

1. Scope of Application, Form

- 1.1. Agreements of Lufthansa Technik Portugal S.A. ("LTPT") having purchases as subject matter including, but not limited to, purchase agreements, contracts for work, contracts for work and materials, service contracts or other agreements dealing with deliveries or services ("Contracts") shall be entered in accordance with these General Purchase Terms and Conditions ("GPTC"). This shall also apply to Contracts entered by LTPT in the name and on behalf of third parties.
- 1.2. Deviating, contradicting or supplementing business terms and conditions of the respective contract partner of LTPT ("Supplier") shall only apply to the extent that LTPT has given its explicit written consent thereto. If LTPT fails to make any comments in this respect, this shall not constitute recognition or acceptance of such terms and conditions, even if they were received by LTPT or if LTPT accepts the contractual services of the Supplier without any reservation after having become aware of deviating, contradicting or supplementing business terms and conditions.
- 1.3. Acceptance and execution of an order placed by LTPT shall be deemed as acknowledgment and acceptance of these GPTC. Should the Supplier not agree to these GPTC, either in whole or in part, it shall be required to expressly object to them in text form (e.g. letter, e-mail, fax) to LTPT.
- 1.4. Individual agreements concluded with the Supplier in individual cases (including side agreements, supplements and amendments) shall take precedence over these GPTC in all instances. The content of such agreements shall, unless proven otherwise, be determined by a written contract or, where applicable, by LTPT's written confirmation.
- 1.5. Legally relevant declarations and statements concerning concluded Contracts (e.g. setting of deadlines, reminders, cancellations) shall be addressed to LTPT at least in text form. Statutory formal requirements and any other evidence, especially in case of doubts concerning the legitimation of the person making the declaration or statement, shall remain unaffected.

2. Offer, Acceptance

- 2.1. Orders issued by LTPT shall only be binding upon LTPT if submitted or confirmed in text form. LTPT may revoke its order at any time prior to receipt of the order confirmation given by the Supplier, unless the order constitutes acceptance of a binding offer previously made by the Supplier.
- 2.2. Orders of LTPT that do not constitute acceptance of a prior offer by the Supplier shall – within a reasonable time, but no later than two (2) weeks from receipt of the order – be either (i) confirmed by the Supplier in text form or (ii) executed by the Supplier without reservation and in accordance with the terms of the order.
- 2.3. Order confirmations that deviate from prior offers shall be subject to confirmation by LTPT at least in text form. If such confirmation fails to be given within two (2) weeks, no Contract shall be deemed concluded. Silence shall not be deemed as acceptance or consent. Accepting deliveries or services or making payments shall not replace the statement of acceptance.
- 2.4. The examination of the offers of LTPT as well as the preparation and presentation of offers by the Supplier shall be without any charge for LTPT.

3. Delivery and Service, Acceptance

- 3.1. Unless otherwise agreed, the place of performance (including the place of any subsequent performance) shall be PERM 2, Rua Circular do Perm, 1970, 4505-577 Pigeiros, Portugal.
- 3.2. Premature deliveries and partial deliveries may be rejected if they are not in the interest of LTPT.
- 3.3. Delivery notes shall be affixed to the exterior of the packaging and shall contain the following information: the purchase order number, a description of the good(s) and the relevant part number(s), the delivered quantities, any accompanying certificates and documents, as well as notices concerning partial deliveries, when applicable. Deliveries originating from outside the European Union, as well as deliveries belonging together, shall be marked as such. To avoid incoming goods statements, serial numbers must not exceed 18 characters/digits. For orders processed via SPEC 2000, serial numbers must not exceed 15 characters/digits. In case of non-compliance with one of the aforementioned obligations, LTPT may refuse acceptance, unless the Supplier did not culpably cause such non-compliance. If the delivery note is missing or incomplete, LTPT shall not be liable for any delays in processing or payment resulting therefrom.
- 3.4. The Supplier shall not subcontract or otherwise assign the performance of any deliveries or services under the Contracts to third parties without the prior written consent of LTPT.
- 3.5. If, in the course of performing the Contract, any existing components of a system, parts or any other materials are replaced, LTPT shall be notified of such replacement in writing without delay. The replaced components or materials shall be retained by the Supplier for a period of thirty (30) calendar days following the full performance of the Supplier's main contractual obligations. If LTPT does not request the return of such items within this period, the Supplier shall, at its own expenses, dispose of the relevant components and materials in accordance with the applicable laws and regulations, and shall provide LTPT with appropriate evidence of such disposal. Any other use of the replaced items by the Supplier is prohibited.
- 3.6. The Supplier shall provide LTPT – in electronic form, in the quantities requested by LTPT and at no additional cost to LTPT – with all maintenance manuals, service announcements, service information letters and other information necessary for LTPT for using, maintaining or repairing the subject matter of deliveries or services as intended and as agreed upon ("Documentation"). This obligation shall also include subsequent changes or amendments to such documents. To the applicable extent, the Documentation shall comply with the ARINC 625 standard. The Documentation shall be addressed to:

LUFTHANSA TECHNIK PORTUGAL S.A
Rua Circular do Perm, 2227
4505-577 Pigeiros,
Portugal
supplychain@lht-portugal.com

- 3.7. The Supplier shall inform LTPT immediately, but no later than upon delivery, in writing or text form, whether goods or materials for services ordered by LTPT contain substances listed in the "Restricted Substances" document (available at <https://www.lufthansa-technik.com/de/purchasing>). The information shall, in case of mixtures of substances, be given by means of a safety data sheet by taking the requirements according to Regulation (EC) no. 1272/2008 into due account and, in case of products, by complying with Article 33 of Regulation (EC) no. 1907/2006 ("REACH Regulation"). If the information is not delivered in due time or fails to be delivered upon additional request made by LTPT by setting an appropriate deadline, LTPT may terminate the relevant Contract.
