all information is to be treated confidentially.

- 22.2 Confidential information of a party does not include information which:

- was already known to the other party before it was made accessible by the disclosing party.
- is or becomes generally known without the other party's responsibility.
- was disclosed to the other party by a third party without any transfer restrictions.
- was developed by the other party without using or referring to the confidential information of the protected party.
- has to be disclosed based on a legally binding decision of a law court, administrative or other authority. In this case the party under the obligation to disclose has to inform the other party immediately about the decision and support protective measures the other party may want to take.

- 22.3 This obligation of confidentiality already exists prior to the conclusion of the contract and remains valid for a period of 5 years after termination of the contractual relationship.

- 22.4 Without the approval of the other party the disclosure of information to third parties is not permitted. The companies of the RUAG Group, particularly the RUAG International Holding AG as well as its subsidiaries and enlisted specialists (lawyers, auditors, experts) are not third parties in terms of this agreement. If the approval is given, the obligations of confidentiality are to be transferred to the receiving third party.

- 22.5 Advertising and publications about specific services in connection with the contractual relationship require the written approval of the other party. Without the written approval of Beyond Gravity the Supplier may not advertise the fact that a cooperation with the Supplier exists or existed and may not give Beyond Gravity as a reference.

- 22.6 **If a party violates the above-mentioned obligations of confidentiality, it owes, unless otherwise agreed, a payment to the other party, unless it can prove that it was not at fault. For each case the payment amounts to 10% of the total remuneration for purchase-, service- and similar contracts respectively 10% of the annual remuneration for continuing obligations, but no more than CHF 50'000.00 per case. This payment does not relieve the violating party from the obligation of confidentiality; but it is credited against the damages to be paid. Possible penal consequences remain reserved.**

## 23. Compliance

- 23.1 Each party may have access to personal data (for example names, functions, business units, contact details and communication data) relating to the other party's employees, representatives, consultants, agents, contractors and other personnel ("Personnel"; "Personnel Data") in relation with the contract that is subject to these GTC-P. The parties agree that they act as independent controllers in relation to such Personnel Data unless otherwise agreed expressly by the parties. Personnel Data may be processed only in accordance with applicable law, applying appropriate security measures (e.g., technical and organizational measures, etc.), and only in order to enter into and perform the contract and compatible purposes including but not limited to order and payment processing, tolls, taxes and import/export management, customer relationship management, business accounting and general administrative purposes. Each party undertakes to inform its

own Personnel about the processing of Personnel Data by the \*other party, in accordance with applicable law. Additional details about Beyond Gravity's data processing and within the entire Group are set out in the corresponding privacy notices on Beyond Gravity's website (e.g., [www.beyondgravity.com/en/privacy](http://www.beyondgravity.com/en/privacy); [www.ruag.com/en/privacy](http://www.ruag.com/en/privacy) at release of this edition of the GTC-P or any later link) and/or shall be provided to the contractual partner upon re-request.

- 23.2 Supplier complies with applicable legal standards, particularly with the competition- and antitrust laws, industrial safety and child protection provisions (e.g. regarding conflict commodities), the prohibition of human trafficking and with the core conventions of the International Labor Organisation, as well as with the provisions against counterfeits or for the protection of the environment and of health (e.g. guidelines like REACH and RoHS) at the place of origin, at any manufacturing plants and the place of performance. If the items are intended for the United States government, the Supplier shall comply with the relevant specifications (FAR / DFARS), which will be provided to him upon request. The supplier complies with the current Code of Conduct for business partners of Beyond Gravity, which he will be handed upon request.

- 23.3 The Parties commit themselves not to make any payment, gift or other commitment directly or indirectly to any person in a manner contrary to applicable law, or accept financial or other favors, if in return the giving party expects an unjustified advantage or is rewarded. The Parties also commit themselves to observe the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions concluded within the OECD on 17 December 1997 also in private business transactions.

- 23.4 The supplier shall commit his personnel, subcontractors, sub-suppliers and other third parties engaged for the fulfillment of the contract contractually to compliance with this article.

- 23.5 **If Supplier violates the above-mentioned compliance commitments, he shall owe a contractual penalty, unless he can prove that he was not at fault. For each case of violation this penalty amounts to 10% of the total remuneration or 10% of an annual remuneration in case of a recurring remuneration, but no more than CHF 50'000.00. This payment does not relieve Supplier from his contractual obligations; however, it is credited against the compensation for damages to be paid. Penal consequences remain reserved.**

## 24. Assignment and Pledging

The contractual relationship or rights and duties therefrom can only be assigned or pledged after previous written approval of the other party. Apart from that Beyond Gravity may assign rights and duties from the contract to another company from the RUAG Group at any time.

## 25. Verification

- 25.1 Upon written advance notification of at least 15 days and during normal working hours at Supplier's place of business, Supplier shall allow Beyond Gravity, regulatory authorities or an auditing firm commissioned by Beyond Gravity to examine all documents reasonably related to Supplier's compliance with the provisions of this Agreement and grants access to all rooms in which the subject matter of the contract is manufactured, tested or stored. Beyond Gravity or its authorized appointee shall, if possible, take such necessary measures to preserve the confidentiality of such documents.

- 25.2 All costs and expenses in connection with the verification shall be borne by Beyond Gravity, provided however, that if the verification process demonstrates Supplier's failure to comply with the provisions of this Agreement, Supplier shall assume all costs and expenses of the verification.

- 25.3 Beyond Gravity or its authorized appointee (such as quality inspectors according to standard AQAP 2110) and competent authorities shall be granted access to Supplier's premises and records to perform inspections and audits. Upon request, Supplier shall provide access to documents and submit requested information related to the scope of contract to such personnel.

## 26. Applicable Law and Jurisdiction

- 26.1 For the contractual relationship local law at the domicile of Beyond Gravity shall apply, excluding its rules on conflicts of legal systems. The United Nations Convention on Contracts for the International Sale of Goods shall be expressly excluded.

- 26.2 For all disputes arising out of or in connection with the contractual relationship only the law courts at the domicile of Beyond Gravity shall be competent.