

# **GENERAL TERMS AND CONDITIONS FOR PAINTING SERVICES**

If the above regulations have been translated are translated, the German version alone shall apply to their interpretation.

#### 1 General

- 1.1 General Atomics AeroTec Systems GmbH ("GA-ATS") will perform services and supplies regarding the painting of an Aircraft or parts of an Aircraft (together "the Services") only in accordance with the following Terms and Conditions. Any terms and conditions stipulated by Customer and divergent from or supplementary to the following terms and conditions shall not be binding unless, and only to extent as confirmed by GA-ATS in writing.
- 1.2 Contracts are in principle concluded via an offer made by Customer and its acceptance by GA-ATS. An offer by GA-ATS is binding only in case they are designated to be so in writing and will become invalid 1 month after its date, unless no longer validity period has been given in it. Offers and acceptance of orders as well as changes and supplements thereto must be in writing. Verbal subsidiary agreements or subsequent contract amendments shall not be binding unless confirmed by GA-ATS in writing.
- 1.3 GA-ATS is entitled to carry out 'over and above' work necessary to maintain and/or restore airworthiness without Customer's specific consent provided no obvious disparity exists between over and above work and value of the order.
- 1.4 Paint Schemes, if not produced to an exact scale drawing, will only be an interpretation of the sketch/ photography supplied. Colours used, if not exactly specified (by colour, shade and manufacturer's code), will be the nearest alternative. Customer acknowledges that colour coated on the Aircraft can appear different from colour coated on colour chips or sample cards. Colour chips reproduced on paper may vary in gloss, shade and effect to colour standards or actual paint material. Large factory batches of colour versus small touch-up batches may vary slightly in colour.
- 1.5 All immaterial property rights to paint designs created and/or issued by GA-ATS shall remain with GA-ATS.
- 1.6 GA-ATS shall be entitled, as per the provisions of the individual Order, to claim from Customer an additional fee in case ordered Services are postponed or cancelled due to Customer's wish or fault.
- 1.7 In case technical problems, discrepancies and airworthiness issues should come up during painting, they shall be corrected under an Additional Work Order separately to be agreed upon between GA-ATS and Customer.
- 1.8 As far as deliveries, works, services not directly related to paint services are concerned, GA-ATS' "General Terms and Conditions for Supplies and Services" shall apply thereto. As far as services outside GA-ATS' Oberpfaffenhofen plant are concerned, GA-ATS's "General Terms and Conditions for Field Services" shall additionally apply. Customer may demand at any time submittal of such General Terms and Conditions.
- 1.9 Customer will treat confidentially any and all information and documents (e.g. offers, price lists, technical concepts etc.) and not disclose such to third parties unless approved by GA-ATS in writing. This shall be valid even before contract conclusion and for a period of 3 years after termination of a contract or order. Furthermore, GA-ATS and Customer are obliged to care for a proper data protection on a level according to EC Data Protection Law, including making economically, technically and organizationally reasonable provisions to effectively protect all data and information regarding order processing against unauthorized notice by any third party. Customer hereby consents to GA-ATS's disclosure of confidential information and documents provided by Customer to third parties on a 'need to know' basis when required for performing the Services.

