

1. DEFINITIONS

In the Contract and/or in documents and communications between the Parties related to the Contract, except where the context otherwise indicates or requires, the terms shall have the following meanings:

"Buyer" Swiss International Air Lines Ltd., a Swiss company with registered seat at Malzgasse 15, 4052 Basel, Switzerland, which is the ordering entity for Products and/or Services under the Contract.

"Confidential Information" shall mean any information and material disclosed by either Party or their authorized designee in the framework of the Contract, whether in oral, written, visual, physical or electronic form, which is non-public, proprietary, a trade secret and/or confidential in nature. For the avoidance of doubt, Confidential Information also includes any copies, notes, summaries, reports, analyses, compilations, studies and other information or material derived by the receiving Party or its affiliates, subcontractors, or their respective employees, agents or representatives, in whole or in part from information or material described in the foregoing sentence.

"Contract" shall mean the contract between the Parties consisting of the Purchase or Service Order and all contract documents belonging to and/or applying to the Purchase or Service Order (including any documents set out in Clause 2.2).

"Contract Price" shall mean the total sum set forth in the Contract to be paid by the Buyer to the Seller for the due and timely delivery of the Products and/or Services.

"Parties" Buyer and Seller (and "Party" shall mean either of them).

"Product" shall mean the goods and works (including any packaging and documentation) to be supplied by the Seller to the Buyer under the Contract notwithstanding if such goods or works are standard products or products designed and/or manufactured by Seller for Buyer's specific requirements.

"Purchase Order" ("PO") and "Service Order" ("SO") shall mean the order for purchase of Products and/or Service to which these GT&C apply, issued by the Buyer to the Seller for the Products and/or Services.

"Seller" shall mean the person or entity supplying Products and/or Services to the Buyer pursuant to the Contract.

"Service" shall mean any and all services, works and supplies required of the Seller under the Contract in order to design, manufacture, deliver and/or remedy the Product or to maintain, repair and/or service any other goods of the Buyer.

"Subcontractor" shall mean any third party having a contract with the Seller and/or the Seller's subcontractors or suppliers in relation to any part of the Service or Product.

"Works" shall mean either both Products and Services to be supplied by the Seller to the Buyer under the Contract.

2. General Terms

2.1 These General Terms and Conditions (GT&C) apply to all Purchase- and Service Orders issued by the Buyer, whether under a frame agreement or on a stand-alone basis, for the supply of Products and/or Services as contemplated therein.

2.2 All Contract documents shall be taken as mutually explanatory of one another. In case of conflict, the documents shall be interpreted and prevail in the following order of precedence:

- the PO/SO, including any particular terms and conditions incorporated into the PO/SO but excluding any appendices unless expressly stated in the PO/SO to prevail;
- if applicable, the agreement under which the PO/SO is issued, excluding any appendices thereto;
- these GT&C;
- if applicable, the appendices to the agreement under which the PO/SO is issued, in numbering or alphabetical order as applicable;
- as applicable, the appendices to and/or the documents referenced in the PO/SO.

2.3 In no event shall the Seller's general terms and conditions or other terms of whatever kind apply unless the Buyer has expressly agreed thereto in writing.

2.4 The invalidity, in whole or in part, of any of the provisions of the Contract shall not affect the remainder of such provision or any other provision of the Contract. To the extent allowable under the law applicable to the Contract, the Parties agree in good faith to replace any such invalid provision by a lawful provision having similar economic effect.

2.5 Except where the Contract expressly states otherwise, any amendments, alterations or variations to the Contract shall be binding only if in writing and signed by duly authorised representative(s) of the Parties.

3. OFFER AND ACCEPTANCE OF PO/SO

3.1 PO/SO made by Buyer may be withdrawn by Buyer at any time prior to the receipt of a written order confirmation.

3.2 The Seller shall acknowledge acceptance of the PO/SO within five (5) days after receipt thereof (or within any such other time period specified in the PO/SO or agreement under which the PO/SO is issued). In case the Seller fails to respond within such five-day period (or such other time period specified in the PO/SO or agreement under which the PO/SO is issued), the PO/SO issued by the Buyer shall be deemed accepted. In any event, (i) the Seller's commencement of performance in any manner, (ii) sending of any invoice or (iii) acceptance of any payment, in relation to the PO/SO, shall constitute unconditional acceptance of the PO/SO.

3.3 Acceptance of PO/SO by Seller deviating from the PO/SO must be confirmed in writing by Buyer to become effective. Should this confirmation not be effected within a period of two weeks, the Contract will be deemed not to have been concluded. Silence shall not be construed as acceptance or agreement.

3.4 Any acceptance by Buyer of any offer of Seller shall be binding only if the acceptance is in writing.

4. PERFORMANCE OF SERVICE

4.1 The Seller warrants that it has acquainted itself with all facts and circumstances (including without limitation and as applicable, data, documents, availability of labour, existing structures, existing conditions of structures and equipment, access, availability of utilities, surface conditions and other site conditions) relevant to the performance of its obligations under the Contract and that the Service will be performed in a timely, safe and workmanlike manner by qualified and efficient personnel and be of the highest professional quality, the Seller possessing all the necessary expertise, facilities and equipment required to perform the Service.