- 3.8. If acceptance is required by law or has been agreed upon, such acceptance shall be effected exclusively by way of an express written statement issued by LTPT. Such statement shall only be legally effective if duly signed by LTPT. An unconditional acceptance of the work shall not constitute a waiver of warranty rights, other contractual rights (except in case of LTPT's positive awareness of a defect), or any right to claim contractual penalties. LTPT reserves the right to assert any accrued penalty claim, even after acceptance, until final payment has been made.

4. Costs of Transport, Delivery and Performance Period, Delay, Transfer of Risk

- 4.1. Delivery costs including, but not limited to, packaging, dispatch and transport insurance costs, as well as costs for the repossession of the packaging, shall be borne – unless otherwise provided for in LTPT's order - by the Supplier. If the Supplier fails to take back the packaging after expiry of a deadline set by LTPT, LTPT may arrange for the disposal itself or have the packaging disposed of by third parties. Any costs arising in this context shall be borne by the Supplier.
 - 4.2. The Supplier shall notify LTPT in text form without undue delay upon becoming aware of any actual or potential delay in delivery. Such notice shall include the order number, the order date, the cause of the delay, and the estimated delivery date. The mere receipt of such notice shall not constitute an extension of the agreed delivery period and shall not affect the occurrence of a delay, unless LTPT has explicitly agreed to such an extension in writing. If such notice is not provided, or is incomplete, the Supplier shall be liable for any resulting damage, unless the Supplier has not acted culpably.
 - 4.3. If LTPT requests the Supplier to arrange for a direct connection to the respective IDI interface (e.g. Aeroexchange [AeroRepair Tool], OneAero [MRO Tracker Tool], SPEC2000, SPEC2000 via Aeroexchange, OrderMail) to ensure a fully automatic processing of relevant purchase and delivery data and the Supplier fails to establish the requested connection, the Supplier shall accept LTPT's determination of a delay in delivery by means of alternative or estimated data available to LTPT as binding.
 - 4.4. Damages due to delays in delivery by the Supplier shall entitle LTPT to assert claims for compensation if the statutory requirements are satisfied. Without prejudice to any other legal remedies, if the Supplier is in delay LTPT may claim compensation for the damage caused by such delay calculated at a flat rate of zero point two five percent (0.25%) of the net contract value of the deliveries affected by the delay for each full calendar day of delay, up to a maximum of five percent (5%) of the net contract value of the deliveries affected by the delay. LTPT reserves the right to prove that the actual damage incurred exceeds the aforementioned amount. Conversely, the Supplier reserves the right to prove that no damage was incurred or that the damage was significantly lower.
 - 4.5. The Supplier shall bear the risk of loss, accidental destruction, or accidental deterioration until all deliveries or services to LTPT have been completed or, as the case may be, the work has been completely accepted by LTPT at the place of performance. In case of deliveries originating from the United States of America carried out by a transport provider appointed by LTPT, the Supplier shall bear the risk of loss, accidental destruction, or accidental deterioration until handover to the transport provider.
 - 4.6. The Supplier guarantees to comply with the applicable regulations for materials relevant for aviation safety when transporting the consignments. In particular, the Supplier shall comply with the regulations of ADR, GGVSE [Ordinance on the Transport of Dangerous Goods by Road and Rail], ATA 300, IATA- DGR, ICAO-TI, IMDGCode and RID for the shipment of such goods.
- ## 5. Defective Performance, Representations, Warranty, Manufacturer's Liability, Statute of Limitation
- 5.1. The statutory provisions governing defects in goods or services (including defects in title) shall apply, as supplemented and clarified by the provisions of this Article 5, which are intended solely for the benefit of LTPT.
 - 5.2. The Supplier shall deliver any goods and perform any services free from defects. In particular, the Supplier shall be obliged:
 - i. to use exclusively the materials provided for in the Contract or otherwise agreed upon, and to comply with measurements and quantities specified by LTPT in the Contract. Any deviations shall require the prior written consent of LTPT;
 - ii. to attach to the deliveries any certifications and documents provided for in the Contract, as well as any other documentation necessary for the intended use of the goods or the services in accordance with the Contract. The Supplier shall ensure that material certificates comply with applicable aviation regulations and the requirements specified by LTPT;
 - iii. to ensure that the deliveries or services conform to the statutory requirements of the Federal Republic of Germany as well as other applicable national (including Portugal) and international aviation regulations including, but not limited to, safety regulations, and all other applicable accident prevention, environmental or occupational safety regulations and the generally accepted engineering standards;
 - iv. to ensure that the deliveries or services do not infringe upon any third-party industrial property rights and are not encumbered by any other rights of third parties. In case of faults on its part, the Supplier shall indemnify and hold LTPT harmless against any claims asserted by third parties against LTPT due to such infringement. This indemnification shall include any costs incurred by LTPT in defending against such claims, including legal fees and any damages awarded. In case of claims by third parties, LTPT shall be entitled to request the Supplier to provide reasonable security up to the amount of the expected damage.