# 2. Prices, Payments, Taxes

- 2.1 All prices are understood ex GA-ATS Sonderflughafen Oberpfaffenhofen ("ex works" EXW, Incoterms@ 2020).
- 2.2 GA-ATS' price list for firm fixed prices and hourly rates valid at conclusion of the Order shall apply. If a price for a specific Service is not provided, the usual prices and remunerations prevailing at GA-ATS' facility shall apply. Foreign currencies will be converted to Euro at an exchange rate valid upon conclusion of the Order. All prices are net prices plus then applicable VAT. If Services are to be provided later than 4 months after conclusion of the Order, the prices prevailing at that time shall apply.
- 2.3 GA-ATS may, at any time, pass on to Customer any increase in third parties' prices (e.g. supplier, OEM) unpredictable for GA-ATS.
- 2.4 In case Exchange Parts are used, a prerequisite for charging exchange prices is that the removed/returned Parts are complete, and that their later repair due to normal wear and tear is possible at economically reasonable expenses. In respect thereof, GA-ATS' invoices are subject to correction.
- 2.5 GA-ATS may demand a reasonable advance payment upon placement of an order or its extension.
- 2.6 Place of performance for payments of Customer shall be GA-ATS' place of business. Payments shall be made in Euro currency immediately upon acceptance of the Services without any discount or other deductions. Acceptance by GA-ATS of deviating payment arrangements shall be without prejudice for future Orders. In case of delivery of Parts payment shall become due 2 weeks after receipt by Customer, in case of work services pursuant to §§ 631 ff. BGB (German Civil Code) upon acceptance.
- 2.7 Customer's objections against an invoice of GA-ATS must be raised in writing within 2 weeks after its receipt or after receipt of a final work report (Customer Work File), whatever is later; otherwise the invoice shall be deemed fully approved by Customer, provided Customer has expressly been referred to this legal effect.
- 2.8 Customer shall be entitled to set off any amounts with counterclaims, or to exercise a right of retention, solely against claims which have been subject to a non-appealable court decision, or which GA-ATS has acknowledged in writing as undisputed.
- 2.9 Late payment interest will be charged towards Customer at 9 percentage points above the then valid base interest rate pursuant to § 247 BGB, but not less than 9%. GA-ATS's right to claim a higher damage caused by the default shall not be limited hereby.
- 2.10 Customer shall bear any and all applicable payment duties including but not limited to taxes, VAT, sales or service tax, withholding tax, other levies and all related supplementary duties.

# 3. Partial Services, Terms, Delay in Performance

- 3.1 Partial Services are permitted provided they do not impose an unreasonable burden on Customer.
- 3.2 Deadlines and dates are binding only if agreed upon in writing. Deadlines are met if GA-ATS has sent the notification of readiness for delivery or for acceptance to Customer before their expiration. A completion date shall be deemed to have been agreed for the date on which Customer receives, at the latest, GA-ATS's Notification of Acceptance Readiness ("NAR"). For the avoidance of doubt, the end date of an agreed "down time", "ground time", "turnaround time", or a "date of departure", "delivery time", or any similar wording, shall indicate the delivery/acceptance date.



3.3 Any deadlines and dates for GA-ATS' Services shall be subject to correct and timely supply or services by GA-ATS' suppliers and subcontractors. In case GA-ATS, for reasons beyond its control (e.g. findings, default of any third party, force majeure), does not receive correct or timely delivery of goods or services from suppliers or subcontractors, GA-ATS shall be entitled to withdraw from the Order, provided that GA-ATS has informed the Customer about the non-availability of the goods or services without undue delay. Customer shall be entitled to withdraw from the Order, provided he has given GAATS a reasonable period for fulfilling the Order. Payments made by the Customer for Services not performed shall be refunded if the Order is withdrawn by Customer or GA-ATS. Other claims of Customer are excluded.

In case GA-ATS fails to meet an agreed date for reasons not attributable to GA-ATS, such date shall be reasonably postponed, at least for the duration of the reason for GA-ATS's delay. GA-ATS shall not be in delay in particular if Customer does not provide a sufficiently authorized representative for acceptance or in case of late payment, failed support or defaulted response by Customer.

# 4. Inspection, Acceptance

- 4.1 In case Customer shall effect acceptance of Services imposed by agreement or law, Customer shall inspect such Services on his own cost and start this inspection within 3 working days upon receipt of the NAR. Customer may not refuse to declare acceptance for defects by which the operability of the Service in question is not affected or insignificantly affected.
- 4.2 Acceptance shall be deemed to have been declared without reservation (i) in case Customer fails to start the inspection within 8 calendar days upon receipt of the NAR acceptance; or (ii) in any case when Customer puts into operation, without reservation, the object upon which the Service in question has been performed, in particular when such object, to Customer's knowledge, is removed from GA-ATS's premises, except for local acceptance flights; always provided Customer has expressly been referred to these legal effects.
- 4.3 The provisions above shall not affect the risk for Customer to get in default already prior to expiry of the period as per 4.2. The responsibility for technical condition and precaution, and, if applicable, for sustaining airworthiness of the object in question, as well as the risk of damage to the object shall, without further declarations, pass on to Customer, at the latest, as soon as the period pursuant to Sect. 4.2 has expired or in case Customer leaves the object on GA-ATS's premises after having accepted it. In such cases GA-ATS (i) is not obliged to care for, and/or store/park the object; (ii) shall solely be liable for damages or destruction of the object when caused willfully or grossly negligently by GA-ATS; and (iii) may demand from Customer a compensation for all reasonable expenses and efforts regarding the object.