4.2 The Service shall not be subcontracted in whole or part without the Buyer's prior written approval. The Seller shall remain liable at all times for any acts or omissions of any Subcontractors.

4.3 The Seller shall be responsible for its own interpretation of any documentation and information obtained. No document or information obtained by the Seller from the Buyer in connection with the Contract shall in any way release the Seller from its obligation to review any such document and information and independently verify the same and furthermore promptly to notify the Buyer of potential problems and/or obtain any additional information and data from the Buyer or from other sources, where appropriate, in order to ensure prompt and proper execution of the Service. Any participation by the Buyer in planning or designing of the Service, in selecting any subcontractor, in the processing of any document, information, data, material and/or software, or any review or approval of any process or data by the Buyer, will not release the Seller from its obligation to perform the Service and supply the Product or Service in full compliance with the terms of the Contract.

5. SELLER'S PERSONNEL

5.1 Seller's personnel performing the Services shall be fully competent, qualified and capable of properly performing the Services.

5.2 If requested by Buyer, Seller shall provide Buyer with a written list of the personnel employed or to be employed in the performance of the Services. In this respect Seller shall be responsible for complying with any applicable law or regulations on personal data protection.

5.3 Should any personnel provided by the Seller be unsatisfactory to Buyer for any reason whatsoever, Buyer shall have the right to require the removal of such person from the performance of the Service. Upon such Buyer's request Seller shall promptly replace such person with another satisfying the Contract requirements. Any costs resulting from such replacement shall be at the Seller's sole expense.

5.4 Without prejudice to Buyer's right to monitor the performance of the Services, Seller shall remain responsible for the personnel it assigns to such Services. In particular, Seller shall have exclusive responsibility for the management, discipline and safety of its personnel.

5.5 Seller shall be responsible for strictly complying with all applicable laws relating to the employment of labour. It is understood and agreed that Seller shall assume full liability for the payment of all labour costs associated with performing the Services and for the payment and/or collection of all pension, social security, unemployment insurance and/or other employment taxes or contributions imposed by domestic or foreign authority and arising from the employment of any person by Seller. Seller shall be responsible for obtaining at its expenses all visa and work related permits required for the performance of the Services.

5.6 Any equipment, material, components, tools, consumables and other items used by Seller shall be suitable, in terms of quantity and quality, for the performance of the Services. Seller shall promptly replace, at its expenses, any such item that Buyer, in its reasonable opinion, finds unsuitable for the performance of the Services.

5.7 Seller's personnel are under the responsibility of Seller's representative on site. It is Seller's responsibility to ensure that all its personnel follow and abide by at all times the health and safety regulations and the internal rules of the site, where the Services are carried out and the applicable site risk management plan. Seller shall be responsible for ensuring that its personnel have access to health, first aid and rescue services. Buyer shall have the right to postpone or suspend the performance of the Services if it has reason to believe that Seller is not performing the Services in compliance with health and safety regulations.

5.8 Seller shall be responsible for any accidents and/or bodily injuries resulting from the performance of the Services or as a result of any acts or omissions of its personnel and shall if requested by Buyer provide satisfactory evidence that it maintains insurance to cover claims arising in such circumstances. Seller waives any claims or actions against Buyer and its insurers for any accidents and/or damages suffered by its personnel. Seller shall be responsible, both towards Buyer and any third parties, for any and all damages caused by its personnel or any Seller's equipment during the performance of the Contract.

6. CHANGES

6.1 The Buyer shall have the right at any time to make changes in the specifications of any or all of the Products and/or Services, in particular with regard to delivery terms, scope or other provisions of the Contract, by means of a written notice to the Seller. If in the Seller's opinion such changes affect the cost or time required for performance of its contractual obligations, the Seller shall notify the Buyer promptly in writing, but in no event later than ten (10) days after the receipt of the Buyer's notice, including appropriate substantiation regarding the claimed impact of the change. Subject to the Seller's notification in accordance with the foregoing, if and to the extent that the changes requested by the Buyer reasonably justify in the circumstances an adjustment of the price, time schedule and/or other provision of the Contract, then an equitable adjustment to the same will be made by the Buyer ("Change Order"). The Buyer may request the Seller to commence the changes prior to having finalised the Change Order. Failing a notification by the Seller in accordance with this Clause 6.1, the Seller shall be deemed to have waived its rights for an adjustment and shall carry out the change, and the Buyer shall be entitled to assume that such change will not have any impact on any material term of the Contract, including time schedule, warranties and price.

6.2 The Seller shall not make any changes to the Contract without the Buyer's prior written consent.

7. INSPECTION AND QUALITY ASSURANCE

7.1 The Seller shall implement an appropriate and recognised quality assurance programme to ensure that the Product and/or Services comply with the requirements of the Contract and provide the Buyer with all reports and certificates and other documentation as required under the Contract or as the Buyer may reasonably require. The Seller shall provide the Buyer timely notification of any testing and the Buyer and/or any third party authorised by the Buyer shall be entitled to attend the tests.