- In addition, in the event of a culpable breach of any of the obligations set forth in this Article 5.2, LTPT shall be entitled to claim a contractual penalty equal to 5% of the net contract value. Any such penalty shall be credited against any damages payable by the Supplier.
- 5.3. In case of a contract for the sale of goods (as well as contracts for work and services, where the result of the work or service is to be delivered as goods), LTPT shall, to the extent reasonably practicable, inspect the goods upon delivery. Such inspection shall, in any event, be limited to deficiencies that are visually identifiable by means of an external examination or apparent from delivery documents (e.g. transport damage, incorrect or missing items). LTPT shall notify the Supplier without delay of any such deficiencies. However, such notification shall in any case be deemed timely if dispatched within five (5) business days of the discovery of the relevant deficiency or, in case of apparent deficiencies, within five (5) business days after delivery. Later notifications shall also be deemed timely if justified by the circumstances of the individual case. If acceptance has been agreed or is legally required, no inspection obligation shall apply. For any defects discovered after the initial inspection, LTPT shall notify the Supplier within five (5) business days of discovery. Such notification shall likewise be deemed timely if a later notice is justified by the circumstances of the individual case.
 - 5.4. The issuance of receipts of delivery or the payment for deliveries or services made or rendered by the Supplier shall not constitute a waiver of potential warranty or other claims.
 - 5.5. The Supplier warrants that all goods and services provided under the Contract are free from defects in material, workmanship, and title, and conform to the specifications, quality standards, and intended purpose agreed upon. The warranty period shall be no less than three (3) years from the date of delivery or, where acceptance is contractually required, from the date of acceptance. For goods or services intended for use in construction or infrastructure and which contribute to the defectiveness of a building or structure, the warranty period shall be no less than five (5) years from delivery or acceptance.
 - 5.6. Any repair, replacement, or corrective action undertaken by the Supplier in response to a warranty claim shall trigger a new warranty period for the affected goods or services, starting from the date such remedial action is completed, unless the Supplier clearly indicates that such action was taken without acknowledgment of a warranty obligation. LTPT shall not be deemed to have waived any warranty rights by failing to immediately detect or report defects, provided such defects are reported within a reasonable time after discovery. The Supplier shall bear all costs associated with the repair or replacement of defective goods or services, including transportation, labor, and materials.
 - 5.7. In the event of a defect, LTPT shall have the right to demand, at its discretion, repair, replacement, price reduction, or termination of the Contract, without prejudice to any other

- contractual or statutory remedies available. The Supplier shall perform any required remedial actions within a commercially reasonable timeframe.
- 5.8. If LTPT asserts claims based on defects under non-contractual legal provisions, any applicable statutory limitation periods shall apply, provided they are more favorable than those set out above.
- 6. Liability**
- 6.1. Unless otherwise provided for in these GTPC, the Supplier shall be liable in accordance with the applicable law and statutory provisions.
- 6.2. With respect to its claims for damages, LTPT shall not be restricted to its interest in contract performance. The Supplier's obligation to pay damages shall include all costs, fees and expenses.
- 6.3. The Supplier shall indemnify and hold LTPT harmless against all third-party claims based on defective deliveries or services provided by the Supplier, unless the Supplier did not cause such defect negligently.
- 6.4. If the Supplier is liable for a damage at a product, it shall to this extent indemnify and hold LTPT harmless against third-party claims to the extent that the cause of the damage falls within its sphere of control and organization and the Supplier is itself liable under the legal relationship with the third party.
- 6.5. LTPT shall be liable under the applicable law and statutory provisions for culpably caused injury to life, limb and health, including those caused by simple negligence, as well as otherwise for willful misconduct and gross negligence. LTPT will be liable for loss or damage caused in case it has breached a material contractual obligation. Material contractual obligations are those the performance of which make the proper fulfillment of the contract at all possible and upon which the Supplier regularly relies upon and is entitled to so rely. If LTPT is liable due to a simple negligent breach of material contractual obligations, LTPT's liability shall be further limited as follows: LTPT shall not be liable for non-foreseeable damages, which are not typical for services of the kind constituting the services under the Contract.
- 7. Recourse against Suppliers**
- 7.1. LTPT shall be entitled to assert recourse claims against the Supplier for any costs incurred in remedying defects, including repair, replacement, and associated expenses. This includes cases where LTPT is obliged to provide updates or digital content to its customers.
- 7.2. Such claims shall remain enforceable for two years from the date LTPT fulfilled its customers' claim.
- 7.3. LTPT shall notify the Supplier before accepting any customer claim, and the Supplier shall respond within a reasonable time. If no response is received, LTPT's acceptance shall be deemed justified.
- 8. Prices, Invoices, Payment, Set-Off, Retention**
- 8.1. The prices quoted in the orders of LTPT shall be binding. Unless expressly stated otherwise in the relevant order, such prices shall be exclusive of any applicable statutory value added tax, but inclusive of all ancillary costs including, but not limited to, transport, customs, packaging, insurance costs, and costs of return and disposal of packaging.
- 8.2. All invoices shall include the order number and item, the date of the order and the quantity together with prices per unit and item. All invoices shall be addressed to the billing address indicated in the Contract and shall comply with the applicable tax regulations, including sales tax provisions. Invoices for partial deliveries shall be marked as such. Invoices deviating from the provisions in sentence 1 or sentence 2 shall result in a right of retention on the part of LTPT.