# 5. Defects in quality or title (Warranty)

- 5.1 The statutory claims of Customer in case of defects in quality or title shall be restricted or modified as follows:
- 5.1.1 In case Customer is entitled to rectification of a defect, GA-ATS may choose considering Customer's justified interest to fulfill its obligation by repair, replacement or rework. GA-ATS may use at least 2 attempts of rectification before Customer may exercise any other warranty rights.
- 5.1.2 Customer's claims due to defects shall be subject to a limitation period of 12 months after the statutory commencement of the limitation period. For deliveries and services of subcontractors or suppliers the limitation period granted by such subcontractors or supplier shall apply, but not more than 12 months.
- 5.1.3 Customer may not eliminate a defect by own resources and claim reimbursement of expenses.
- 5.1.4 Claims for damage compensation are exclusively governed by Section 6 below.
- 5.2 WARRANTY CLAIMS ARE EXCLUDED:
- 5.2.1 For paint layers not applied by GA-ATS, for abraded surfaces when the coat was not applied by GA-ATS, parts or materials not manufactured by GA-ATS, for paint provided by Customer, and for paint designs not created by GA-ATS. GA-ATS's warranty claims, if any, against manufacturers, suppliers or designers will be assigned to Customer. Should Customer, without any fault on his part, fail to obtain rectification of defects from the respective manufacturer or supplier, such rectification will be performed by GA-ATS pursuant to Section 5 above;
- 5.2.2 In case Customer has failed (i) to inspect the delivered part without undue delay with respect to its faultlessness and completeness, and (ii) to give notice to GA-ATS about any discovered defects without undue delay. In case of such failure the part in question shall be deemed accepted without reservation, unless the defect could not be discovered by due inspection. Defects discovered later shall be notified to GA-ATS without undue delay; otherwise the part in question shall be deemed as wholly accepted. Any notice of defect shall be given to GA-ATS in writing with description of the defect as detailed as possible. 377 HGB (German Commercial Code) shall apply accordingly.
- 5.2.3 In case the defective part is not returned to GA-ATS within 4 weeks after reporting the defect to GA-ATS;
- 5.2.4 In case the defect is due to normal wear and tear, Force Majeure, improper or negligent handling, excessive stress, non-observance of legal provisions or technical or operating instructions;
- 5.2.5 In case of defects and imperfections which are usually unpreven-table when painting aircraft, including, but not limited to:
- Insubstantial deviations from agreed specifications due to the paint design chosen by Customer;
- Cracks that could appear in paint applied on top of sealing/joints;
- Future paint damages caused by the Aircraft's manufacturing design;
- Colour mismatch when only partial painting is done;
- A restriction pursuant to Section 1.4 comes into effect;
- Delamination or cracking of paint applied on composite fairings;
- Fluid leaks consecutive to application of chemical stripper on wings,
- engine pylons and cowlings in case Customer decides to strip these areas instead of sanding them;
- Corrosion, cracks, extraordinary or multi-colour design paint, or paint thickness issues in case Customer orders to use sanding;
- Electrical arcing or cockpit/cabin communication issues in case Customer orders to have metallic paint and/or clear coat applied.

This shall not free GA-ATS from, but GA-ATS shall also not be bound further than using all economically and technically reasonable efforts to avoid such defects and imperfections.

5.3 In principle, defects will be rectified at GA-ATS's Paint Shop. However, GA-ATS reserves the right to rectify, in exceptional cases, the defect at the location of the defective Aircraft/part.



# 6. Liability

6.1 GA-ATS shall compensate for damages and expenses (referred to jointly as "Claims for Damages"), based on whatever legal ground, including infringement of duties arising in connection with an Order or by tort, solely in case of (i) mandatory liability of GA-ATS, e.g. under the German Product Liability Act ("Produkthaftungsgesetz"), (ii) intent, gross negligence, injury of life, body or health, or (iii) breach of a material obligation ("Material Default").

However, Claims for Damages arising from Material Default shall be limited to the foreseeable damage intrinsic to the Order, unless caused by intent or gross negligence or based on liability for injury of life, body or health. Claims for delay of Services are exclusively governed by Sect. 3 above. Aforesaid stipulations on lability shall apply also to any personal liability of GA-ATS's directors, employees and auxiliary persons.