7.2 The Seller's performance under the Contract and the Services shall at all times be subject to inspection, audit and quality review by Buyer, and/or any third party authorised by the Buyer, which, upon reasonable notice, shall be afforded full and free access to the relevant facilities of the Seller and/or Subcontractors. For every audit finding raised during such audit, Seller shall perform and provide the results of a root cause analysis to Buyer within a defined timeframe. Upon receipt of the Product and/or Service, the Buyer may, at its sole discretion, inspect the same or any part thereof at that time or at any time thereafter. If the Contract includes the carrying out of tests on the Product after its receipt by the Buyer, then the performance shall not be deemed complete until such tests have been passed to the satisfaction of the Buyer.

7.3 Any approval of a test by the Buyer, any Buyer inspection or testing, waiver thereof or failure to perform the same shall in no event relieve the Seller from any liability nor imply the Buyer's acceptance of the Product and/or Services.

8. DOCUMENTATION

8.1 The Seller shall furnish as part of the Product or Service any operation and maintenance manuals, drawings, calculations, technical data, logic diagrams, progress reports, quality confirmation certificates, bills of lading, certificates of origin, export authorisations and licences, and any such other documents required under the Contract and/or applicable laws. If so required by the Buyer, the Seller shall submit any such documents to the Buyer for review and approval.

8.2 Delivery of the Product or Service shall not be deemed complete until delivery of all required documentation in accordance with the Contract has occurred.

8.3 The Seller shall keep all Product and/or Service related data and documents at least for ten (10) years after Product delivery and/or completion or any such longer time required by applicable law. The Seller warrants that all records to trace and evidence compliance with the Contract requirements, including health and safety requirements, shall at all times be available to the Buyer.

9. BUYER MATERIAL AND EQUIPMENT FOR THE PERFORMANCE OF SERVICES

9.1 Any materials, components, tools, patterns, equipment, consumables and other items provided by Buyer to Seller for the performance of the Services shall be under Seller's custody, clearly marked and recorded by Seller as belonging to Buyer and during such custody shall be at Seller's risk. Legal ownership in and/or the right to dispose of any such Buyer items shall under no circumstances pass to Seller. Upon Buyer's request, including in case of termination for whatever reason, Seller shall allow Buyer, and/or and third party mandated to Buyer, to enter any premises of Seller to repossess any such Buyer items or any part thereof.

9.2 Upon receipt of any such Buyer item, Seller shall inspect it and give immediate notice to Buyer of any defect, damage or lack in quantity or quality; should Seller fail to immediately notify Buyer as per the foregoing, any such item shall be deemed to be received by Seller free from defects and damages and in the appropriate quantity.

10. PACKING, TRANSPORTATION AND DELIVERY OF PRODUCTS

10.1 Irrespective of whether the transportation of the Product is provided by the Seller or the Buyer, Seller shall pack the Products according to all applicable regulations. Any special regulations, e.g. ADR, ATA 300, IATA-DGR, ICAO-TI, IMDG-Code or RID for the shipment of the Products shall be observed and conformed to by Seller. The Seller shall in a timely manner provide detailed and accurate transport documentation to the Buyer as the Buyer may reasonably require.

10.2 Place of delivery of Products and/or performance of Services and respective delivery terms shall be according to the corresponding Contract. Delivery terms for Products shall be interpreted in accordance with Incoterms 2010. If there are no specific Incoterms stated in the Contract then DAP (Delivered At Place) shall be applicable. If there is no place of performance stipulated in the Contract the Services shall be performed at Zurich Airport, Switzerland.

10.3 Delivery of the Product shall not be deemed to have occurred if the Product is not fully compliant with all the terms and conditions of the Contract, unless the Buyer expressly agrees otherwise in writing.

10.4 The Buyer shall not be obliged to accept delivery of partial shipments or premature delivery unless otherwise agreed.

11. TRANSFER OF RISK AND TITLE OF PRODUCTS

11.1 The risk of loss of or damage to the Product shall pass from the Seller to the Buyer upon delivery of the Product at the named destination.

11.2 Title to the Product or any part thereof shall pass to the Buyer on delivery or, if earlier, upon payment to the Seller of not less than fifty-one per cent (51%) of the price of such Product or part thereof. If requested by the Buyer to do so, the Seller shall promptly execute any document certifying transfer of title.

11.3 In case of any defect in title or encumbrance or lien upon the Product or any part thereof, the Seller shall promptly indemnify and defend the Buyer against any and all claims in relation thereto and cause the discharge of any such encumbrance or lien.