- 8.3. Payments by LTPT shall be made within thirty (30) calendar days after complete delivery or service performance by the Supplier or, if LTPT receives an invoice or a similar payment schedule after receipt of the deliveries or services of the Supplier, thirty (30) calendar days after receipt of said invoice or payment schedule by LTPT. Early fulfillment of contractual obligations by the Supplier shall not entitle the Supplier to earlier payment. Unless otherwise agreed, partial invoices shall be payable only after full performance of the Contract. If payment is made within two (2) weeks after complete performance of the Contract and invoice receipt, LTPT shall be entitled to deduct a cash discount of three percent (3%) from the invoiced amount.
- 8.4. No interest shall accrue on any payment due from LTPT solely by reason of maturity.
- 8.5. The Supplier may only exercise rights of set-off or retention if such rights have been determined with legal effect or are undisputed.
- 9. Further Processing, Retention of Title**
- 9.1. Any processing, mixing or combination (hereinafter collectively referred to as "**Further Processing**") of provided items by the Supplier be deemed to be carried out on behalf of LTPT. The same shall apply in case of a Further Processing by LTPT of the delivered items, with the result that LTPT shall be regarded as the producer and, according to statutory provisions, acquires title to the items no later than upon their Further Processing.
- 9.2. Title to the items shall pass to LTPT unconditionally, without any reservations and irrespective of payment of the purchase price. However, if LTPT accepts an offer for the transfer of ownership by the Supplier that is contingent upon the payment of the purchase price, the retention of title by the Supplier shall cease to exist no later than upon payment of the purchase price for the delivered items. Also prior to the payment of the purchase price, LTPT shall, in the ordinary course of business, be entitled to resell the items under the condition of an advance assignment of the claim arising therefrom. In such case, the simple retention of title extended to the resale shall apply. All other forms of retention of title shall in any case be excluded.
- 10. Trade Control Compliance**
- 10.1. **General Compliance**
- The Supplier hereby undertakes to conduct any activities in connection with the Contract in compliance with applicable export, import, sanction laws and regulations (in their most current form), including but not limited to those of the United States (as stipulated in the U.S. Export Administration Regulations (EAR), 15 CFR Parts 730-774, or in the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120-130), the United Nations (as stipulated the United Nations Security Council Consolidated List), and those of other relevant foreign jurisdictions ("**Trade Control Laws**"). The Supplier shall not take any action that would lead to a breach of Trade Control Laws by LTPT.
- The Supplier represents and warrants that neither it nor any of its affiliates are listed on any applicable sanctioned party list or controlled by a sanctioned person. If at any time following the entry into force of the Contract the Supplier or any of its affiliates becomes a sanctioned person, or a sanctioned person or party acquires control of the Supplier or its affiliates, the Supplier shall promptly notify LTPT.
- Upon LTPT's request, the Supplier shall promptly provide any documents necessary to ensure continuing compliance with Trade Control Laws including, but not limited to, any compliance certifications, acceptance of license conditions or correct export classification of product and/or technical documentation and/or software e.g., the relevant category in the United States Munitions List (USML) or the Export Control Classification Number (ECCN) under the EAR.
- In addition, the Supplier shall inform LTPT if any activity under the Contract requires an export license or other authorization under Trade Control Laws and shall obtain a valid export license or other appropriate authorization at no cost to LTPT and in a manner that permits and ensures the completion of any activity within the terms set forth under the Contract. If the Supplier is the U.S. Principal Party in Interest ("**USPPI**"), it agrees to comply with all requirements applicable to the USPPI in U.S. export transactions. If LTPT is the Foreign Principal Party in Interest ("**FPPI**"), the Supplier is authorized to act and agrees to act as LTPT's true and lawful agent for purposes of preparing and filing any Electronic Export Information in accordance with applicable export control regulations of the United States. The Supplier shall indemnify LTPT from and against any claim, proceeding, action,

- fine, loss, cost and damage arising out of or relating to any noncompliance with applicable export control regulations of the United States by the Supplier. This includes, but is not limited to, costs, fees and expenses, unless such noncompliance was not negligently or intentionally caused by the Supplier. This provision does not imply a change in the burden of proof.
- 10.2. Russia-related Compliance**
- 10.2.1. **Purchase and Import Restrictions**
- The Supplier acknowledges that LTPT is required to provide evidence of compliance with Council Regulation (EU) 833/2014 as of 31 July 2014 (in its most current form defined as the "**Regulation**") to the competent authorities. Therefore, the Supplier represents and warrants that all products provided to LTPT conform with the Regulation and any corresponding FAQ as published by the EU Commission (in their most current form) including, but not limited to:
- products listed in relation to purchase and direct import restrictions in the Regulation which are provided to LTPT do not originate and have not been exported from the Russian Federation; and
 - all products listed in relation to purchase and indirect import restrictions in the Regulation and which are provided to LTPT do not incorporate any products listed in the Regulation originating in the Russian Federation when having been processed in any third country. For the avoidance of doubt, this shall include the products incorporated during repair in any third country by the Supplier or any of its service providers.
- The Supplier shall provide any information or documentation requested by LTPT or relevant authorities to ensure compliance with the Regulation at no cost to LTPT. If the Supplier sells, delivers or otherwise provides products to LTPT which (i) do originate or have been exported from the Russian Federation or do incorporate any steel and iron products originating in the Russian Federation when having been processed in any third country or (ii) Supplier does not provide information or documentation as requested by LTPT, then the Supplier shall immediately at LTPT's discretion replace such product by a product which conforms with this Article 10.2.1.