- 6.2 Claims for Damages of Customer are subject to a limitation period of 12 months except for Claims for Damages resulting from willful misconduct or based on German Product Liability Act, where the statutory limitation periods shall apply.
- 6.3 The above provisions in this Sect. 6 shall not imply a change in the onus of proof to the detriment of Customer.
- 6.4 Customer shall immediately notify GA-ATS about any damage and loss for which GA-ATS shall be held liable and upon request to allow GA-ATS a damage survey.

### 7. Handling of "Third Party / Manufacturer Warranties"

If GA-ATS handles warranty claims for Customer toward third parties (e.g. manufacturers), Customer's obligation to first remunerate GA-ATS's efforts shall remain unaffected thereby. Payments, if any, made by such third party will then be reimbursed to Customer.

#### 8. Rescission

In case of a default not attributable to GA-ATS, Customer's right to rescind the contract is excluded. This shall not apply in case of a defect in quality or title of Parts or Services provided by GA-ATS. Sect. 3.3 shall remain unaffected. In case an impediment of delivery or performance due to force majeure should last more than 180 calendar days, each party may, after expiration of said period, terminate the Order with immediate effect.

### 9. Force Majeure

- 9.1 Each Party shall not be held responsible for failure to perform or for delay in performing any contractual obligation if such failure or delay is due to unforeseeable events beyond their reasonable control, whether arising from natural causes or human agency ("Force Majeure"), including but not limited to acts of God, war, insurrection, epidemics, pandemics, sabotage, labour disputes, strikes, lock-outs, shortages of labour, interruption or delays in transportation, fire, explosion, equipment or machinery breakdown, failure or delays of GA-ATS's source of supply, shortage in material or energy, 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), as well as embargo and export sanctions.
- 9.2 The Party affected by Force Majeure shall notify in writing the other Party within two weeks following the occurrence of any event of Force Majeure citing this Section in said notice, and shall supply all relevant information about its effects on the performance of that Party's contractual obligations.
- 9.3 Unless mutually agreed in writing, the Party unable to perform due to Force Majeure shall be temporarily excused from performance while the incident of Force Majeure is occurring, and be obligated to perform as soon as the incident ends. Such Party shall not be subject to damage claims.
- 9.4 In case the duration of Force Majeure exceeds 6 months, the Parties will negotiate, and each Party shall have the right to terminate this Agreement with immediate effect. In case of such termination contractual obligations performed shall be remunerated; remuneration already paid without receipt of the full consideration shall be refunded, however reduced by the accrued cost and expenses incurred by the other Party through the contractual obligations performed so far.

# 10. Retention of Title, Lien, Right of Retention

- 10.1 Until GA-ATS' Services are fully paid including compensation for default GA-ATS retains title to all Parts delivered to Customer ("Retained Parts"). Retention of title shall apply to all undisputed claims resulting from GA-ATS's business relationship to Customer. GA-ATS shall, upon Customer's request, release Retained Parts and/or collaterals to the extent their value exceeds all claims to be secured but not yet settled by more than 20%.
- 10.2 Customer shall, for the term of the retention of title, keep safe any Retained Parts, maintain them, insure and protect them against fire, water, damage and all other risk, as well as take all reasonable measures to secure GA-ATS' title of property. Sale, treatment, processing, pledging, chattel mortgaging or any other act of disposal of Retained Parts are prohibited except with prior written approval by GA-ATS. In case any Retained Parts are drawn upon by a third party (e.g. by seizure), Customer shall advise such third party about the retention of title, and immediately notify GA-ATS of such event.
- 10.3 With regard to all claims resulting from GA-ATS' business relationship to Customer, even if accrued but not yet due, GA-ATS shall have a right of retention as per §§ 369 ff. HGB, as well as a contractual lien over all objects of which GA-ATS has taken possession (pursuant to § 369 Abs. 1 HGB) under any Order with Customer. In case such lien should require additional legal action for its validity (e.g. registration), Customer shall fully cooperate to have such actions executed.