12. DELAYS & LIQUIDATED DAMAGES

The Seller shall notify the Buyer immediately in writing if any delivery or performance is delayed or likely to be delayed beyond its specified date. The notification shall include the Seller's proposal for acceleration of the progress to achieve the specified date(s). If the delivery of the Product (including full documentation) at the named destination or the performance of the Services is delayed beyond the specified date, the Seller shall be liable for liquidated damages (irrespective of whether or not the Buyer reserves its right thereto when taking delayed delivery or acknowledging delayed completion), in the amount of, unless stated otherwise, zero point five percent (0.5%) of the Contract Price for each day of delay up to a maximum of fifteen percent (15%), without prejudice to the Buyer's other rights and remedies, including the Buyer's right to compensation for any additional damage incurred. Said liquidated damages are due even without evidence of actual damage. Except for an Excusable Delay, should delivery of the Product or performance of the Service be delayed by more than thirty (30) Days, the Buyer in addition to any other rights and remedies shall have the right, after notification to Seller of its intent, to immediately withdraw from the Contract. Liquidated damages will not be due by the Seller to the extent that the Seller's delay is due (a) to an act or omission of the Buyer provided that the Seller has notified the Buyer in writing within three (3) days of the occurrence of such act or omission, specifying the impact of the Buyer's act or omission on the schedule or (b) an event of Force Majeure according to Clause 15.

The payment of liquidated damages does not release Seller from any obligations under the Contract, in particular of performance of its obligations or of payment of damages in case the damage of Buyer exceeds the liquidated damages payment.

13. PRICE AND PAYMENTS

13.1 The Contract Price shall be firm and fixed and includes delivery of the Product and/or Service in accordance with the Contract and performance of any and all other obligations set forth in the Contract. The Contract Price includes, and the Seller shall promptly pay, all levies, taxes, fees, and duties applicable to the performance of the Services and the delivery of the Product at the named destination. In the event that the price agreed in the Contract is a lump sum price, Seller shall complete the Service in full in accordance with the Contract for no more than the lump sum price, and accordingly shall not be entitled to any sum in excess of the lump sum price except as provided in Clause 6.

13.2 All Seller's invoices shall comply with the invoicing instructions specified by Buyer in the Contract. Invoices have to be submitted electronically according to then current e-Invoicing procedure of the Buyer. Buyer shall be entitled to return for correction incorrect invoices, or invoices which are not accompanied by the proper supporting documents. The payment period for such correct invoices shall commence on the day of receipt of the correct invoice.

13.3 Any payments shall be made in accordance with the terms specified in the Contract. Unless specified otherwise in the Contract, the Seller shall be entitled to invoice for payment only when delivery and/or performance in accordance with the Contract has occurred completely, and payments due by the Buyer shall then be made within forty-five (45) days after receipt of the Seller's invoice accompanied by the relevant documentation. The Buyer shall be under no obligation to make any payment to the Seller if the Seller is in breach of contract and for so long as such breach continues. Payment by the Buyer shall not be deemed to constitute an acceptance of the Product or Services. If the Buyer is in default in respect of any sum due and payable, the Seller, by way of a sole and exclusive remedy, shall be entitled to interest at the then applicable LIBOR rate for three month borrowing.

13.4 The Seller shall not be entitled to set off any claim that it might have against the Buyer against sums owing to the Buyer unless such Seller claim is undisputed by the Buyer or has been decided in the Seller's favour finally and conclusively.

13.5 The Seller shall cause a first class bank, reasonably acceptable to the Buyer, to issue an irrevocable and unconditional bank guarantee, payable on first demand, to serve as performance guarantee, as follows:

- the amount shall be twenty per cent (20%) of the Contract Price, unless stated otherwise;
- the text shall be substantially in the form set forth in the Contract;
- the guarantee shall be issued to the Buyer within twenty (20) days after the date when the Contract becomes effective;
- the Buyer shall be entitled to call the guarantee in case of any breach of the Contract; and
- the guarantee shall remain valid until the date which is sixty (60) days after the expiry of the latest defects liability period, as such may be extended from time to time, in respect of all Products delivered under the Contract.

The costs of issuing and maintaining the performance guarantee shall be borne by the Seller. The delivery of the guarantee in accordance with this Clause 13.5 shall be a condition precedent to any payment by the Buyer under the Contract.

13.6 In the event that the Contract provides for reimbursement of expenses, Buyer shall reimburse Seller for its justified and reasonable expenses at the rates specified in the Contract (or failing those, at cost), provided always that Seller has incurred such expenses in accordance with the Contract and/or Buyer's reasonable instructions (including, as applicable, Buyer's business expense policy) and provided appropriate substantiation of such expenses. If the Contract provides for Seller's compensation for material and/or services procured from Subcontractors, then Seller shall be entitled to reimbursement of the cost for agreed items and services purchased directly for the Product and/or Services; provided always that Seller shall make its best efforts to procure materials and services at the most advantageous conditions and shall support all costs claimed by submitting paid invoices or other appropriate substantiation.