- 10.2.2. **No Re-Export**
- To the extent applicable, the Supplier shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods or technology supplied by LTPT under or in connection with the Contract that fall under the scope of Article (1) 12g of the Regulation (as amended from time to time) and/or (2) Article 8g of Council Regulation (EU) No 765/2006 (as amended from time to time) to Belarus or for use in Belarus.
 - The Supplier shall use all necessary efforts to implement adequate measures to prevent any direct or indirect sale, export or re-export of any goods or technology supplied by LTPT in connection with the Contract that fall under the scope of Article (1) 12g of the Regulation (as amended from time to time) by third parties to the Russian Federation and/or (2) Article 8g of Council Regulation (EU) No 765/2006 (as amended from time to time) by third parties to Belarus.
 - The Supplier shall inform LTPT about any relevant activities by third parties that could conflict with the purpose of Article 10.2.2 (i).
- Supplier shall provide LTPT with any information requested concerning compliance with the obligations under this Article 10.2.2.
- 10.3. **Consequence of Breach of Trade Compliance-related Obligations**
- In case:
- the Supplier is in breach of any its obligations mentioned in this Article 10; or
 - a required license is not granted by the competent authority; or
 - the performance of LTPT's obligations under the Contract would result in a breach of Trade Control Laws,
- then LTPT shall have the right, without incurring any liability towards the Supplier, to:
- not fulfill the respective obligation contrary to the Trade Control Laws; and/or
 - withdraw and/or cancel from an offer or sales order; and/or
 - terminate the Contract,
- each of a.-c. upon written notice and with immediate effect.
- 11. Licenses**
- If the Supplier provides contractual research and development services against remuneration, it shall, upon conclusion of the Contract, assign to LTPT all rights, title, and interest in and to the resulting deliverables, including any rights in inventions and works subject to copyright law, if any. The Supplier undertakes to take all necessary actions and measures to enable such assignment. To the extent that a full assignment of rights is not possible, the Supplier shall grant to LTPT a free-of-charge, exclusive, irrevocable, worldwide, transferable and sublicenseable right valid for the entire term of protection to use and exploit the deliverables for any purpose and in any application in the aviation industry.
- 12. Audit Rights**
- 12.1. The Supplier acknowledges that LTPT operates the aviation industry and is therefore subject to heightened regulatory obligations, including the duty to monitor its suppliers. To fulfill such obligations, LTPT shall be entitled to conduct monitoring audits (at its own expense and, where appropriate, together with representatives of the competent aviation authority). Such audits may include initial audits, follow-up audits, or quality assurance audits. Such audits shall be conducted during Supplier's usual operation and business hours, following reasonable prior notice provided to the Supplier at least in text form. Each party shall bear its own costs for the audits, unless the audit reveals culpable breaches of the Supplier's contractual obligations. In such cases, the Supplier shall reimburse LTPT for all audit-related costs and any associated expenses. The scope of the monitoring audits shall be limited to the areas required to be monitored for quality assurance under and according to air traffic regulations and requirements. This includes, in particular, the qualification of personnel, the extent and implementation of internal quality assurance measures, production processes, supply chain and marking of products.
- To the extent permitted under air traffic regulations, LTPT undertakes to:
- conduct audits in a manner that avoids unreasonable disruptions of the Supplier's operations, if possible;
 - respect and safeguard any affected participation rights of the Supplier's works council during the performance of the audit; and
 - ensure that audit personnel are bound by confidentiality obligations with respect to all information obtained during the audit, to the extent that they are not relevant for the result of the monitoring audit.
- 12.2. As a company of the aviation industry, LTPT shall also be entitled to conduct audits with the Supplier – when appropriate, together with or through representatives of the competent aviation authority – that are required by law or mandated by supervisory authorities. Such audits shall be conducted in accordance with the applicable statutory and/or supervisory instructions and, in all other respects, in accordance with the aforementioned provisions concerning monitoring audits.
- 12.3. In addition, in case of long-standing business relationships and in cases of imminent or already identified deficiencies in deliveries and/or services, LTPT may conduct quality audits with the Supplier – where appropriate, also together with representatives of the competent aviation authority. The scope of such audits shall be limited to the inspection areas and to the preservation of evidence, as communicated by LTPT in advance. In all other respects, the provisions of Article 12.1 shall apply *mutatis mutandis*.
- 12.4. LTPT may further conduct any audit required for obtaining and maintaining certifications (e.g. DIN EN 9110 and DIN EN 9100). The scope of such audits shall be limited to the areas required for obtaining and maintaining the certification. In all other respects, the provisions of Article 12.1 shall apply *mutatis mutandis*. The Supplier undertakes to participate to the extent provided for in the respective certification standards in order to enable the acquisition and maintenance of the certification by LTPT.

- 12.5. The Supplier undertakes to provide LTPT with the necessary support and grant access to relevant documentation, production and operation locations and business premises, as required for the respective audit. Any quality assurance measures requested by LTPT following the audit, which are necessary for complying with recognized engineering standards or safety regulations, shall be implemented by the Supplier at its own expense. Should the Supplier refuse the implementation of the audit although it would not contradict its legitimate interests or should the Supplier refuse to eliminate reasons for complaints, LTPT shall, after setting a deadline, be entitled to withdraw from the Contract or – in case of continuing obligations – to terminate the Contract for cause and, both in case of a withdrawal and in case of a termination for good cause, claim damages.