# 11. Customer's Obligations

- 11.1 Customer shall perform all its duties of cooperation, support, response and notification imposed by contract or statutory law ("Support Provisions") in due time, completely, and on its own cost and risk. This includes, without limitation, the transmission of "Certifications of the Entry of Goods" according to EU law as well as of all information, data and documents (e.g. according to relevant Customs and Export Laws or Air Laws) which GA-ATS requires for performance of its Services.
- 11.2 Customer shall keep itself informed at all times about applicable national and international export regulations (e.g. ITAR) regarding its Support Provisions, and shall notify GA-ATS immediately in writing if the Support Provisions are subject to these regulations in whole or in part. Customer shall comply with all applicable export regulations and disclose to GA-ATS on request all relevant information for this purpose. Unless otherwise agreed in writing, Customer shall take all measures required to obtain further official authorizations or licenses needed for the Support Provisions and their use by GA-ATS as provided in the Order. Where GA-ATS has to apply for such authorizations or licenses, Customer shall provide GA-ATS with all appropriate support, particularly for the procurement of needed information and data, at no charge to GA-ATS.

Where applicable, Customer shall provide, no later than at the time of conclusion of the Order, and at no charge to GA-ATS, the following minimum information:



- The customs tariff numbers of the country of consignment, and the countries of origin for all provided goods;
- For controlled Support Provisions, the relevant national export control numbers and, if the goods and/or services are subject to U.S. (re-)export regulations, the U.S. Export Control Classification Numbers (ECCN) or classification numbers of the International Traffic in Arms Regulations (ITAR);
- Proof of preferential origin as well as conformity declarations and marks of the country of consignment or destination; certificates of origin upon request.
- 11.3 In case Customer may provide Customer Parts to GA-ATS (see Sect. 1.4), such provision shall be made on Customer's own cost and risk (DDP Sonderflughafen Oberpfaffenhofen, Incoterms© 2020), with all necessary documentation, and early enough so GA-ATS is able to perform its Services in time. GA-ATS may decline Customer Parts at any time, even after their delivery or implementation, and for any reason, in particular due to Air Law or to quality reasons. Customer shall indemnify GA-ATS from all claims pertaining to Customer Parts, unless caused by willful act or gross negligence on the side of GA-ATS, and compensate GA-ATS for all costs and expenses incurred. Within 1 month after completion of an Order Customer shall notify GAATS how to handle all Customer Parts and removed Parts which were left at GA-ATS (shipping to a place named by Customer, or storage at GA-ATS' then valid rates, or scrapping), with all costs incurred to be borne by Customer.
- 11.4 In case Customer is in delay of (i) acceptance, or (ii) responding to an additional work order or Status Report, or (iii) relocation or pick-up of an aircraft or Part, or in case Customer is in breach of any duty under Sect. 11.1 above, GA-ATS shall be entitled to compensation of all damages and expenses incurred. If GA-ATS demands compensation in this respect, this shall amount to EUR 2,500 per day or part thereof. The compensation shall be set higher if GA-ATS proves higher damages. All further rights are reserved.

# 12. Compliance

- 12.1 Each Party (i.e. GA-ATS and Customer individually) undertakes to comply with all relevant applicable laws, including, but not limited to competition laws, antitrust laws, employment and child protection provisions (e.g. regarding conflict commodities), the prohibition of human trafficking and with the Basic Agreements of the International Labour Organization, the laws against counterfeiting as well as the laws for the protection of environment and health (e.g. guidelines like REACH and RoHS).
- 12.2 Customer shall comply with the current code of conduct for business partners of GA-ATS, which will be provided upon request.
- 12.2 Each Party undertakes not to accept monetary gifts or other preferential treatments against unjustified benefits. Each Party also undertakes to comply with the OECD Anti-Bribery Convention of 17 December, 1997.
- 12.3 Each Party shall bind its employees, auxiliary persons, subcontractors and suppliers by contract to observe the provisions under this Sect. 12.
- 12.4 In case of non-compliance with this Sect. 12, the other Party may claim a contractual penalty per case of infringement of 10 % of the relevant Order, but not more than EUR 50,000.00. Any penalty amount shall be deducted from any claim for damages caused by the corresponding infringement.

Any penalty shall not free each Party from its contractual and legal obligations.

