

GENERAL PURCHASING AND SERVICE TERMS AND CONDITIONS OF LILIUM GROUP

Unless other terms are referenced in the applicable Order, these General Purchasing and Service Terms and Conditions (these "GPC Terms") apply for the procurement of Goods from Supplier by Liliium eAircraft GmbH and/or its group companies ("Liliium") within the meaning of sections 15 et seq. of the German Stock Corporation Act (*Aktiengesetz*, AktG) (each such company a "Group Company"). References to Liliium in these GPC Terms shall in each case constitute a reference to the Group Company listed in an Order as the company placing the Order.

PREAMBLE:

Whereas Supplier understands the challenge of developing products in the Urban Air Mobility market, Supplier declares that it has full knowledge of the high level of requirements in terms of quality, safety and traceability for the aerospace industry. Supplier declares that it has all the technical capability, the know-how and the necessary resources to perform the work in accordance with such requirements. Supplier has been selected based on these declarations and on the basis of its capability for the performance of the work, its competitiveness and its willingness to deliver the work in accordance with these GPC Terms.

1. DEFINITIONS

1.1 In these GPC Terms the following words have the indicated meanings:

Administrative Non-Conformity	any failure to meet an administrative requirement as specified in the Order.
Business Days	days at which the offices of Liliium at the Delivery Location are generally open for business.
Delay	any default or delay, except in case of Force Majeure.
Delivery	the delivery process as described in section 4.1 of these GPC Terms.
Delivery Date	the date on which the Goods are to be delivered to Liliium, as specified in the Order.
Delivery Location	the point of delivery specified in the Order.
Force Majeure	the occurrence of an event beyond the reasonable control of Liliium or Supplier, including without limitation, an act of God, fire, flood, explosion, earthquake, any act of government, change in laws, regulations, directives, ordinances and/or case law (including the change of interpretation of codified rules) (collectively the "Laws"), war, insurrection or riot.
Goods	any such products to be supplied or services provided to Liliium by Supplier pursuant to or in connection with the Order, in particular, but not limited to hardware, software, and associated maintenance services, tooling, engineering, manufacturing, or the commissioning of work and services.
GPC Terms	these General Purchasing and Service Terms and Conditions as set forth in the introduction.
Order	the purchase/service order issued by Liliium to Supplier, setting forth Liliium's requirements for the procurement of Goods from Supplier, including any other documents (or parts thereof) specified in the Order.
Parties	Liliium, the Group Companies and the respective Supplier as referred to together.
Party	Liliium, the Group Companies and the respective Supplier as referred to individually.
Price	the price of the Goods as specified in the Order.
Supplier	the company who is the supplier of the Goods named in the Order.

Technical

Non-Conformity any failure to meet a technical requirement as specified in the Order.

1.2 The headings in these GPC Terms are for convenience only and shall not affect its construction or interpretation.

2. ESSENTIAL CONDITIONS

2.1 The GPC Terms are incorporated into and made an essential part of every Order. The Order is a condition to the commencement of the work unless defined otherwise in the Order.

2.2 The Order and these GPC Terms shall become binding upon the acceptance of the Order by Supplier (either verbally or in writing) or on Delivery of the Goods, whichever is the earlier. For the avoidance of doubt, no work shall be commenced until an Order has been issued by Liliium and accepted by Supplier without changes, unless otherwise agreed in writing by Liliium.

2.3 General terms and conditions of business of Supplier shall not apply nor shall they form part of the Order. A notice of objection regarding such general terms and conditions of Supplier is herewith given. They shall only apply to the extent they are in accordance with these GPC Terms or if Liliium explicitly agrees to such in writing. The acceptance of deliveries or services as well as payments do not constitute such agreement.

Any provisions in other documents provided by Supplier (such as but not limited to specifications, data sheets, technical documentation, advertising materials, order confirmation and/or shipping documents) regarding legal terms, liability, restriction of use, restriction of application and/or restriction of suitability, or any other provision that changes these GPC Terms shall not be applicable. A notice of objection regarding such provisions is herewith given.

If there is a conflict between any of the conditions set forth in these GPC Terms and any specific term or condition referred to in the Order, the Order shall prevail.

2.4 Liliium reserves the right at any time to amend these GPC Terms as deemed necessary due to an extension of services or legal system changes. Liliium shall notify Supplier in writing of any amendments to these GPC Terms and of the fact that Supplier shall have two (2) months from the date of notice to object to the amendments. A failure to object within such two (2) months shall be deemed as consent to the amendment of these GPC Terms by Supplier.

2.5 All communications and documentation related to an Order and these GPC Terms shall be in English.

3. ORDER AND ORDER CONFIRMATION

3.1 Within fourteen (14) calendar days of a submitted Order, Supplier undertakes to notify Liliium of acceptance or refusal of the said Order by email, fax or in written form.

3.2 If Supplier accepts the Order, Liliium shall not be bound by any different or additional terms and conditions communicated by Supplier. If Supplier expressly refuses the Order, it shall be deemed withdrawn and the Parties may negotiate new terms. Liliium may withdraw from any negotiations at any time prior to acceptance of an Order by Supplier and shall incur no liability whatsoever.

4. DELIVERY; DELIVERY LOCATION; PLACE OF PERFORMANCE; DEADLINES; FORCE MAJEURE; TRANSFER OF TITLE AND RISK OF LOSS

4.1 The Goods shall be delivered to the place named on, and in accordance with, the Order. Delivery shall be completed when the Goods have been unloaded at the point of delivery specified in the Order ("Delivery Location") and delivery has been accepted by Liliium or its authorized representative ("Delivery"). Any access to premises and any labor and equipment that may be provided by Liliium in connection with Delivery shall be provided without acceptance by Liliium of any liability (except in the event of injury to life, body or health resulting from a negligent breach of duty by Liliium or an intentional or negligent breach of duty by any legal representative or auxiliary person of Liliium or in case of gross negligence by Liliium). If and to the extent that Supplier is liable and Liliium has a claim to it, Supplier shall indemnify and keep indemnified Liliium in respect of any actions, suits, claims, demands, losses, charges, costs and expenses

(including legal expenses and disbursements) which Liliium may suffer or incur as a result of or in connection with any damage or injury (including death) occurring in the course of Delivery or installation to the extent that any such damage or injury is attributable to any act, omission or negligence of Supplier or any of its sub-contractors.

