CONDITIONS OF PURCHASE

1. SCOPE
1.1. The following General Conditions of Purchase shall apply to all goods purchased from the Supplier by Tesat-Spacecom GmbH & Co. KG (hereinafter referred to as TESAT).

1.2. These General Conditions of Purchase shall only apply to companies, corporate bodies under public law or special funds under civil law as defined in Section 310 para. 1 of the German Civil Code (BGB).

1.3. No deviating or conflicting conditions shall be recognised by us unless we have expressly accepted these in writing.

1.4. These Conditions of Purchase shall also apply to all future transactions between the parties, even in the event that we accept or pay for goods without reservation in full knowledge of deviating or conflicting conditions.

2. CONTRACT CONCLUSION
The Supplier shall not be entitled to assign the order to a third party, either wholly or in part, or to arrange for the order to be executed by a third party, without prior written consent from TESAT. Any unauthorised transfer to a third party shall entitle TESAT to withdraw completely or partially from the contract and to claim compensation.

3. PLACE OF EXECUTION
The place of execution shall be the place at which the goods are to be delivered under the terms of the order. In the event that no place of delivery is agreed, the business address of TESAT shall be the place of execution.

4. DELIVERY
4.1. All delivery dates stated in the order or otherwise agreed shall be binding. Unless otherwise agreed in writing, every delivery date or delivery deadline shall be determined on the basis of the date we receive the goods. Advance deliveries or deliveries after the agreed delivery date shall not be permitted with written agreement from TESAT.

4.2. Unless proven otherwise, the quantities, weights and dimensions ascertained by us in the course of the inspection of goods on receipt shall determine the extent of the purpose of the contract.

4.3. If delivery is not agreed as "ex works", the Supplier shall prepare the goods in good time, taking into account the time usually required for loading and shipping.

4.4. The seller shall be obligated to notify us immediately of any impending or incipient failure to adhere to a delivery date, and stipulate the reasons for and the anticipated length of the delay. The statutory provisions with regard to default in delivery shall remain unaffected.

4.5. Unless otherwise agreed on the part of the Supplier, TESAT may without prejudice to the statutory provisions, and unless otherwise agreed, enforce a penalty damage equivalent to 0.5% of the order value for each working day of the delay or part thereof, up to a maximum of 10% of the order value. The penalty damage may also be enforced after acceptance of the goods and until final payment is made.

5. ACTS OF GOD
Acts of God, industrial disputes, business disruptions beyond our control, civil unrest, official intervention and other unavoidable occurrences shall entitle TESAT to withdraw completely or partially from the contract and from such occurrence result in a significant reduction in our requirements.

6. PRICING AND TRANSFER OF RISK
6.1. Unless otherwise agreed, the prices stipulated by the Supplier shall be carried paid to the place of execution. They shall include packaging, loading and freight costs in addition to any insurance costs associated with transportation of the goods.

6.2. The agreed prices shall be fixed prices and shall exclude all other costs, charges or expenses of any kind.

6.3. In the case of delivery without assembly or installation, the risk shall transfer on receipt of the goods at the place of receipt specified by TESAT. In the case of delivery with assembly or installation and in the case of work performed on site, the risk shall transfer with acceptance of the work or work at the place of assembly or place of performance.

7. INVOICING AND PAYMENT TERMS
7.1. Unless otherwise agreed, invoices shall be issued in a single copy and shall for each delivery contain all the information required in the order. Invoices must not be encumbered with consignments of goods; they may not direct to the Accounts Department.

7.2. Unless otherwise agreed, the invoice will be settled at the end of the month 10 days and then for the title of the following calendar month. The invoice is accepted for payment when the full amount of the invoice and the goods were received by us or services were rendered.

7.3. Payment shall be made subject to invoice verification.

8. ACCEPTANCE/WARRANTY
8.1. Goods shall be accepted subject to inspection for correctness and suitability. We shall be entitled to inspect the delivery or work performed insofar as and as soon as this is feasible in the normal course of business; we shall report any defects immediately upon discovery. In the case of defects, we shall reserve the right to advise notifications of defects as unambiguously.

8.2. The period for defects is 24 months unless a longer period is agreed in individual cases.

8.3. If as a result of unsatisfactory delivery a more thorough inspection of goods is required on receipt than is normally necessary, the cost of this shall be borne by the Supplier.

8.4. In the event that a delivery item is found during the warranty period or after expiry thereof to deviate from the agreed condition, the Supplier shall bear the expenses required to complete such supplementary performance, including but not limited to transport costs, road costs, labor costs and material costs. Further legal claims shall remain unaffected.

8.5. In urgent cases, in particular where it is necessary to avert imminent danger or prevent excessive damage, we shall be entitled to have the identified defects define themselves or arrange to have sold defects rectified at the expense of the Supplier.

9. PRODUCT DAMAGE
9.1. In the event that a customer or other third party makes a product liability claim against us, the Supplier shall be obligated to indemnify us from such claims if and insofar as the damage has been caused by a fault in the product supplied by the Supplier. In cases of fault, the Supplier shall be entitled to supply the spare parts and goods, where the Supplier is at fault. If the cause of damage is the responsibility of the Supplier, the latter shall bear the burden of proof in this respect.