# 13. No (Re-)Export to Russia

- 13.1 The Customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with the Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014.
- 13.2 The Customer shall undertake its best efforts to ensure that the purpose of paragraph 13.1 is not frustrated by any third parties further down the commercial chain, including by possible resellers.
- 13.3 The Customer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph 13.1.
- 13.4 Any violation of paragraphs 13.1, 13.2 or 13.3 shall constitute a material breach of an essential element of this Terms, and GA-ATS shall be entitled to seek appropriate remedies, including, but not limited to:
- (i) termination of the Agreement; and
- (ii) a penalty of 5% of the total value of the Agreement or price of the goods or parts exported, whichever is higher.
- 13.5 The Customer shall immediately inform GA-ATS about any problems in applying paragraphs 13.1, 13.2 or 13.3, including any relevant activities by third parties that could frustrate the purpose of paragraph 13.1. The Customer shall make available to GA-ATS in-formation concerning compliance with the obligations under paragraph 13.1, 13.2 and 13.3 within two weeks of the simple request of such information.

# 14. Foreign Trade Law

- 14.1 The contract is subject to the condition that applicable nation-al or international foreign trade law in particular export control or customs regulations, including embargo regulations and sanctions lists (hereinafter referred to as "applicable foreign trade law") does not prohibit or restrict its fulfillment.
- 14.2 The Customer shall comply with the applicable foreign trade law with regard to his contractual obligations and the provision of materials. In particular, the Customer shall obtain the necessary authorizations if he is responsible for this under the applicable foreign trade law.
- 14.3 The Customer shall inform GA-ATS in writing as early as possible but at the latest before delivery of all information and data that GA-ATS requires in order to check and comply with the applicable foreign trade law. The Customer shall inform GA-ATS separately in writing whether the goods, parts or preliminary products provided, to be provided or to be delivered by the Customer originate from a country (in particular produced there or exported from there) against which the Federal Republic of Germany or the Euro-pean Union has or have imposed an embargo (this applies in particular to Russia). This duty to inform must be immediately and al-ready exists before the conclusion of a contract with GA-ATS and lasts until the complete fulfillment of the performance obligation by GA-ATS.
- 14.4 The above obligations and/or rights only apply if and insofar as they do not violate EU law (cf. in its current version: Council Regulation (EU) No. 2271/96 of 22 November 1996 on protection against the effects of the extraterritorial application of legal acts adopted by a third country and of measures based thereon or resulting therefrom) and/or German law (cf. in its current version: Section 7 of the German Foreign Trade Regulation -Außenwirtschaftsverordnung-).



14.5 The Customer indemnifies GA-ATS against all third-party claims - including official fines - and is liable to GA-ATS for any damages incurred by GA-ATS due to incorrect or unsuccessful fulfillment of the obligations, unless the Customer proves that he is not responsible for the breach. The scope of the damages to be compensated also includes the reimbursement of all necessary and reasonable expenses that GA-ATS incurs or has incurred, in particular the costs and expenses of any legal defense.

#### 15 Data protection

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 an Order.

The Parties agree that they act as independent controllers in relation with such Personnel Data. Personnel Data may be processed only in accordance with applicable law, applying appropriate security measures (e.g. technical and organizational measures), and only in order to enter into and perform the Order 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 Personnel about the processing of Personnel Data by the respective other Party, in accordance with applicable law. Additional details about GA-ATS's data processing are set out in GAATS's privacy notices (see www.ga-ats.com/en/privacy).

# 16. Assignments, Pledging

Each Party may transfer or assign the Order as a whole, or any right or obligation under the Order only upon the prior written approval of the respective other Party. Notwithstanding the aforesaid, GA-ATS is always allowed to assign any right or obligation to another company of the General Atomics Group without Customer's approval. Customer may not assign nor pledge any of his claims against GA-ATS without GA-ATS's prior written approval.

# 17. Applicable Law, Jurisdiction

17.1 The laws of the Federal Republic of Germany, to the exclusion of the German and European International Private Law (Conflict of Laws Provisions) and of the United Nations Convention on Contracts for the International Sale of Goods, shall exclusively apply to all Orders as well as to any right and obligation arising out of, or in any way connected with an Order.

17.2 Any legal action, suit or proceeding arising out of, or in any way connected with an Order (including Competition and Antitrust Law) shall be instituted in the courts of Munich, Germany (Landgericht Muenchen II). GA-ATS is entitled to institute legal actions, suits and proceedings at Customer's place of business or before any other court of competent jurisdiction under domestic or foreign law.