

General Terms and Conditions for the Purchase of Transportation Services

1. Scope

These “General Terms and Conditions for the Purchase of Transportation Services” (hereinafter Terms and Conditions) apply to all transport and forwarding contracts (hereinafter Contracts) concluded by Lufthansa Technik Component Services (hereinafter LTCS) and the vendor of transportation services (hereinafter Contractor).

2. Mutual obligations

Contractor is obliged, depending on the Contract, to organize the dispatch of the goods and to transport the goods delivered to it for transport to the destination and to deliver them to the consignee, or to store and keep these goods in safe custody and to comply any other contractual obligations. In return, LTCS will pay the agreed remuneration.

3. Remuneration

3.1 Amount of remuneration

The remuneration of Contractor shall be determined in the individual Contract and shall include all costs, expenses, surcharges, etc. The statutory sales tax applicable in each case shall be added. Contractor can only invoice LTCS for any excess, unavoidable expenses if LTCS has been informed in advance and has given its consent in writing.

3.2 Invoicing

The invoice of Contractor shall list the individual remuneration parts and indicate which activity the amount is to be invoiced for. Likewise, the applicable additional tax to be offset must be stated separately and clearly. The original of the invoice must be sent to the following address:

Lufthansa Technik Component Services

1640 Hempstead Turnpike

East Meadow, NY 11540

Attention Freight Audit and Billing

For tax reasons the addressing for invoice is required in exactly this form. In the case of deviations, LTCS would have to reject the invoice.

If and to the extent that there are no objections to the invoice LTCS will transfer the amount indicated by the invoice to the account named in the invoice within 45 days after the invoice has been received.

4. General Contractual obligations of Contractor

Irrespective of whether Contractor has been given a transport or forwarding Contract, Contractor must also fulfill the following obligations:

4.1 Compliance with legal requirements

Contractor is obligated to observe and comply with all applicable legal regulations when performing the Contract. Contractor has to ensure that all necessary approvals, permissions or other official requirements for the fulfillment of the contract are available.

4.2 Subcontracting

4.2.1 Transport

Contractor may only engage subcontractors to carry out engine transports or to carry out deliveries within the secure supply chain if it has obtained the prior consent of LTCS in writing. In all other cases of transportation services, information of the engagement of a subcontractor to LTCS is sufficient. Contractor shall ensure that the engaged subcontractors comply with the obligations arising out of the contractual relationship between LTCS and Contractor congruently. Should the subcontractor violate these obligations,

LTCS is entitled to immediately revoke the consent given to the subcontractor. The engagement of a sub-subcontractor is forbidden. Contractor shall inform the subcontractor about this prohibition and shall ensure its compliance. The engagement of a subcontractor does not affect the contractual obligations of Contractor against LTCS.

4.2.2 Warehousing

Contractor is prohibited from engaging subcontractors to perform warehousing services.

4.3 Third party responsibility

Contractor shall be responsible for the actions and omissions of its employees and the subcontractors engaged by him, to the same extent as for his own actions and omissions. The same shall apply to acts and omissions of other persons to whom Contractor is responsible when performing the Contracts. Contractor shall be obliged to secure claims for reimbursement against engaged subcontractors and upon request, transfer these to LTCS.

4.4 Documents

Contractor shall procure the necessary documents, accompanying documents or similar for the execution of the Contract. Anything else is valid only if LTCS is in the legal position to obtain it or the contractor accepts the goods to be transported directly from LTCS.

4.5 Interface controls

Contractor is obliged to inspect the goods at interfaces for their condition and completeness as well as the integrity of seals and closures and to document irregularities and to issue this documentation to LTCS. An interface is any point of transfer of goods from one legal entity to another, the takeover at each section of the transportation chain as well as the delivery at the end of each section of the transportation chain.

4.6 Customs clearance

The duties of Contractor shall include the customs handling of the good, provided that this is separately contracted in text form.

Contractor is aware of the fact that LTCS has an authorization as an Authorized Economic Operator (AEO).