- 12.6. In the event of long-standing business relationships, the Supplier shall immediately notify LTPT of any changes in its company that may affect the quality of the deliveries or services, particularly changes in corporate structure, location, or production/manufacturing activities.
- 13. Compliance**
- 13.1. The Supplier warrants that:
- this Contract and the business relationship established by this Contract, as well as the activities undertaken by the Supplier in connection with this Contract, do not and will not infringe any statutory regulations concerning bribery and/or corruption including, but not limited to, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the related implementing legislation, nor will they result in an infringement of such regulations by LTPT. The Supplier further undertakes to comply at all times during the term of the Contract with all applicable laws and regulations, as well as the provisions of this Contract, in connection with the delivery of goods or performance of services;
 - neither the Supplier nor, to the Supplier's knowledge, any other person – including, but not limited to, employees or agents of the Supplier – has offered or will offer, directly or indirectly, any monetary payment, benefit in kind, loan, gift, donation or any other asset of value in favor of a person in charge or an employee of a government body, state authority or state agency, state-owned enterprise, international government organization, political candidate or political party or official of such party or a person acting in an official capacity for the above-named persons (collectively, **"Government Officials"**) or to any other person with the intention to obtain an unlawful advantage;
 - the Supplier will notify LTPT of any change of its ownership structure within four (4) weeks of such change.
- 13.2. Without prejudice to any other rights or remedies, LTPT shall be entitled to terminate this Contract, including all annexes any other contractual relationships, with immediate effect and without prior notice, in whole or in part, if it becomes aware of any breach by the Supplier of the obligations set forth in this Article 13, or if any information provided in the supplier questionnaire is incorrect. The same right of termination applies if there is a justified suspicion of such breach and the Supplier fails to eliminate such suspicion within a reasonable period set by LTPT.
- 13.3. LTPT shall be entitled to conduct an anti-corruption audit of the Supplier's business records to the extent necessary and appropriate to ensure the Supplier's compliance with its obligations under this Article 13.
- 14. Personnel-Related Obligations**
- 14.1. *The Supplier shall comply with all applicable labour laws, including those governing temporary employment, minimum wage, and the posting of workers. The Supplier shall ensure that any subcontractors or third parties engaged in the performance of the Contract are contractually bound to the same obligations*
- 14.2. The Supplier shall indemnify and hold harmless LTPT from and against any claims asserted by third parties – including, but not limited to, employees, public authorities, social insurance carriers, trade associations, professional associations and organizations – arising from any breach of the obligations set forth in Article 14.1. In the event that the Supplier fails to comply with the aforementioned statutory obligations, LTPT shall be entitled to terminate the Contract for cause without prior notice, reminder or warning. The same right of termination shall apply in the event of a breach by any subcontractor engaged by the Supplier. LTPT reserves the right to assert further claims for damages.
- 15. Corporate Social Responsibility, Human Rights, Environmental Protection**
- 15.1. UN Global Compact
The Supplier agrees to comply with the ten principles of the UN Global Compact and the five basic principles of the International Labor Organization (ILO) within the meaning of an essential contractual obligation.
- 15.2. Human Rights and Environmental Protection in Supply Chains
For the purpose of this Article 15, protected legal positions comprise the following precepts and prohibitions: prohibition of child labor; prohibition of forced labor and all forms of slavery, exploitation, humiliation and abuse; prohibition of disregarding the occupational safety and health and protection from work-related health hazards; prohibition of disregarding the freedom of association and the right to collective bargaining; prohibition of unequal treatment in employment; prohibition of the withholding of an adequate living wage; prohibition of the destruction of natural resources through environmental pollution; prohibition of unlawful infringement of land rights; prohibition of the commission or use of private or public security forces which, due to a lack of instruction or control, may lead to harm to life and limb; prohibition of any act or omission in breach of duty to act that goes beyond the foregoing and which is directly likely to impair any of the above in a particularly serious manner, and the unlawfulness of which is obvious upon reasonable assessment of all the circumstances in question; prohibition of the production, use and/or disposal of mercury pursuant to the Minamata Convention; prohibition of the production and/or use of substances within the scope of the Stockholm Convention (persistent organic pollutants - POPs) as well as the non-environmentally sound handling of wastes containing POPs; prohibition of the import or export of hazardous wastes within the meaning of the Basel Convention (each a **"Protected Legal Position"**).
- 15.3. Supplier's Undertakings
- 15.3.1. The Supplier undertakes to perform all its obligations under the Contract in compliance with the Protected Legal Positions and thereby not to cause any risk or violation of a Protected Legal Position. This undertaking applies to the extent that it does not violate any binding mandatory law applicable to the Supplier.
- 15.3.2. The Supplier agrees that, for the purpose of LTPT's mandatory analysis of human rights and environment-related risks in its supply chains, LTPT may transfer information on the contractual relationship with the Supplier to a third party that processes the information on behalf of LTPT confidentially and subject to non-disclosure obligations substantially similar to those agreed with the Supplier or as stated by law. If required for the risk analysis, Supplier shall provide additional information upon reasonable request.
- 15.3.3. Upon reasonable request, Supplier's personnel exposed to or tasked with minimizing risk to the Protected Legal Positions shall participate in human rights and environment-related trainings provided by LTPT. Alternatively, the Supplier may prove that comparable training has been conducted.
- 15.3.4. If, in relation to the performance of its obligations under the Contract, the Supplier identifies or otherwise gains knowledge of an actual or potential violation of a Protected Legal Position in its business operations, the Supplier undertakes to inform LTPT of such violation and of the preventive or remedial measures it has taken.