4.2 Where any access to the premises is necessary in connection with Delivery or installation, Supplier and its sub-supplier shall at all times comply with the reasonable requirements of Liliium's head of security or other named authorized representative.

4.3 The Goods shall be delivered on the date written in the Order, or after the placement of the Order, on the date later specified by Liliium, as applicable ("Delivery Date").

4.4 The Delivery Date is of the essence for the purposes of the Order. In case of Supplier's failure to deliver by the Delivery Date, Liliium shall provide Supplier with a reasonable cure period (*Nachfrist*) during which Supplier may deliver the Goods, unless extraordinary circumstances affecting Supplier (such as impossibility of fulfilling its obligations) make such cure period dispensable or inapplicable or the setting of a cure period is not reasonable for Liliium.

4.5 Supplier's failure to effect Delivery on the Delivery Date specified in the Order and after expiration of the cure period shall entitle Liliium to cancel all or part of the Goods under the Order, to purchase substitute goods, to hold Supplier accountable for any and all loss and/or additional costs incurred as a result of such failure to perform, and, in any case, without prejudice to Liliium's other rights and remedies.

4.6 If Goods are delivered more than ten (10) calendar days earlier than the Delivery Date, Liliium shall be entitled, at its sole discretion, to refuse to accept Delivery or to charge for insurance and storage of the Goods until the Delivery Date.

4.7 The place of performance and fulfillment shall be the registered office of the relevant Liliium Group Company placing the Order or such other place as specified in the Order as Delivery Location.

4.8 Agreed dates and deadlines are binding. When it comes to determining whether deliveries and services have been made or provided in a timely manner, the decisive point in time shall be the actual physical provision of the Good at the Delivery Location. If Supplier cannot adhere to agreed dates or deadlines, it shall notify Liliium without undue delay by email, stating the reasons for the Delay. Changes to agreed dates and deadlines shall only be valid subject to Liliium's written consent which does not contain any waiver of compensation claims.

4.9 In case of any risk to Delivery of any kind (e.g., Delivery Date, scope of work, quality, function etc.) Supplier shall ensure access of Liliium representatives to the premises of Supplier and/or Supplier shall undertake to make its best efforts to provide access for Liliium representatives to Supplier's sub-suppliers in order to assure the best and most effective problem solving, change discussions and the like.

4.10 Neither Party shall be responsible for nor be deemed to be in default of its obligations under the Order to the extent that such default is caused by Force Majeure. The affected Party undertakes to mitigate the effects of the default caused by Force Majeure. If Force Majeure occurs and causes or is likely to cause a delay in the performance by either Party of its obligations under the Order, such Party shall notify the other Party in writing immediately after becoming aware of such Force Majeure and provide reasonable evidence of it. Immediately after the Force Majeure has ceased, the affected Party shall, unless otherwise agreed in writing, resume the performance of its obligations. Irrespective to the aforesaid and if the Force Majeure results from a change in the Laws, Supplier shall use its best efforts to endeavor an alternative way to fulfil its obligations under the Order.

4.11 Transfer of title and risk of loss in the Goods shall, without prejudice to any of the rights or remedies of Liliium, pass to Liliium upon Delivery.

5. CONTRACTUAL PENALTIES

5.1 Delay
In case of a Delay of Supplier in the performance of its obligations under the Order, Liliium is entitled to contractual penalty of zero point three percent (0.3%) per each commenced Business Day of the delayed