Contractor hereby declares that:

- Goods produced, stored, transported, delivered to LTCS or taken over by LTCS on its behalf as AEO, are
 - produced, stored, processed or loaded at secure workshops and secure transshipment sites
 - are protected against unauthorized access during production, processing, loading and transport
- the personnel inserted for the production, processing, transport and take-over of such goods or other activities or other activities connected with the goods are reliable
- business partners acting on behalf of the Contractor are informed that they must take the above measures to secure the supply chain.

4.7 Export control

Contractor confirms that it will comply with all applicable national and international export control laws, including, but not limited to, the applicable US Export Control Regulations (EAR), 15 CFR Parts 730-774, the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120-130, and the US Economic Sanctions Regulations (OFAC Regulations), 31 CFR Parts 500-598, the European Union Regulations (such as the Embargos and the Dual Use Regulation 428/2009) and the provisions of other applicable national laws and regulations.

4.8 Dangerous goods shipment
When handling dangerous goods, Contractor shall comply with the following requirements: IATA Dangerous Goods Regulation ("DGR"), European Agreement on the International Carriage of Dangerous Goods by Road ("ADR"), International Convention on Safety of Life at Sea ("SOLAS"), the Convention for the Prevention of Pollution from Ships ("MARPOL") and the International Maritime Code for Dangerous Goods ("IMDG Code"). LTCS authorizes the Contractor to prepare the necessary documentation on behalf of LTCS or LTCS' customers.

4.9 High value of goods
The Contractor is aware of the very high value of the transferred goods. The freight carrier shall be obliged to provide adequate and effective safety precautions which prevent damage and loss.

5. Special contractual obligations of Contractor
5.1 Transport

Contractor shall load, store, fasten and unload the goods to be transported and / or operated safely and shall ensure that it has sufficient load securing means (tensioning straps, edge protectors, etc.) to perform these activities. Contractor also secures that the used truck is in a technically perfect condition and is suitable for the safe transport of the agreed type of goods. The loading area of the truck used must be dry, clean and odorless. Unless otherwise agreed, an absolute prohibition on additional loading and transshipment shall apply.

Contractor shall have an increased duty of inspection with regard to the packaging and labeling of the goods and shall undertake an in-depth inspection of the goods before takeover. Contractor must inform LTCS immediately of recognizable packaging, deficiencies and insufficient identification of the consignments as well as obviously incorrect or incomplete information in the freight documents, in particular quantity, weight and size deviations.

An air-sprung truck with an air-sprung trailer is to be used for engine transports. If transportation is interrupted, the truck must be parked in a guarded parking area (minimum requirements: fenced and enclosed area with security personnel and video surveillance). If the contractor wishes to visit an unattended parking lot, this must be approved by LTCS in text form.

5.2 Forwarding business

Contractor shall fulfill the same obligations as when performing a transport according to section 5.1. and has also the duty to organize the transport in such a way that the interest of LTCS as a customer and client is respected at all times.

5.3 Performance of Services

Contractor will perform all services in a good and workmanlike and safe manner. Contractor will properly supervise all phases of the services being performed, to guard and protect LTCS against all defects in materials and workmanship, and to ensure completion of the services in accordance with the Contract and these Terms and Conditions. Contractor will at its sole cost and expense correct any defects in materials and workmanship, including the removal and replacement of unsatisfactory materials and workmanship, and correct any deviations from the terms of the specifications. All such corrections will be at no additional cost or expense to LTCS.

5.4 Permits, Notices, Approvals, and Code Compliance

Contractor will at its expense obtain all necessary permits and licenses that may be required in order to perform the services. Contractor will ensure that all services performed and materials furnished under the Contract comply with all applicable municipal, county, state and federal building, fire, sanitary and other codes and with the best standards

of the trades involved. Contractor will arrange for all necessary governmental or other inspections or approvals, including all notices in connection therewith, regarding all services.