13.7 In the event that the Contract provides for a Price based on agreed rates:

(a) Seller shall furnish to Buyer, in a timely fashion as specified in the Contract or if no specific timing is stated in the Contract at least fortnightly, a "Seller Cost Summary" including, as applicable:

- Timesheets of personnel engaged in performing any part of the Services in the preceding reporting period, including the following minimum information:
 - The name and category of personal engaged in accordance with the rate categories specified in the Contract;
 - The tasks they were working on; and
 - The number of hours performed.

- ii. Statement of expenses, specifying the expenses to be reimbursed by Buyer under the Contract incurred by Seller in relation to the performance of the Services in the preceding reporting period, along with any supporting documents as reasonably required to evidence said expenses.

(b) Buyer shall review the Sellers Cost Summary. Failing any feedback from Buyer within said two (2) weeks, the Seller Cost Summary shall be considered approved.

(c) If Buyer disputes any part or all of the Seller Cost Summary, it shall do so within the aforementioned two (2) weeks along with written reasons, Seller shall review Buyer's comments and promptly revise the documents concerned as reasonably justified. To the extent that Seller rejects specified comments made by Buyer, it shall provide Buyer with reasonable justification. If no agreement on the Seller Cost Summary is reached within four (4) weeks of Buyer's receipt of the full information as per item (a) above, the issue shall be elevated to Buyer and Seller department heads for resolution.

13.8 Seller shall keep account of its ongoing charges and expenses and notify Buyer monthly of the cumulative amount invoiced. In the event that the Contract states a maximum total price or limit of cost ("Maximum Price"), Seller shall complete the Services in full in accordance with the Contract for no more than the Maximum Price, and accordingly shall not be entitled to any sum in excess of the Maximum Price except as provided in Clause 6.

14. WARRANTY

14.1 Warranty for Products

14.1.1 In addition and without prejudice to all other warranties provided by the Seller under the Contract, the Seller warrants that (a) the Product will be new, of good and satisfactory quality and fit for the purposes for which it is intended, in strict conformity with all requirements of the Contract and free from any defect or lack of conformity in design, workmanship and material and otherwise in strict compliance with all requirements of the Contract and (b) the Buyer shall enjoy good and unencumbered title to the Product and any related materials.

14.1.2 The warranty period shall expire, with respect to a given Product, forty-eight (48) months from delivery of the product or twenty-four (24) months from the date when the Product was put into commercial use, whichever period expires first. Repaired, replaced or used parts are subject to a new warranty period of twenty-four (24) months as from the date when the remedied part is returned into service.

14.1.3 If during the applicable warranty period any part of the Product is defective or otherwise does not conform to the terms of the Contract, the Buyer may, at its option, demand that the Seller remedy the defect at the Seller's expense, or opt to accept the defective Product subject to an equitable reduction of the Contract Price. If the Seller fails to remedy the defect with due diligence and within the time specified by the Buyer (or failing that within a reasonable time after the Buyer's request), or if the circumstances otherwise reasonable justify such action, the Buyer may remedy the defect itself or through a third party, at the Seller's expense and risk. If the defect is so significant that the Product cannot be used for its intended purpose or such use is significantly impaired, or in the event of a recurring defect, the Buyer may reject said Product and return it to the Seller at the Seller's expense and risk, and reclaim any sums paid, with interest. The remedies stated in this Clause are without prejudice to any other rights and remedies of the Buyer, including the right to terminate the Contract pursuant to Clause 23.

14.1.4 The Buyer may notify defects discovered during the warranty period at any time provided only that it does so prior to the expiry of a period of thirty (30) days after the end of the applicable warranty period. Any claims and remedies relating to defects notified in accordance with the foregoing may be enforced by the Buyer at any time during a period of five (5) years after the Buyer's notification of the defect.

14.2 Warranty for Services

14.2.1 In addition and without prejudice to all other warranties provided by the Seller under the Contract, the Seller warrants that (a) the Services will be performed in a timely, safe and professional manner in accordance with the best practices and standards applicable in Seller's Industry and be of the highest professional quality, Seller possessing all the necessary expertise, facilities resources and equipment required to perform the Services, (b) the Services shall be performed by the most skilled, knowledgeable, and experienced personnel in a manner consistent with the highest degree of care and skill exercised by members of the same profession, (c) the Service shall be free from any defect or lack of conformity in design (except to the extent the design is provided to Seller by Buyer), workmanship and material and otherwise in strict conformity with all requirements of the Contract, (d) the Service shall be of good and satisfactory quality and fit for the purposes for which they intended; and (e) the Services shall be free and clear from all liens, claims, or encumbrances.