<p>product or service Price but not exceeding a total of five percent (5%) of the total value of the Order.</p>	<p>milestone phase. Supplier shall complete the milestone before the milestone deadline.</p>	<p>– change or replace the Goods and/or the Intellectual Property reflected or contained therein in such a manner, that the Goods no longer infringe the rights of third parties, provided and to the extent that this does not substantially impair the agreed functionality of the Goods.</p>
<p>5.2 Non-conformity In the event of Technical Non-Conformity (whereas the Technical Non-Conformity is to be determined by Liliium) of Goods delivered by Supplier, a contractual penalty of two hundred euro (EUR 200) per non-conformity will be charged if the non-conformity is detected before integration of the Goods. A contractual penalty of eight hundred euro (EUR 800) per Technical Non-Conformity will be charged if the non-conformity is detected after the integration of the Goods.</p>	<p>7.5 For <i>Build to Specification</i> or <i>Build to System</i> projects, milestones are defined by means of preliminary design review, critical design review and a final design review ("Design Reviews").</p> <p>7.6 Supplier shall not proceed with further steps until the Design Reviews have been completed and expressly approved by Liliium.</p> <p>7.7 Supplier shall perform an acceptance test as well as a qualification test as specified and shall provide the test reports to Liliium accordingly.</p>	<p>9.3 In case the Goods supplied do not match the performance and quality specified in the Order, and upon Delivery, Supplier shall repair or replace (at Liliium's sole discretion) the respective Goods at its own costs promptly, but no later than fifteen (15) calendar days upon receipt of the notification of the defective Good. The right to claim damages in excess of the repair or replacement of the respective defective Good shall remain explicitly reserved.</p>
<p>In the event of Administrative Non-Conformity as defined in the Order (whereas the Administrative Non-Conformity is to be determined by Liliium) of Goods delivered by Supplier, a contractual penalty of one hundred fifty euro (EUR 150) per Administrative Non-Conformity will be charged when detected at Liliium's premises.</p>	<p>8 VARIATION OF TERMS; MODIFICATION OF ORDERS; AND DELIVERY EXCEPTIONS</p> <p>8.1 These GPC Terms may only be varied with the prior written consent of Liliium that has been signed by a duly authorized representative of Liliium. With the exception of managing directors or authorized signatories (<i>Prokuristen</i>), Liliium's employees are not authorized to make oral agreements deviating from these GPC Terms.</p>	<p>9.4 These contractual warranties are applicable without prejudice to other warranties pursuant to statutory law.</p>
<p>5.3 Liliium shall expressly claim a contractual penalty from Supplier at the latest when paying Supplier's (final) invoice. Liliium is entitled to invoice a contractual penalty or to deduct any contractual penalty from its payment obligations.</p>	<p>8.2 Liliium reserves the right by reasonable notice to Supplier to modify the Order. Any adjustment to the Price or Delivery Date arising by reason of such modification must be agreed between the Parties and evidenced in writing before such modification to the Price or Delivery Date is effective. Such modification of the Order by Liliium must be reasonable and implementable for Supplier.</p>	<p>10 PRICE; PAYMENT TERMS</p> <p>10.1 Supplier shall not increase the Price unless it is validly accepted by Liliium and agreed in writing before the execution of the Order.</p>
<p>5.4 Any further reaching claims for damages actually incurred by Liliium shall not be affected by the claiming of a contractual penalty by Liliium pursuant to this section 5. Liliium reserves the right to claim the full amount of such excess damages in respect of all losses, expenses, costs, claims, and other damages incurred by Liliium arising from the Delay or non-conformity.</p>	<p>8.3 If requested by Supplier, Liliium may (but is not obliged to) issue delivery exceptions that allow Supplier to deliver the Goods under certain conditions that have not been agreed in the Order. Such conditions only apply to Goods and quantities as specified in such delivery exception. Notwithstanding the foregoing, and if not otherwise explicitly agreed between Liliium and Supplier in writing, Liliium is not required to accept a partial Delivery of Goods.</p>	<p>10.2 Unless expressly agreed otherwise between the Parties in writing, the Price shall be inclusive of all packaging, delivery and insurance costs, and any applicable sales taxes, duties or levies, but excluding of VAT.</p> <p>Upon request of Liliium, Supplier agrees to provide a breakdown of the above mentioned elements of the Price.</p>
<p>6 LABELLING; PACKAGING</p>	<p>9 GOODS; REPRESENTATIONS AND WARRANTIES</p>	<p>10.3 Unless otherwise agreed in writing by Liliium, Supplier shall render a separate invoice in duplicate in respect of each of the Goods delivered under the Order. Liliium undertakes to pay correctly submitted valid invoices within thirty (30) calendar days of receipt from the day of physical or electronic arrival at the nominated address of Liliium. Unless otherwise agreed, invoices shall not be rendered by Supplier until completion of Delivery of all the Goods which are the subject of the Order.</p>
<p>6.1 Supplier shall pack, mark and protect the Goods in a proper manner from possible transport damages. In particular the Goods shall be marked with the order number, the net, gross weights, Supplier name, the details of the contents shall be clearly marked on each container and all containers of hazardous goods (and all relating documents) shall bear prominent and adequate warnings. Supplier shall indemnify and keep indemnified Liliium against all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which Liliium may suffer or incur as a result of or in connection with any breach of this section 6.1 to the extent that any such damage or injury is attributable to any act, omission or negligence of Supplier or any of its sub-contractors.</p>	<p>9.1 For a period of thirty-six (36) months from the date of Delivery, Supplier warrants and represents to Liliium that the Goods shall:</p> <p>9.1.1 conform in all respects with any particulars or specification specified in the Order including any variations;</p> <p>9.1.2 conform in all respects with the requirements of any statutes, orders, regulations or bylaws from time to time in force;</p> <p>9.1.3 be of satisfactory quality and free from defects in materials, design and workmanship;</p> <p>9.1.4 be fit and sufficient for the purpose for which such goods are ordinarily used and for any particular purpose, functions, uses, for which they are intended and made known to Supplier by Liliium and Liliium relies on the skill and judgement of Supplier in the supply of the Goods and the execution of the Order;</p> <p>9.1.5 be manufactured according to the state of the art as applicable at the time of Delivery; and</p> <p>9.1.6 be free and clean of all liens and encumbrances.</p>	<p>10.4 A valid invoice is one that:</p> <ul style="list-style-type: none"> – is delivered in time in accordance with the Order, – is for the correct sum, – quotes the relevant Order, – has been delivered to the Delivery Location, and – complies with the applicable statutory provisions.