9.2. In such cases, all costs and expenses shall be borne by the Supplier, including the cost of replacing or repairing the goods. In all other cases, the statutory provisions shall apply.

10. PERFORMANCE OF WORK
10.1. All persons who perform work on the factory premises for the purpose of executing the contract shall comply with the provisions of the relevant rules of operation ("Safety!"); all regulations relating to fire protection to ensure that work is carried out in safety.

10.2. No liability shall be accepted for accidents which occur on the premises of the Supplier, irrespective of whether the goods, which are a part of Tesat's terms of purchase and an integral part of the supply contract.

11. PROVISION OF MATERIAL
11.1. All documents and objects of any kind provided to the Supplier by TESAT shall remain the property of TESAT. They may only be used for the purpose of supplying the goods ordered. The Supplier shall ensure any materials provided to him against loss and deterioration. The Supplier shall have no right of retention over materials belonging to TESAT, unless the contract provisions are undeniably or established as legally binding.

11.2. To the extent that objects provided by TESAT are converted or remodelled by the Supplier to create a new movable item, TESAT shall be deemed to be the manufacturer. In the event that objects provided by TESAT are merged with or attached to other objects, TESAT shall acquire joint ownership of the new item in proportion to the value of the objects at the time of combining or mixing. If objects are combined or mixed in such a way that the objects belonging to the Supplier are to be regarded as the primary element, it is hereby agreed that the Supplier shall assign proportionate joint ownership to TESAT. The Supplier shall hold the share of the joint ownership on behalf of TESAT free of charge.

12. CONFIDENTIALITY
12.1. The order placed by TESAT shall be treated as confidential.

12.2. The Supplier shall be obligated to undertake to use for the purpose of supplying the goods ordered. The Supplier shall ensure that the Supplier discontinues supply of the delivery item following expiry of the period stated in paragraph 13.1 or during this period, he shall allow TESAT the opportunity to have the goods inspected for correctness.

13. SPARE PARTS, WILLINGNESS TO SUPPLY
13.1. The Supplier shall be obligated to supply TESAT with spare parts and consumables required to maintain the useful life of the product, and in any event for not less than ten years after the final delivery.

13.2. If the Supplier discontinues supply of the delivery item following expiry of the period stated in paragraph 12.1 or during this period, he shall allow TESAT the opportunity to place one last order.

14. PLACE OF JURISDICTION, APPLICABLE LAW
14.1. The place of jurisdiction shall be chosen by us and shall be Stuttgart, the place of execution or the location of the registered office of the Supplier.

14.2. The contract shall be subject to the law of the Federal Republic of Germany to the exclusion of the standard United Nations Convention on Contracts for the International Sale of Goods (CISG) or other conventions relating to the law governing the sale of goods.

14.3. The delivery of goods and the performance of services shall be carried out in accordance with the documents and data referred to in the order, and, furthermore, with strict adherence to laws, legal ordinances, guidelines and other administrative regulations which have been incorporated into German law or which have come into force as German laws, or any EU directives or regulations which are directly applicable in German law.

15. EXPORT CONTROL
15.1. Compliance with the law governing export control is of utmost importance.

15.2. The Supplier shall be obligated to notify us in a legally binding manner of the export control classification of the ordered goods, software and/or technology as required by national and US export control law, using the enclosed form entitled "Supplier's licence to export". Failure to submit amendments to the export control classification must be reported immediately.

15.3. Furthermore, it shall be incumbent-upon the Supplier to obtain the necessary export licenses or other relevant permits from the responsible authorities without delay and to provide TESAT with copies thereof.

16. INSURANCE
The Supplier shall maintain all insurance required for proper business operation to a reasonable extent and shall furnish evidence upon request. This expressly includes employee's liability insurance with coverage of at least € 2.5 million per person injury/property damage. Any further claims for damages remain unaffected.

17. QUALITY ASSURANCE AGREEMENT
17.1. The Quality Assurance Guideline for Suppliers QSL is an additional part of Tesat's terms of purchase and an integral part of the supply agreement with TESAT. The Quality Assurance Agreement is available on the TESAT homepage in addition to the general terms of purchase under www.tesat.de/en/terms and the supplier there can view it.

18. COMPLIANCE WITH LEGAL REQUIREMENTS AND AUDIT
The contractual clause for compliance with the statutory provisions and the contractual clause for proving compliance of Tesat’s terms of purchase and for an indispensable part of the supply contract with TESAT. The contractual clause for compliance with the statutory provisions and the contractual clause for proving compliance of Tesat’s terms of purchase and an indispensable part of the supply contract with TESAT.

19. TESAT CODE OF CONDUCT FOR SUPPLIERS
The Supplier undertakes to comply with the Tesat Code of Conduct for Suppliers. This is available on the TESAT homepage in addition to the general terms and conditions of purchase at www.tesat.de/en/terms and the supplier there can view it.

20. SEVERABILITY CLAUSE
Should one of the preceding provisions be invalid, this shall be without prejudice to the validity of the remaining provisions. The invalid provision shall be replaced by a valid provision that corresponds as closely as possible to the factual, legal and commercial purpose of these General Conditions of Purchase in their entirety and the contract agreement. The same shall apply in the event that these General Conditions of Purchase are found to contain a loophole.