14.2.2 If within a period of twenty-four (24) months from the date of completion of all Services in accordance with the Contract, any portion of the Services is found to be defective or otherwise not having been performed in conformity with the Contract, including the warranties and other requirements set forth in the Contract, Seller shall promptly upon Buyer's demand, and at Seller's expense and risk, re-perform any such portion of the Services and/or take such actions as may be required to bring the Services into conformity with Contract requirements, and shall compensate Buyer for any additional cost incurred by Buyer due to the defect or non-conformity. Should Seller fail to remedy the defect or non-conformity with due diligence and within such reasonable time specified by Buyer (or failing that within such reasonable time after Buyer's request), or if the circumstances otherwise reasonable justify such action (e.g. operational reasons require immediate action or if consequential damage can be avoided), Buyer may take all such actions as may be required to remedy the defect or non-conformity of the Services, itself or through a third party, at Seller's expense and risk. If the defect or non-conformity is such that the Services or any portion thereof are of no use to Buyer or such use is significantly impaired, or in the event of a recurring defect, Buyer may reject said Services or portion thereof and reclaim any sums paid in that respect. The remedies stated herein are without prejudice to Buyer's other rights and remedies under the Contract or at law, in particular any liability obligations.

15. FORCE MAJEURE

If performance of the Contract, in whole or in part, is prevented or delayed due to a Force Majeure (i.e. any unforeseeable and unavoidable event beyond the Parties' reasonable control and which cannot be overcome despite reasonable efforts of the affected Party), then the time for performance shall be modified accordingly, subject to the delayed Party promptly (but at the latest within three days) notifying the other Party of the event and taking all reasonable steps to reduce the resulting delay. In the event that a Force Majeure Event continues for more than sixty (60) days, either Party may terminate the Contract with immediate effect.

16. INTELLECTUAL PROPERTY RIGHTS

16.1 All information and know-how including drawings, specifications and other data provided by the Buyer in connection with the Contract as well as any documents or data that include, are derived from or are based on such information and know-how shall remain at all times the property of the Buyer or its affiliate(s) (as the case may be) and may be used by the Seller only for the purpose of performing the Contract. Any such information and documents are Confidential Information.

16.2 The Seller expressly represents and warrants that it will not, and shall ensure that its affiliates and subcontractors will not, either alone or jointly with others, directly or indirectly through any other person, infringe the intellectual property rights of the Buyer or its affiliate(s) and without prejudice to the foregoing, shall not (a) accept or use, for any reason, any of the proprietary information of the Buyer or its affiliate(s) which it has reason to believe has been improperly obtained from such party; (b) reveal, or entice any person to reveal, any of the proprietary information of the Buyer or its affiliate(s) to any third party without prior written approval by the Buyer; (c) use, or entice any person to use, proprietary information of the Buyer or its affiliate(s) for any purpose other than that which is expressly authorized by the Buyer (collectively, the prohibited activities set forth in this sentence shall be referred to as "Piracy"). Any violation by the Seller of such representation and warranty shall constitute as material breach of the Contract. The Seller undertakes to promptly inform the Buyer if the Seller becomes aware that any third party is engaging in any Piracy of the trade secrets or proprietary information of the Buyer or its affiliate(s).

16.3 The Seller warrants that the Product and Services, and any material, design or any other works or information provided by or on behalf of the Seller, including the use thereof, does not infringe any patent, copyright, registered design, trademark, trade name, trade secret or other intellectual property right of a third party, and the Seller will, at its expense, defend, indemnify and hold harmless the Buyer and the Buyer's customers from and against all claims and liability based on alleged or actual infringement thereof. The Buyer, at its option, may require the Seller (a) to procure at the Seller's expense for the Buyer and the Buyer's customers the right to use the Product, (b) to take such action to alter, modify or replace the Product or part thereof, such that it no longer infringes, provided however that this does not cause any adverse effect on the Product or its intended use, or (c) to refund the Contract Price or the corresponding part thereof, with interest, upon the return by the Buyer of the infringing Product.

16.4 The Buyer shall have the irrevocable, royalty free and unrestricted worldwide right to use (including the right to sublicense to any tier level) all systems, programmes, documentation, know-how, technology, process and development of products, created in the course of the contractual relationship between the Parties or other intellectual property rights relating to or embodied into the Product delivered to the Buyer. The Seller shall do all such things and execute all such documents as may be necessary to effectuate any such ownership of the Buyer.

17. Confidentiality Obligation and Data Protection

17.1 Each Party (the "Receiving Party") shall keep secret and shall not disclose any Confidential Information and personal data provided by the other Party (the "Disclosing Party") to any third party. In cases of doubt, facts and information shall be treated confidentially. The Parties are obliged to take all economically reasonable and technically and organizationally possible measures to ensure that Confidential Information is effectively protected from access and knowledge by unauthorized parties. LH Group companies shall not be considered as a third party and Buyer shall be free to disclose any Confidential Information to a LH Group company.

17.2 The Receiving Party may communicate Confidential Information to its employees, suppliers, contractors and consultants only to the extent necessary to fulfil the Contract, only on a strict "need to know" basis and only under the condition such employees, suppliers, contractors or consultants are bound by a confidentiality obligation equivalent to the obligations the Receiving Party has under this Clause.