<p>6.2 Supplier shall ensure that the Goods will arrive at the Delivery Location in the conditions as specified in the Order. Electrostatic discharge ("ESD") endangered Goods shall be packed in a single ESD secured packaging. The package shall be marked as "ESD endangered" on the outside or any other agreed marking.</p>	<p>9.2 Supplier further warrants and represents to Liliium as of the date of Delivery that the title of the Goods and/or the Intellectual Property (as defined in section 15.1) reflected or contained in the Goods shall not breach any third-party rights. If Liliium learns of any third-party claim or alleged legal defect in respect of the title of Goods and/or the Intellectual Property reflected and contained therein, Liliium shall inform Supplier thereof. Supplier shall then, at Supplier's sole expense, defend Liliium from any such third-party claims and Liliium may assist Supplier with such defense. In addition to Supplier's defense obligations, Supplier shall, at Liliium's sole discretion within the limits of reasonableness and without prejudice to Liliium's other rights and remedies:</p> <ul style="list-style-type: none"> – take legitimate measures to remove, dispute or challenge the third-party rights, which impair the contractual use of the Goods and/or the Intellectual Property reflected or contained therein, – remedy the enforcement of such claims, or 	<p>10.5 Liliium specifically reserves the right to withhold or deduct by way of set-off or otherwise from any monies due or to become due to Supplier any monies due to Liliium from Supplier.</p>
<p>6.3 Supplier shall provide transparency of price breakdown of the labelling and packaging.</p> <p>6.4 As may be provided by Liliium from time to time, Supplier shall follow Liliium's instructions with regard to inclusion of machine-readable part and packaging markings for all Goods delivered.</p>	<p>9.2 Supplier further warrants and represents to Liliium as of the date of Delivery that the title of the Goods and/or the Intellectual Property (as defined in section 15.1) reflected or contained in the Goods shall not breach any third-party rights. If Liliium learns of any third-party claim or alleged legal defect in respect of the title of Goods and/or the Intellectual Property reflected and contained therein, Liliium shall inform Supplier thereof. Supplier shall then, at Supplier's sole expense, defend Liliium from any such third-party claims and Liliium may assist Supplier with such defense. In addition to Supplier's defense obligations, Supplier shall, at Liliium's sole discretion within the limits of reasonableness and without prejudice to Liliium's other rights and remedies:</p> <ul style="list-style-type: none"> – take legitimate measures to remove, dispute or challenge the third-party rights, which impair the contractual use of the Goods and/or the Intellectual Property reflected or contained therein, – remedy the enforcement of such claims, or 	<p>10.6 Liliium shall not be liable for any orders or amendments to orders other than those issued or confirmed on the official Order and shall not be responsible for the payment of the Price for Goods supplied in excess of those required by the Order.</p>
<p>7 SCOPE OF WORK; CHANGE TO THE SCOPE OF WORK; MILESTONES</p>	<p>9.2 Supplier further warrants and represents to Liliium as of the date of Delivery that the title of the Goods and/or the Intellectual Property (as defined in section 15.1) reflected or contained in the Goods shall not breach any third-party rights. If Liliium learns of any third-party claim or alleged legal defect in respect of the title of Goods and/or the Intellectual Property reflected and contained therein, Liliium shall inform Supplier thereof. Supplier shall then, at Supplier's sole expense, defend Liliium from any such third-party claims and Liliium may assist Supplier with such defense. In addition to Supplier's defense obligations, Supplier shall, at Liliium's sole discretion within the limits of reasonableness and without prejudice to Liliium's other rights and remedies:</p> <ul style="list-style-type: none"> – take legitimate measures to remove, dispute or challenge the third-party rights, which impair the contractual use of the Goods and/or the Intellectual Property reflected or contained therein, – remedy the enforcement of such claims, or 	<p>10.7 Payment by Liliium does not constitute an acknowledgement that the corresponding Delivery or services were provided in accordance with the contract or the respective Order.</p>
<p>7.1 Supplier shall, at its sole costs and expense, supply all necessary off-site equipment, tools, materials, and/or supplies, if any, to complete the work as set forth in the Order (only applicable for design and build to specification/system projects).</p> <p>7.2 Any change of the scope of work as specified in the Order requires the prior written authorization by Liliium through a change note to the scope of work signed by the duly authorized named representative of Liliium or the head of procurement.</p>	<p>9.2 Supplier further warrants and represents to Liliium as of the date of Delivery that the title of the Goods and/or the Intellectual Property (as defined in section 15.1) reflected or contained in the Goods shall not breach any third-party rights. If Liliium learns of any third-party claim or alleged legal defect in respect of the title of Goods and/or the Intellectual Property reflected and contained therein, Liliium shall inform Supplier thereof. Supplier shall then, at Supplier's sole expense, defend Liliium from any such third-party claims and Liliium may assist Supplier with such defense. In addition to Supplier's defense obligations, Supplier shall, at Liliium's sole discretion within the limits of reasonableness and without prejudice to Liliium's other rights and remedies:</p> <ul style="list-style-type: none"> – take legitimate measures to remove, dispute or challenge the third-party rights, which impair the contractual use of the Goods and/or the Intellectual Property reflected or contained therein, – remedy the enforcement of such claims, or 	<p>10.8 A Price breakdown of raw material and labor rate shall be provided and agreed upon. Any Price modifications shall be based on raw material or labor rate fluctuation. Upon Liliium's request Supplier shall outline pricing differences of raw material or labor in detail and comprehensibly.</p>
<p>7.3 Supplier shall appoint a single point of contact as well as a functional team to support the performance under the Order. The contacts or their representatives shall be available on Business Days between 0800 and 1800 CET. The contact persons of Supplier and Liliium shall be designated in the Order.</p> <p>7.4 Milestones for <i>Build to Print</i> Goods include, but are not limited to, engineering and manufacturing steps. Supplier shall ensure that the progress is complete and approved by Liliium before entering into the next</p>	<p>9.2 Supplier further warrants and represents to Liliium as of the date of Delivery that the title of the Goods and/or the Intellectual Property (as defined in section 15.1) reflected or contained in the Goods shall not breach any third-party rights. If Liliium learns of any third-party claim or alleged legal defect in respect of the title of Goods and/or the Intellectual Property reflected and contained therein, Liliium shall inform Supplier thereof. Supplier shall then, at Supplier's sole expense, defend Liliium from any such third-party claims and Liliium may assist Supplier with such defense. In addition to Supplier's defense obligations, Supplier shall, at Liliium's sole discretion within the limits of reasonableness and without prejudice to Liliium's other rights and remedies:</p> <ul style="list-style-type: none"> – take legitimate measures to remove, dispute or challenge the third-party rights, which impair the contractual use of the Goods and/or the Intellectual Property reflected or contained therein, – remedy the enforcement of such claims, or 	<p>10.9 In case of late payment, Supplier shall be entitled to apply interest limited to the rate of the German legal interest rate stipulated in sec. 288 para. 2 in connection with sec. 247 German Civil Code (<i>Bürgerliches Gesetzbuch</i>).</p> <p>11 INCOTERMS</p> <p>The Delivery of Goods shall be made DAP (Delivered at Place, ICC Incoterms 2020) at the Delivery Location. Supplier must not use national postal services, but only courier/shipping service providers which operate internationally. Additional costs and fees due to non-compliance with this requirement shall be borne by Supplier.</p>