5.5 Background Investigations

If the services are to be performed at an airport or other premises under the jurisdiction of the Federal Aviation Administration, Contractor will conduct background investigations of each of its employees who will have access to any secure or restricted area of such premises. Background investigations will include, at a minimum, verification of prior employment (five years where available, shorter periods as applicable for those entering the workforce from school) to the extent permitted by law. Each background investigation will be reduced to writing and will be verified by Contractor as having been completed upon request by LTCS, or by applicable governmental authority, upon reasonable notice. LTCS reserves the right to verify independently the results of any investigation, and to terminate the Contract without further notice upon discovery of a materially inaccurate investigation.

5.6 Contractor's Employees; Supervision

Contractor will employ only competent persons to perform the services specified in the Contract. All such employees will at all times be employees of Contractor and not of LTCS. Contractor at all times will be an independent contractor with full and complete responsibility for all of its employees, agents, and subcontractors. To that end, Contractor will employ and direct such personnel as it requires to perform said services, will exercise full and complete authority over its personnel, and will have the sole right to hire and discharge said persons.

6. Liability and Indemnification

6.1 Indemnification

Contractor will defend, indemnify, and hold harmless LTCS, its officers, employees, and agents (collectively "LTCS") against and from all claims, suits, judgments, losses, damages, fines or costs (including reasonable attorney's fees and expenses) resulting from any claim, suit or demand by any third party, including but not limited to injuries to or deaths of persons or loss of or damage to property, arising out of (i) the provision of any services or products by Contractor under the Contract, or (ii) any failure of supervision, negligence, or willful misconduct of Contractor in connection with Contractor's performance under the Contract, all except to the extent caused by the gross negligence of LTCS. Contractor's obligations under this paragraph will survive the termination of the Contract.

6.2 Liability

The liability of LTCS is limited to an amount of USD 100,000.00, unless LTCS has caused the loss intentionally or reckless and with the knowledge that a loss is likely to occur. Other claims for damages against LTCS or LTCS' vicarious agents shall be excluded in case of violation of non-contractual obligations. The liability of LTCS for the violation of contractual obligations is limited to the contract-typical and foreseeable damage. These exclusions of liability, as described in section 6.2 do not apply for any other claims for damages of the Contractor against LTCS or LTCS' vicarious agents in the event of willful misconduct or grossly negligent damage or injury to life, body or health.

6.3 Consequential Damages

EXCEPT AS PROVIDED UNDER INDEMNIFICATION, ABOVE, NEITHER PARTY WILL BE LIABLE FOR, AND EACH PARTY WAIVES AND RELEASES ANY CLAIMS AGAINST THE OTHER PARTY FOR, ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST REVENUES, LOST PROFIT, OR LOSS OF PROSPECTIVE ECONOMIC ADVANTAGE, RESULTING FROM PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT.

7. Insurance

Contractor at its expense will obtain and maintain in full force and effect under terms satisfactory to LTCS policies of insurance in the following types and minimum amounts:

A. Comprehensive General Liability, including contractual liability completed operations, independent contractor, and products hazards:

(1) Bodily Injury: \$5,000,000 per occurrence

(2) Property damage: \$5,000,000 per occurrence or

(3) Combined Single Limit Liability.....\$5,000,000

B. Automobile Liability:

- (1) Bodily Injury: \$5,000,000 per occurrence
- (2) Property damage: \$5,000,000 per occurrence or
- (3) Combined Single Limit Liability \$5,000,000

C. Workers compensation as required by law.

Such insurance coverage will be endorsed to name LTCS as an additional insured (with the exception of Worker Compensation) to the extent of the contractual obligations assumed by Contractor under this Agreement. Certificates evidencing such insurance will be provided to LTCS prior to or upon execution of this Agreement, will contain appropriate cross liability clauses and waivers of subrogation, and will provide that LTCS will be given at least thirty (30) days advance written notice in the event of cancellation, termination, or material modification of the coverage.

8. Workers compensation

Contractor will comply with all Workmen's Compensation, Employer's Liability and other federal, state, county and municipal laws, ordinances, rules and regulations required of an employer performing services as herein contemplated, and will make all reports and remit all withholdings or other deductions, from the compensation paid its personnel as may be required by any federal, state, county or municipal law, ordinance, rule or regulation.