18. COMPLIANCE

18.1 The Seller warrants that the Product and Services are in (a) strict compliance with all applicable laws and regulations, including safety and health requirements at the place of origin and at any temporary and final destination of the Product or any part thereof pursuant to the Contract, (b) that the Service shall be performed in accordance of the requirements for the aviation industry (e.g. ICAO Annex 13 / Doc 9859), that the Service and Product conform to the applicable codes and standards and to all other requirements as well as applicable, the Service performed and the Deliverable of the Contract delivered complete with all instructions, warnings and other data necessary for safe and proper operation.

18.2 The Seller hereby acknowledge having read and having full knowledge of the ten principles of the UN Global Compact (www.unglobalcompact.org) and the Supplier Code of Conduct set out by SWISS and the last updated version of which are available on the SWISS web site (www.swiss.com) on the date hereof, and undertakes to comply with their provisions, and to ensure, when applicable, that each entity of the group it belongs to and any subcontractors and sub-suppliers comply with such provisions.

18.3 Any Product or Service which does not comply with the requirements of this Clause shall be considered to be defective and any breach of this Clause shall be considered to be material breach. The Seller shall indemnify, hold harmless and defend the Buyer, its affiliates, officers, directors, employees or agents, from and against any and all liabilities, claims, expenses (including legal fees), loss and/or damage arising out of or in relation to the performance or non-performance of the Contract and resulting in bodily injury or death or damage to or destruction of third-party property.

19. THIRD PARTY CLAIMS

The Seller shall indemnify, hold harmless and defend the Buyer, its agents, employees, officers and directors, from and against any and all claims, liabilities, loss, damage, cost and expenses (including legal fees) arising out of or in relation to the performance or non-performance of the Contract and resulting in bodily injury or death or damage to or destruction of third-party property.

20. INSURANCE

The Seller shall maintain, and cause its subcontractors and sub-suppliers to procure and maintain, with respect to the subject matter of the Contract appropriate insurance coverage, acceptable to the Buyer, for the duration of the Contract and until expiry of the latest defect liability period. Upon the Buyer's request, the Seller shall promptly furnish the Buyer with insurance certificates evidencing such insurance coverage. The Seller shall be liable for all deductibles and/or excesses except where the Buyer is solely responsible for the occurrence giving rise to any insurance claim involving the Product, Service or Contract. Comprehensive general liability, product liability, employer's liability and professional indemnity insurance shall be for at least CHF 2,000,000 (two million CHF) per occurrence.

21. SUSPENSION

The Buyer may at any time instruct the Seller to suspend the performance of the Services or portion thereof by giving notice to the Seller. The Seller shall take all reasonable steps to minimize costs associated with the suspension. If and to the extent that the suspension exceeds three (3) months, the Buyer shall reimburse the Seller for the direct costs (excluding any profit element) attributable to the suspension, provided that the same are reasonable and properly evidenced by the Seller. The Seller shall not suspend performance, except with the express written consent of the Buyer.

22. Export Control Regulations

22.1 Parties hereby acknowledge that the execution of the Contract and the performance due under the Contract may be subject to export control laws and regulations of the European Union, Switzerland and the United States (hereinafter referred to as "Export Control Regulations"), including compliance requirements set forth under the U.S. Export Administration Regulations (EAR), 15 CFR Parts 730-774, International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120-130, and U.S. economic sanctions regulations (OFAC regulations), 31 CFR Parts 500-598).

22.2 Each Party acknowledges its respective obligation to comply fully with applicable Export Control Regulations in connection with the performance of the Contract. As part of such obligation, the Seller agrees to ensure that the execution and the performance due under the Contract is in full compliance with applicable Export Control Regulations.

22.3 Seller agrees to provide to Buyer prior to the performance due under the Contract the correct export classification of an item, e.g., the relevant category in the United States Munitions List (USML) or the Export Control Classification Number (ECCN) under the Export Administration Rules (EAR), and to provide to Buyer all necessary information related thereto, and shall otherwise provide to Buyer any reasonable assistance requested by Buyer to ensure full compliance with applicable Export Control Regulations. As part of such assistance, Seller shall inform Buyer if the performance due under the Contract will require an export license or other authorization under applicable Export Control Regulations, as well as any document that Buyer must complete or submit in connection with obtaining such export license or authorization.

22.4 Seller agrees that, whenever the performance due under the Contract requires an export license or other authorization under applicable Export Control Regulations, it will obtain such license or authorization at no cost to Buyer and in a manner that permits delivery of the item by the time for delivery.

22.5 If Seller 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 Buyer is the Foreign Principal Party in Interest ("FPPI"), Seller is authorized to act and agrees to act as Buyer's true and lawful agent for purposes of preparing and filing any Electronic Export Information in accordance with Export Control Regulations of the United States.

22.6 The Seller shall indemnify the Buyer from and against any claim, proceeding, action, fine, loss, cost and damage arising out of or relating to any noncompliance with Export Control Regulations by the Seller. This includes, but is not limited to, costs, fees and expenses, unless such noncompliance was not negligently or intentionally caused by the Seller.