12 DAMAGE OR LOSS IN TRANSIT

- 12.1 On dispatch of any Goods, Supplier shall send to Liliium at the address for Delivery of the Goods, an *advice note* specifying the means of transport, the place and date of dispatch, the number of packages and their weight and volume.
- 12.2 Supplier shall, free of charge and as quickly as possible, either repair or replace (as Liliium shall elect in its sole discretion) such of the Goods as may either be damaged in transit or having been placed in transit fail to be delivered to Liliium.
- 12.3 When Goods are damaged in transit, Liliium shall within two (2) Business Days of Delivery or discovery of such damage, as the case may be, give notice to Supplier that the Goods have been damaged.
- 12.4 When Goods fail to be delivered by the Delivery Date, Liliium shall (provided that Liliium has been advised of the dispatch of the Goods) within ten (10) Business Days of the Delivery Date give notice to Supplier that the Goods have not been delivered and provide Supplier with a reasonable cure period pursuant to section 4.4.

13 MONITORING, AUDIT, INSPECTION, AND REJECTION

- 13.1 Liliium shall have the right: (i) to monitor and record activity on Supplier's manufacturing site; (ii) access data, upload data, register any data related to the production of its products at Supplier's premises and Supplier's IT system, including results of statistical process controls, work order records, inspection measurements, etc. to be specified by Liliium.
- 13.2 Supplier shall permit Liliium or its authorized representatives to make (i) twice a year audits, assessments, inspections or tests as general quality checks and (ii), in case of justified suspicion of a quality violation, inspections or tests it may reasonably require, including the right to source inspection, each at Supplier's facilities. Supplier shall afford all reasonable facilities, tools and assistance free of charge for Liliium.
- 13.3 Inspections performed by any authority or Liliium authorized representatives do not relieve Supplier of any responsibility under the Order or these GPC Terms.
- 13.4 Liliium may by written notice to Supplier reject any of the Goods that do not meet the requirements of the Order. Liliium shall make an incoming goods inspection of the Goods after Delivery. Obvious defects shall be notified by Liliium to Supplier within two (2) Business Days. Liliium shall properly inspect the Goods within ten (10) Business Days. Damages and non-compliance with the agreed requirements shall be notified by Liliium to Supplier within this inspection period. When hidden defects (i.e., defects that do not become apparent during an inspection) appear, such hidden defects shall be notified by Liliium to Supplier within eight (8) Business Days after their discovery. Liliium may delegate inspection authority to Supplier, at which point an approved Supplier representative shall be appointed by Liliium and such Supplier representative shall conduct the required inspections on behalf of Liliium.
- 13.5 If Liliium rejects any of the Goods pursuant to this section 13, Supplier shall at Liliium's sole option (without prejudice to its other rights and remedies, such as the right to reduce the remuneration, to receive compensation and to withdraw from the agreement):
- repair the defective Goods as quickly as possible, or
 - replace the defective Goods with Goods which comply in all respects with the requirements of the Order.
- 13.6 Any Goods rejected or returned by Liliium pursuant to this section 13 shall be collected by Supplier at Supplier's risk and expense within seven (7) Business Days upon receipt of a rejection notice.

14 QUALITY: DOCUMENTATION AND SYSTEMS

- 14.1 Any Goods supplied shall carry a *Certificate of Conformity* ("CoC"). This certifies that the Goods are manufactured and tested in accordance with the technical requirements set out in the Order.
- 14.2 Suppliers with a Production Organization Approval ("POA") shall enclose an *EASA Form 1* or *FAA 8130-3 certificate of release* or equivalent. In case of

Suppliers without a POA, the Goods shall be accompanied by a CoC.

- 14.3 On request from Liliium as a general deliverable or on demand due to Liliium investigation requirements, Supplier shall deliver an inspection report with defined key measures linked to the delivered Goods, in addition to a CoC as referenced in sections 14.1 & 14.2.
- 14.4 Non-conforming and scrap Goods shall be explicitly marked and separated from conforming Goods. Delivery of non-conforming Goods may only take place with Liliium's consent in accordance with section 8.3.
- 14.5 Supplier shall demonstrate and maintain a fully functional quality management system in place that is in line with Liliium's Supplier Quality Management System Handbook that is available on the following Liliium webpage: <https://lilium.com/suppliers>, as it may be amended from time to time; it being understood that such amendment shall be permissible only if materially justified due to changes of the applicable Laws, practices of the relevant supervisory authorities, general industry practices, or technical requirements.
- 14.6 Supplier shall be capable to demonstrate a manufacturing system that delivers full part / product traceability with respect to work order, shop floor management, as well as manufacturing and inspection tools and equipment used. Ongoing process and on customer demand surveillance by Liliium is required.
- 14.7 Supplier shall report all quality escapes to Liliium within twenty-four (24) hours. Supplier shall reply to any non-conformity reports issued by Liliium within two (2) Business Days.
- 14.8 In case of a Technical Non-Conformity or quality escape as referenced in sections 5.2 and 14.7, respectively, Supplier shall:
- implement immediate containment action within two (2) Business Days,
 - complete permanent corrective action within five (5) Business Days, and
 - submit to Liliium, in a Liliium specified format, a corrective action report containing evidence of effectiveness within fifteen (15) Business Days. Supplier shall notify Liliium in writing should there be any deviation in the time allotted.

15 INTELLECTUAL PROPERTY

- 15.1 "**Intellectual Property**" means any and all rights in relation to inventions, patents, utility models, designs, copyrights and associated intellectual property rights, trademarks, domain names, company names as well as comparable proprietary rights – registered or not – existing anywhere in the world and any know-how.
- 15.2 "**Work Results**" means all inventions, improvements, ideas, formulae, prototypes, developments, innovations, records, reports, documents, papers, drawings, transparencies, photos, graphics, names or logos, typographical arrangements, devices, processes, discoveries, designs, topographies, databases, including, but not limited to, lists of contacts, whether personal or otherwise, know-how, technology, products, software (including source code and executable or object code), copyright works, trade and business names, internet domain names, and any other matters or things devised, prepared, developed, created or made by Supplier or a subcontractor (whether alone or with others and whether or not patentable or capable of registration and whether or not recorded in any medium) during the term of an Order.
- 15.3 Supplier undertakes to document any Intellectual Property and Work Results created and transfers such documentation to Liliium. The documentation shall be provided in a manner enabling Liliium to use and exploit the Goods or Work Results as intended under the respective Order. Documentation shall mean all written material in any form.
- 15.4 Except to the extent that the Goods are supplied in accordance with designs provided by Liliium, it shall be a condition of the Order that none of the Goods will infringe any Intellectual Property of any third party and, if and to the extent that Supplier is liable and Liliium has a claim to it, Supplier shall hold harmless and indemnify Liliium against all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which Liliium may suffer or incur as a result of or in connection with any breach of this section 15.4.

Supplier shall take all reasonable measures to verify (e.g., by freedom-to-operate assessments) that Supplier's Goods do not violate any third-party Intellectual Property, and that Supplier's Goods are free and clear of all liens, charges, mortgages, encumbrances, or any other rights of others of any kind whatsoever. Upon Liliium's request, Supplier shall provide Liliium with evidence of Supplier's compliance with the preceding obligation.