- 15.3.5. If LTPT becomes aware of a risk or violation of a Protected Legal Position in the Supplier's supply chain, LTPT may request the Supplier to immediately investigate the potential risk or violation itself or audit the Supplier in accordance with the respective provisions under this Article 15. Upon LTPT's request, persons designated by LTPT may participate in the investigation on-site. To the extent available and permissible under applicable law, the Supplier shall provide LTPT with all relevant documents, information, and evidence necessary to evaluate the investigation and its results.
- 15.3.6. If a violation of a Protected Legal Position in the Supplier's supply chain has occurred or is imminent, the Supplier shall cooperate with LTPT and take appropriate measures to prevent or terminate such violation or to minimize its impact, e.g. by implementing necessary preventive and remedial measures. While developing and implementing these measures, LTPT may temporarily suspend the business relationship with the Supplier including the Contract, except for the obligations resulting from this Article 15.
- 15.3.7. The Supplier shall use best efforts to appropriately address and to demand the obligations arising from this Article 15 in its own supply chains and to pass them on to its direct suppliers in an obligatory manner.
- 15.4. Regulation on Deforestation-free Products (EUDR)
- 15.4.1. Insofar as the Supplier delivers certain products that fall under Annex I of Regulation (EU) 2023/1115 on Deforestation-free Supply Chains (**"EUDR"**) and that have not been fully recycled, i.e. products containing beef, cocoa, coffee, oil palm, rubber, soy or wood, the provisions of the EUDR apply.
- 15.4.2. The Supplier ensures that all EUDR-relevant products delivered to LTPT are deforestation-free and have been produced in accordance with the relevant legislation of the country of production.
- 15.4.3. The Supplier shall provide LTPT with all information required under Article 9 EUDR (**"EUDR Information"**) that LTPT needs to fulfill its obligations under the EUDR, no later than (4) weeks before the delivery of the respective product.
- 15.4.4. If the Supplier culpably fails to provide LTPT with the EUDR Information, or fails to provide it correctly, in full or on time, or if there is reason to assume on the basis of the information provided that the products are not EUDR-compliant, LTPT shall be entitled with regard to the products concerned:
- to reject products that have already been delivered or are still to be delivered;
 - to refuse payment for delivered products and to reclaim payments already made for products;
 - to demand compensation for the damage caused by the Supplier's breach, including loss of profit;
 - to cancel with immediate effect products already ordered or products still to be ordered;
 - to purchase alternative products from other suppliers, whereby the Supplier shall bear all additional costs incurred by LTPT in connection with such a replacement purchase;
 - request the Supplier to collect any rejected products from LTPT's premises or any other location within seventy-two (72) hours of such request; alternatively, LTPT may, after above deadline has expired and at its sole discretion, (i) arrange for the return of any rejected products, in which case the Supplier shall bear all costs incurred in connection with the return of the products, or (ii) arrange for the destruction/disposal of any rejected products, in which case the Supplier shall bear all costs incurred in connection with the destruction/disposal of the products.
- 15.4.5. The Supplier shall keep records of the information to be supplied to LTPT for at least five (5) years from the date of delivery of the respective product.
- 15.4.6. The Supplier shall indemnify and hold harmless LTPT against all legal consequences, in particular all claims, claims for damages, fines and penalties, sanctions asserted against LTPT because products delivered by the Supplier violate the requirements of the EUDR, at its own expense and at LTPT's request, unless the Supplier is not responsible for the violation. The indemnification shall also include costs and necessary expenses incurred by LTPT for the defense against the legal consequences, in particular any claims, claims for damages, fines and penalties, sanctions (including reasonable legal fees).
- 15.4.7. In cases where the Supplier uses authorized representatives in accordance with Article 6 EUDR, the Supplier undertakes to use only such authorized representatives that fulfill the applicable requirements of the EUDR. If the Supplier uses an authorized representative, this does not release the Supplier from any EUDR-related obligations set forth by this Article 15.4.
- 15.4.8. LTPT may transfer relevant information about the contractual relationship with the Supplier to a specialized third-party service provider for the purposes of EUDR compliance and have it processed there on its own behalf for the purposes of EUDR compliance. The above-mentioned information and cooperation obligations of the Supplier also apply towards such a service provider commissioned by LTPT.
- 15.4.9. If LTPT notices that the Supplier is in breach of any of the obligations set forth in this Article 15.4, LTPT reserves the right to temporarily suspend the Contract or – if necessary, also extraordinarily – to terminate the Contract for good cause.
- 15.5. Audits
- 15.5.1. Occasion-related, LTPT shall be entitled, in accordance with the following provisions, to conduct an audit on the Supplier's business and industrial premises and within its business operations to the extent necessary to identify and assess human rights and environment-related risks or violations and to assess and determine whether the Supplier complies with its obligations pursuant to this Article 15 (**"Audit"**).
- 15.5.2. LTPT:
- shall notify the Supplier with a two-weeks' prior written notice;
 - may mandate a third party, which is bound to professional objectivity and secrecy;
 - shall conduct the Audit during Supplier's regular business hours;
 - shall ensure that Supplier's business operations are only affected to the extent absolutely necessary;
 - shall protect confidential information and trade secrets of the Supplier as well as the personal data of the persons affected by the Audit.
- 15.5.3. The Supplier shall bear the costs of the Audit.