23. TERMINATION

23.1 Termination for Cause

Without prejudice to any other rights and remedies of the Buyer, without liability, Buyer may terminate forthwith the whole or part of the Contract by written notice to the Seller, if (i) the Seller is in material breach of its obligations, including any breach of the Contract which the Seller has failed to remedy within thirty (30) days of being notified of the same by the Buyer; (ii) breach of confidentiality obligations (Clause 16); (iii) breach of compliance requirements, including any violation of non-bribery or non-corruption obligations (Clause 16.4); (iv) assignment of the Contract or subcontracting of the whole or any part of the obligations without the consent of the Buyer; (v) the Seller does not begin performance in a timely manner, fails to make progress as per the Contract, or is otherwise in delay and fails to provide adequate assurances that delivery of the Product in accordance with the Contract will occur in a timely manner as per the Contract; (vi) the Seller becomes bankrupt or insolvent, makes an arrangement with its creditors, has a receiver or administrator appointed, commences winding up or similar proceedings or ceases or threatens to cease to carry on business or becomes unable to pay its debts as they fall due.

The Buyer may, at its option, reject all or part of the Product and/or the Services and/or complete the Product or any part thereof itself or through any third party at the costs and risks of the Seller. The Seller shall promptly upon the Buyer's request compensate the Buyer for all costs, expenses, damages and loss incurred by the Buyer as a result of or in connection with the termination and/or the Seller's default, including all costs and expenses to complete the Services and any damage or loss due to non-compliance with the terms of the Contract, including late completion. The Buyer is entitled to withhold payment of any amounts due to the Seller until the amounts due by the Seller have been established.

23.2 Termination for Convenience

The Buyer may at any time terminate the Contract, in whole or in part, for convenience by giving the Seller written notice of such termination. In such case the Seller shall be entitled to an equitable amount to cover its direct, unavoidable costs incurred or committed by it prior to termination, provided however that such amounts be properly established. The Seller shall make every reasonable effort to mitigate the termination costs. The amounts due to the Seller shall in no case exceed, in aggregate, the Contract Price.

Upon the Buyer's request, the Seller shall deliver to the Buyer any parts of the Product and any documentation (whether in electronic format or paper based), and any other item created by Seller in connection with the Contract, whether or not completed, and do and procure all things necessary to enable the Buyer to complete the Services, or have it completed by a third party and to vest and secure the Buyer's good title in the Product and Service. For any Products and/or Service delivered in accordance with the Contract, the Seller shall be entitled to an amount equal to the value of such items, less the amount of the Buyer's prepayments, if any.

24. LIABILITY

Each Party shall be liable to the other for negligent or wilful breach of contract.

25. MISCELLANEOUS

25.1 Advertisement

Without written consent, the Seller may not mention or otherwise draw attention to its relationship with Buyer or its affiliate(s) in its advertising or in any other form.

25.2 Assignments

The Buyer may assign the Contract or any part thereof to any affiliate or subsidiary of the Buyer upon written notice to the Seller. The Seller shall not assign the Contract or any part thereof without the Buyer's prior written consent.

25.3 Entire Agreement

The Contract shall be and incorporate the entire agreement and understanding between the Parties in relation to all matters contained therein and supersedes any previous written or oral agreements, negotiations, commitments, communications and representations of any kind.

25.4 No Waiver

Neither Party's rights shall be prejudiced or restricted by any indulgence or forbearance extended by such Party or by any delay in exercising or failure to exercise any right and no waiver by either Party of any breach shall operate as a waiver of any other or further breach, whether of a like or different character.

25.5 Spare Parts

The Seller warrants that it will be able to deliver spare parts necessary for the proper functioning of the Product for a minimum of twelve (12) years from the date of last production of the Product.

25.6 Survival of Obligations

Without prejudice to any specific provision in the Contract, any obligations and duties which by their nature extend beyond the expiration or termination of the Contract, including the provisions of Clause 14 and Clause 16 shall survive the expiration or termination of the Contract.

25.7 Notice and Communication

Any notice to be given to either Party under Contract shall be in writing and delivered by hand/or send by courier, post or facsimile to the respective addresses stated in the PO/SO. Any such notice shall be deemed to have been given (i) if delivered by hand, on the date of delivery or refusal to accept delivery, (ii) if sent by facsimile, on the first business day in the receiving party's country after despatch, (iii) if sent by courier or post, on the date of delivery. Either Party may change its nominated address by written notice to the other Party. Communications dealing with day-to-day business may be made by electronic mail.

25.8 The language of the Contract shall be English and all communications thereunder or in relation thereto shall be delivered in English unless otherwise agreed.

26. GOVERNING LAW AND PLACE OF JURISDICTION

26.1 The Contract and any dispute in relation thereto shall be governed by and construed in accordance with the laws of Switzerland with the exception of its conflict of law provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods (1980) is hereby expressly excluded.

26.2 The courts of Zurich, Switzerland shall have exclusive jurisdiction over any disputes arising out of or in connection with the Contract. To the extent permitted by law, each Party agrees and undertakes not to demand from the other Party any translation of any English language document.