- 15.5 Any and all Intellectual Property furnished to or made available to Supplier by Liliium pursuant to the Order shall remain sole property of Liliium; and Supplier shall not (except to the extent necessary for the implementation of the Order) without prior written consent of Liliium, use or disclose any such Intellectual Property or any information (whether or not relevant to the Order) which Supplier may obtain pursuant to the Order and in particular (but without prejudice to the generality of the foregoing) Supplier shall not refer to Liliium or the Order in any advertisement without Liliium's prior written consent. Supplier shall use Intellectual Property made available to Supplier by Liliium only for the purpose of carrying out its obligations under the Order.
- 15.6 The Work Results and any Intellectual Property relating thereto developed by Supplier or a subcontractor in connection with the Order shall be transferred to Liliium. If and to the extent that such transfer is not possible (e.g., in case of copyright protected Work Results), Supplier will grant to Liliium an exclusive – and if the granting of an exclusive license is not possible, a non-exclusive –, irrevocable, sublicensable, transferrable, unrestricted in terms of time, place and subject matter, right of use and exploitation in such Work Results. Supplier shall not transfer or, use in any form the Work Results and Intellectual Property relating thereto for or in other projects without Liliium's prior written consent.

The forgoing shall apply to joint development projects as well, unless otherwise defined in the Order or agreements between Supplier and Liliium.

- 15.7 With regard to Intellectual Property (i) which is reflected and contained in the Goods or which is required to use and to further develop the Goods, and (ii) which is not considered a Work Result in connection with the Order (i.e., background Intellectual Property), Supplier grants to Liliium a non-exclusive, irrevocable, transferrable, unrestricted in terms of time, place and subject matter right of use and exploitation, unless otherwise defined in the Order or agreements between Supplier and Liliium.
- 15.8 The unrestricted right to use and exploit in terms of subject matter includes, but is not limited to the following rights:
- right to reproduce and to make copies,
 - right to distribute,
 - right to exhibit,
 - right to present, perform and recite,
 - right to make available to the public including the right to use in digital form, in particular by online reproduction and in connection with open networks (internet),
 - right to adapt, transform, process, further develop and to make changes,
 - right to filming and re-filming, including the right to editing or redesigning, and
 - in case of software, the right to duplicate and make copies of the software; the right to load, display, run, transfer or save the software; the right to translate, edit, arrange and otherwise modify the software; the right to distribute, including rental, of the original software or of copies; the right to wired or wireless public playback of the software, and the right to decompile the software.

16 HEALTH AND SAFETY

- 16.1 Supplier represents and undertakes to Liliium that Supplier has satisfied itself that:
- All necessary tests and examinations have been made or will be made prior to Delivery of the Goods to ensure that the Goods are designed, manufactured, supplied and installed so as to be safe and without risk to the health or safety of persons using the same,
 - That it has made available to Liliium adequate information about the use for which the Goods have been designed and have been tested and about any conditions necessary to ensure that when put to use the Goods will be safe and without risk to health,
 - Supplier shall be responsible for ensuring that the Goods comply with EU Regulation (EC) No. 1907/2006 (REACH) and Directive 2011/65/EU