9. Lien

In case of the goods delivered by LTCS for carriage, Contractor has no lien for undisputed claims from other contracts concluded with LTCS. Contractor is expressly informed that LTCS is not the owner of the respective good.

In the event of an exercised lien by Contractor in respect of goods held in his possession for claims relating to these goods, LTCS shall be entitled to replace the lien by providing a written, irrevocable, unconditional and indefinite guarantee from a credit institution authorized to operate in the USA in the amount of the claim asserted by Contractor.

10. Offset

LTCS is entitled to set off against claims of Contractor by means of its own, but also by claims of other companies controlled directly or indirectly by Deutsche Lufthansa Aktiengesellschaft.

Contractor shall be entitled to set off against claims of the LTCS with legally binding or undisputed claims.

11. Confidentiality

The contracting parties undertake to keep the information and / or surrendered documents communicated by the other party confidential and to take all necessary measures to prevent them from being made accessible or otherwise disclosed to any third parties.

This does not apply in case that the parties are obliged to do so by law or by the authorities or have obtained the prior written consent of the other contracting party. This also applies to all information, business secrets and data obtained in the relation to this agreement. Contractor may, in so far as his services are operated under this Contract, provide third parties with the information required for this purpose. The obligation of confidentiality extends beyond the end of the respective contract and is only limited by the written consent of the other party, by law or by the authorities.

12. Advertising ban

Contractor is prohibited from using the name "Lufthansa" without the written consent of LTCS. In particular, the name "Lufthansa" may not be used by Contractor in any way for advertising purposes without written consent of LTCS. This

does not apply to companies which themselves carry the name "Lufthansa.

13. Compliance

Contractor shall ensure that:

this Contract and the business relationship and the activities undertaken by Contractor in this context do not violate any laws relating to bribery and / or corruption, and that Contractor will, in connection with the performance of the services, observe the applicable laws and the provisions of these Terms and Conditions at any time during the term of the Contract,

neither Contractor nor any other person Contractor is aware of, in particular employees, subcontractors, intermediaries or agents of Contractor, directly or indirectly offered or will offer, in cash or in kind, a loan, a gift, a donation or any other service to any political organization, a political party or a functionary of such a person or of a person acting in an official capacity for the above-mentioned (together "public officials") or any other person, to provide an unlawful benefit.

14. Applicable law

The Contract shall be exclusively subject to and construed exclusively in accordance with the laws of the State of New York, USA (without giving effect to conflict of law).

15. Jurisdiction

The parties agree that any legal action or proceeding between them arising out of these Terms and Conditions may be brought in the courts of the State of New York and the parties hereby agree to submit to jurisdiction in such court and waive any objections to the commencement of actions in such court. The United Nations Convention for the International Sale of Goods shall not apply. The parties hereby waive trial by jury in connection with any action brought under these Terms and Conditions.

16. Force Majeure:

Neither party will be responsible for delays in or suspension of performance (excluding the obligation to pay for services rendered and approved and goods sold and delivered) caused by acts of God or governmental authority, strikes or labor disputes, fires or other loss of manufacturing facilities, breach by suppliers of supply agreements, or other similar or dissimilar cause beyond the reasonable control of that party.

17. Non waiver:

No waiver by either party of any default or breach by the other party of any provision of this Agreement will operate as or be deemed a waiver of any subsequent default or breach.

18. Severability clause

If a clause of these Terms and Conditions is or becomes ineffective, this does not affect the validity of the agreements.

19. Entirety of Contract

The Contract supersedes all prior oral or written representations or communications between the parties and, together with any attachments, constitutes the entire understating of the parties, regarding the subject matter of the Contract.

20. Assignment

LTCS may assign the Contract to its parent corporation, to a wholly-owned subsidiary, or to a successor of substantially all of its business or assets. The Contract may not be otherwise assigned in whole or in part, and any such assignment will be void and of no effect. Contractor will not assign or subcontract any part of the services to be performed or products to be provided under the Contract without prior written consent of LTCS.

21. Amendments

The Contract may be changed, modified or amended only by express written agreement of the parties executed by their authorized representatives.

New York, August 2019