- 15.5.4. The Supplier shall cooperate in an appropriate manner during any Audit by allowing the necessary level of access to its documents, truthfully answering questions and itself offering truthful information that could be helpful in clarifying the facts. The Supplier shall ensure that any consent to pass on and use personal data of persons affected by the review is obtained in writing and that only the necessary scope of personal data is transmitted to LTPT. The Supplier shall ensure that its subsidiaries and subcontractors involved in the performance of Supplier's obligations under the Contract comply with the same obligations and that LTPT may audit their premises in accordance with the aforementioned provisions. The obligations to be complied with by the Supplier pursuant to this Article 15 may be adjusted subject to the results of the risk analysis with one-month prior written notice to the Supplier.
- 15.7. Legal Consequences
- 15.7.1. If, in the event of a violation or an immediate risk to the Protected Legal Positions, the Supplier fails to comply with the preventive or remedial measures agreed between the parties within a reasonable period of time, or if the measures are not sufficient to end, remedy or prevent future violations according to objective standards, or if it is a repeated violation, LTPT shall be entitled, notwithstanding any other rights, to terminate the Contract as well as any other contractual relationships without further notice.
- 15.7.2. If a violation by the Supplier of its obligations related to the Protected Legal Positions is to be assessed as very serious and if any remedial measures do not provide a remedy and if there are no milder means for LTPT to end or mitigate the consequences and extent of a violation of the Protected Legal Positions, this shall be deemed a cause for termination in accordance with the Contract.
- 16. Insurances**
- 16.1. The Supplier shall obtain and maintain adequate business liability insurance coverage proportionate to the scope and volume of its activities for LTPT. To the extent that the nature of the services involves aviation-related risks, such risks shall be explicitly covered under the insurance policy.
- 16.2. Upon request by LTPT, the Supplier shall provide evidence of the insurance coverage, including after completion of contractual performance. If the Supplier has failed to obtain the required insurance, LTPT shall be entitled to demand that the Supplier procures such coverage and provide evidence thereof within a deadline specified by LTPT. Should the

- Supplier fail to comply within the specified period, LTPT shall be entitled to withdraw from the Contract and to claim damages in lieu of or in addition to contractual performance.
- 16.3. Irrespective thereof, LTPT shall be entitled to demand payment of a contractual penalty of five percent (5%) of the net contract value if the Supplier fails to submit evidence of the required insurance coverage within a reasonable period specified by LTPT, unless the Supplier can demonstrate it has not culpably caused the non-submission of such evidence.
- 17. Confidentiality, Provided Documents, Assignment**
- 17.1. The Supplier shall treat the contractual relationship and all information disclosed by LTPT in connection with the negotiation and performance of the Contract as confidential for a period of five (5) years following completion of the Contract. Such information shall not be published or disclosed to third parties without the prior written consent of LTPT. The Supplier undertakes to use such information exclusively for the purpose of the Contract and to protect it with the same degree of care as it uses to protect its own confidential information, including by providing and using appropriate and up-to-date electronic security measures for such protection.
- 17.2. The confidentiality obligations set forth in this Article 17 shall not apply to the extent that the Contract or the relevant information:
- was already known by the Supplier or was publicly known prior to its disclosure; or
 - becomes publicly known after its disclosure without any breach of the Contract by the Supplier, or
 - must be disclosed by the Supplier to third parties pursuant to statutory provisions or instructions issued by public authorities.
- 17.3. LTPT retains the ownership rights and copyrights in all illustrations, plans, drawings, calculations, implementation instructions, product descriptions and any other documents. Such documents shall be used exclusively for the performance of the Contract and, upon request of LTPT, shall be returned to LTPT after execution of the Contract.
- 17.4. The preceding provision shall *mutatis mutandis* apply to substances and materials, as well as tools, templates and other items provided by LTPT to the Supplier for manufacturing purposes. As long as they have not been processed, such items shall, at the expense of the Supplier, be stored separately and be adequately insured against destruction and loss.
- 17.5. The Supplier shall not, without the prior written consent of LTPT, refer to the business relationship in advertising material, brochures or similar publications, nor display items produced for LTPT. The Supplier shall inform its subcontractors, if any, correspondingly.
- 17.6. The Supplier shall not assign its claims arising from the contractual relationship with LTPT to third parties, except in case of monetary claims.
- 17.7. The Supplier shall immediately notify LTPT of any changes, particularly with respect to its address, ownership structure, company name, legal status, aviation permits. Such notice shall be provided at least in text form and shall be addressed to the commercial contact at LTPT.
- 18. Privacy**
- The Supplier shall comply with the applicable statutory regulations when processing personal data. To the extent that LTPT entrusts the Supplier with the processing of personal data within the meaning of data processing pursuant to Article 28 of the GDPR, the Parties shall conclude a separate agreement on data processing.
- 19. Jurisdiction, Governing Law, Severability**
- 19.1. The place of jurisdiction for all disputes arising out of or in connection with the Contract shall be Porto, Portugal. Notwithstanding the foregoing, LTPT shall also be entitled to file an action at the place of performance of the owed delivery or service, or of an overriding individual agreement or at the place of general jurisdiction of the Supplier. Mandatory statutory provisions, inclusive those concerning exclusive jurisdictions, shall remain unaffected.
- 19.2. The Contract and all legal relationship between LTPT and the Supplier shall be governed exclusively by the laws of Portugal, excluding its conflict of laws rules. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
- 19.3. If any provision in the Contract or in these GPTC, or any part thereof, is or becomes ineffective, the effectiveness of the remaining provisions and of the Contract shall remain unaffected.