- (RoHS2) or any related successive legislation, and
- Where applicable, the Goods comply with EU Directive 42/2006/EC (Machinery Directive), and Supplier will issue to Liliium an EC Declaration of Conformity or EC Declaration of Incorporation and permanently mark the Goods with "CE" marking.
- 16.2 If and to the extent that Supplier is liable and Liliium has a claim to it, Supplier shall indemnify and keep indemnified Liliium against any and all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which Liliium may suffer or incur as a result of or in connection with any breach of this section 16.
- 17 INDEMNITY AND INSURANCE**
- 17.1 If and to the extent that Supplier is liable and Liliium has a claim to it, without prejudice to any rights or remedies of Liliium (including Liliium's rights and remedies under these GPC Terms) Supplier shall indemnify and keep indemnified Liliium against any and all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which Liliium may suffer or incur as a result of or in connection with any damage to property or in respect of any injury (including death) to any person which may result directly or indirectly from any defect in the Goods or the negligence, acts or omissions of Supplier or any of its employees, agents or sub-contractors.
- 17.2 Supplier is responsible for any damages suffered by Liliium following a cyber-attack (cyber virus transferred to Liliium via electronic connections, cyber virus in the Goods delivered to Liliium) on its premises which might affect Liliium products or Liliium business.
- 17.3 Supplier shall take out and maintain with a reputable insurance company a policy or policies of insurance that are normal for Orders of this nature and covering all the matters which are the subject of indemnities and liabilities under these GPC Terms (including but not limited to product liability insurance with a lump sum cover of at least ten million euro (EUR 10,000,000) per personal injury/property damage.
- 17.4 Supplier shall at the request of Liliium produce the relevant policy or policies together with receipts or other evidence of payment of the latest premium.
- 17.5 Supplier shall be liable under the provisions of the Order whether or not it complies with the insurance provisions in this section 17.
- 17.6 Nothing in these GPC Terms or the Order shall exclude or limit the liability of either Party for damage to life, body and health caused by its negligence, intent or for fraudulent misrepresentation.
- 18 ENGINEERING CHANGE; CHANGE MANAGEMENT**
- 18.1 Liliium reserves the right to request for engineering change requests, if such changes are reasonable for Supplier ("**Engineering Change Request**"). In case Supplier shall receive an Engineering Change Request from Liliium, Supplier shall document the Engineering Change Request and shall implement such request pursuant to the timeline requested by Liliium.
- 18.2 Any change of process or change of management personnel related to the Order shall be reported to Liliium by Supplier within five (5) calendar days.
- 18.3 If applicable, Supplier shall provide the Price breakdown including engineering hours, modification fee of tools and further fees.
- 19 OWNERSHIP OF TOOLS**
- 19.1 Any tools included but not limited to development, production and inspection process that did not exist prior to the commencement of the work under the Order and which are paid for by Liliium shall belong to Liliium the title in which shall vest in Liliium.
- 19.2 In case Liliium provides any equipment, tools and/or materials to Supplier they shall be used exclusively in relation with the work performed under the Order and shall be returned to Liliium once the work under the Order has been finalized. Legal title shall remain at all times with Liliium.
- 20 PROJECT MANAGEMENT**
- 20.1 Supplier shall provide a production plan for Liliium to review and approve prior to the commencement of the work under the Order. Supplier shall inform Liliium if the production plan is modified or updated.
- 20.2 Supplier shall submit an acceptance test plan/qualification test plan to Liliium to approve prior to the critical design review. Supplier shall perform the acceptance test/qualification test under Liliium's supervision. After the tests have been performed, Supplier shall provide a declaration of design and performance in written form to Liliium. (Only applicable for design and build to specification or system projects).
- 20.3 Liliium may require the on-site presence of Supplier's representatives from time to time; to be provided at no cost to Liliium.
- 20.4 Supplier shall provide the necessary support for project assessments and shall provide Liliium regular status updates for the project.
- 21 CONFIDENTIALITY**
- 21.1 The Order of Liliium shall be treated as confidential. Supplier shall keep all commercial and technical information and documents, which become known to Supplier through the business relationship and which are not generally known, confidential and use these exclusively for providing the Goods under the Order. Supplier shall also require sub-suppliers to maintain confidentiality with confidentiality obligations at least equal to those set forth in this section 21.
- 21.2 The terms and conditions of the Non-Disclosure Agreement ("**NDA**") signed between Supplier and Liliium are hereby incorporated in and shall form an integral part of the Order and these GPC Terms.
- 21.3 The validity of the NDA shall be extended for a further period of five (5) years following the issuance of each new Order subject to such NDA.
- 22 EXPORT CONTROL**
- 22.1 Supplier shall comply with all applicable export control, customs and foreign trade regulations ("**Foreign Trade Regulations**"). Supplier shall identify any part of the Goods that are subject to Foreign Trade Regulations at the time of receipt of an Order and shall advise Liliium in writing within fourteen (14) calendar days of receipt of the Order - and in case of any changes without undue delay - of any information and data required by Liliium to comply with all Foreign Trade Regulations in case of export and import as well as re-export. Additionally, as may be requested by Liliium, Supplier agrees to complete and sign Liliium's export control form available on the following Liliium webpage: <https://lilium.com/suppliers>, as it may be amended from time to time.
- 22.2 Supplier shall clearly indicate on all delivery notices the export control classification number, customs tariff number, country of origin, and the number of the applicable export license; furthermore, all documentation provided in furtherance of a license shall be marked with the appropriate applicable export license number and distribution restrictions.
- 22.3 Liliium will provide Supplier with all information necessary to evaluate the applicability of license regulations.
- 22.4 Whenever all or part of the Goods delivered are subject to an export or import authorization requirement, and notwithstanding its other obligations under this section 22, Supplier shall:
 - be responsible for obtaining in time, at no cost to Liliium, all relevant official approvals, licenses and authorizations required for the export of Supplier's Goods to, delivery of Goods to, and use of them by, Liliium or the end user in accordance with these GPC Terms or the Order or as provided by Liliium's end-use statement, and
 - provide Liliium with a complete copy of the export authorization certificate, including a copy of all provisions that relate to the compliance obligations of the purchaser or that are relevant to the purchaser in any other way.
- 22.5 Notwithstanding anything to the contrary in these GPC Terms, the following provisions are of the essence for the Order:
 - Liliium's ability to deliver and support its products as fitted with the Goods that are not listed on an export control list worldwide, provided that Liliium follows all applicable catch-all restrictions for Liliium's products, or
 - Liliium's, or the end-user's, ability to use, operate and maintain the Goods that are listed on an export control list as provided by the end-use statement.

In the event of Supplier's non-compliance with its obligations under the provisions of this section 22, Supplier shall, at its own cost and within a timeframe compatible with Liliium's business needs, take the appropriate actions to cease the non-compliance by obtaining from the relevant authorities any required authorization, or by replacing or modifying the restricted technology.
- 22.6 Notwithstanding any other provision of these GPC Terms or the Order, Supplier shall be liable for all damages, losses, and liabilities incurred by Liliium as a result of Supplier's negligent non-compliance with its obligations under these provisions.
- 22.7 If any export regulation or change thereof or decision of a government or regulatory authority delays or prevents Supplier from complying with its obligations under this section 22 and should this event be at the same time compelling, unpredictable, unavoidable and beyond Supplier's control, Supplier shall not be deemed to be in default of its obligations under the Order.
- 23 DATA PROTECTION AND PRIVACY**
- 23.1 If the Parties receive any personal data in the meaning as provided in the regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing the directive 95/46/EC (General Data Protection Regulation, "**GDPR**") or the German Data Protection Act ("**Bundesdatenschutzgesetz**", "**BDSG**") together with the GDPR collectively referred to as "**Privacy Regulations**") (hereinafter referred to as "**Personal Data**") from the other Party, each Party undertakes to comply with the Privacy Regulations. The receiving Party is aware of the fact that confidential information or any other content or information received by the disclosing Party may be considered Personal Data and undertakes that any of these Personal Data have been and will be processed in accordance with the Privacy Regulations or any other applicable data protection laws or policies.
- 23.2 If Supplier breaches the Privacy Regulations, Supplier shall indemnify Liliium, its representatives, employees and agents and keep them indemnified against any losses, damages, expenses, costs, actions, claims, suits, litigation, causes of action, demands and liabilities which may be made against Liliium by any third party for anything done or omitted in connection with any breach or violation of the duties/warranties or responsibility as set out in section 23.1 hereof. In cases of an aforementioned enforcement of claims by any third party, Supplier will provide to Liliium with all available information that is needed for the examination of the claim and for the defense against it. Supplier will provide such information immediately, truthfully and completely.
- 24 TERMINATION FOR GOOD CAUSE**
- 24.1 Where legally applicable, Liliium and Supplier may terminate the Order in whole or in part for good cause with immediate effect by providing written notice to the other Party.
- 24.2 In case of termination by Liliium, a good cause is, if at any time:
 - Supplier refuses or fails to meet milestones or to deliver Goods or any instalment thereof or perform any service required by the Order strictly within the timeframe specified therein (or any extension thereof granted by Liliium in writing) and after reminder and reasonable grace period,
 - Supplier breaches or defaults in the performance of the Order and/or these GPC Terms any material provision of the contract and such breach or default is not cured within seven (7) calendar days after notice thereof is received by Supplier,
 - Supplier fails to provide assurances of performance requested by Liliium. If Liliium requests assurances of performance, Supplier shall provide such assurances of performance in writing within seven (7) calendar days,
 - Supplier subcontracts to third parties without the prior written consent of Liliium,

- Supplier refuses to give access to Liliium, its agent, representative or the regulatory authority to conduct audits or related activities following reasonable prior notice,
 - Supplier passes a resolution that it be wound-up or that an application be made for an administration order or Supplier applies to enter into a voluntary arrangement with its creditors,
 - Supplier is unable to pay its debts,
 - There is a change of control in Supplier (a change of control shall be deemed in case of a transfer of a majority stake of more than 50% in Supplier to a third-party or a third-party gains control over the composition of Supplier's management), or
 - in case of Force Majeure.
- 24.3 Upon receipt of such termination notice of Liliium Supplier shall stop the work. In case Liliium elects to terminate the Order Liliium's obligation and Supplier's sole remedy is the payment for development cost as well as for the Goods or services received and accepted by Liliium prior to the termination.
- 25 TIMELY TERMINATION**
- 25.1 If there is an interruption, cessation or reduction of Liliium's development and/or manufacturing, Liliium may terminate the Order (in whole or in part) by giving a sixty (60) calendar days prior written notice of termination to Supplier. Upon receipt of such notice, Supplier must immediately stop all work related to the terminated Order.
- 25.2 As a result of such termination Liliium shall only pay to Supplier:
- already delivered and accepted Goods,
 - all reasonable costs incurred in the work in process at the time of termination (which shall be subject to audit by Liliium), and
 - all reasonable and demonstrable unavoidable costs incurred by Supplier as termination liabilities towards Supplier's subcontractors or sub-suppliers.
- 25.3 Supplier shall not be entitled to claim from Liliium any amount higher than the total Price for the terminated Orders, less any payment already made by Liliium with regards to such Orders.
- 26 ASSIGNMENT AND SUB-CONTRACTING**
- 26.1 Supplier shall not without the prior written consent of Liliium assign or transfer the benefit or burden of the Order.
- 26.2 No sub-contracting by Supplier shall in any way relieve Supplier of any of its responsibilities under the Order.
- 26.3 Supplier shall not sub-contract third parties without the prior written consent of Liliium. Where Supplier enters a sub-contract with a sub-supplier or sub-contractor for the purpose of performing the Order, Supplier shall cause a clause to be included in such sub-contract which requires payment to be made to the sub-supplier or sub-contractor within a specified period not exceeding thirty (30) calendar days from receipt of a valid invoice as defined by the sub-contract requirement.
- 26.4 If there is a change of control that is not terminated for good cause by Liliium pursuant to section 24, the terms of the business relationship between Liliium and Supplier shall be adapted to the new controlling entity, and Supplier shall ensure that all the terms remain enforced.
- 27 NOTICES**
- Any notices, including but not limited to notifications, written consents, and authorizations, to be given under the Order shall be delivered personally or sent by post, or by email to the head of procurement in the case of Liliium or to the address stated in the Order in the case of Supplier.
- 28 THIRD-PARTY RIGHTS**
- The Order is not intended to create any rights of any kind whatsoever enforceable by any person who is not a party to the Order.
- 29 SEVERABILITY**
- If any provision of these GPC Terms or the Order is found to be legally invalid or unenforceable, this will not affect the validity or enforceability of any other provision of these GPC Terms or the Order. In such case, the Parties shall replace the invalid provisions
- or unenforceable provision by a valid and enforceable provision which comes as close as possible to the economic scope of the invalid or unenforceable provision.
- 30 WAIVER**
- No delay or omission by Liliium in exercising any of its rights under the Order shall constitute a waiver of that right and any partial exercise of any such right shall not prevent any future exercise of the right.
- 31 LAW AND JURISDICTION**
- The Order and these GPC Terms shall be governed by and interpreted in accordance with the laws of the Federal Republic of Germany excluding the provisions of the UN Convention on the International Sale of Goods (CISG). The place of jurisdiction shall be Munich, Germany.
- 32 SPARE PARTS AND OBSOLESCENCE**
- Supplier shall supply spare parts under reasonable conditions throughout the period of the usual technical lifetime of the product. If Supplier discontinues the Delivery of the product, Supplier shall provide the opportunity for a last Order under reasonable conditions with Prices not exceeding those agreed in the respective latest Orders.
- 33 ELECTRONIC DATA EXCHANGE**
- Liliium and Supplier may exchange information including but not limited to quality, advance shipping notices, Delivery, Order, and pricing data electronically. Supplier shall provide required information in Liliium designated format and acknowledge information received electronically. Any information exchanged electronically is considered confidential information according to section 21 of these GPC Terms and shall remain confidential. Liliium reserves the right to connect directly or indirectly to Supplier's database (e.g., ERP, PLM) to acquire information that is related to the Order.
- 34 CORPORATE RESPONSIBILITY AND SUSTAINABILITY; SUPPLIER CODE OF CONDUCT**
- 34.1 Supplier is obliged to comply with the laws of the applicable legal system(s). In particular, Supplier will not engage, actively or passively, nor directly or indirectly in any form of bribery, in any violation of basic human rights of employees or any child labor. Moreover, Supplier will take responsibility for the health and safety of its employees and will act in accordance with the applicable environmental laws. Supplier will take adequate measures to avoid the deployment of so-called conflict minerals and to create transparency over the origin of raw materials and will use best efforts to promote this code of conduct among its sub-suppliers. Supplier further commits to provide required carbon emissions data to Liliium to enable Liliium's compliance with the EU Carbon Border Adjustment Mechanism regulation.
- 34.2 In addition to other rights and remedies that Liliium may have, Liliium may terminate the contract in case of breach of the obligations under this section 34 by Supplier. However, provided that Supplier's breach of contract is capable of remedy, Liliium's right to terminate is subject to the proviso that such breach has not been remedied by Supplier within a reasonable grace period set by Liliium.
- 34.3 Supplier shall adhere to the Liliium Code of Conduct for Suppliers that is available on the following Liliium webpage: <https://liliium.com/suppliers>, as it may be amended from time to time. Violation of the Code of Conduct for Suppliers may lead to immediate cancellation of unfulfilled Orders and disqualification of Supplier from receiving any additional Orders.