STANDARD TERMS & CONDITIONS OF PURCHASE

Revision 2026.02.A

1. Agreement/Acceptance/Modifications

This Standard Terms & Conditions of Purchase ("Terms") apply to orders by Lymington Precision Engineers Co. Ltd ("Buyer") for products and/or services ("Goods") from the Supplier. Acceptance is expressly limited to the Buyer's Terms herein, without additions, deletions, or other modifications. Buyer hereby objects to any additional or different terms in any response to this offer. Any trade usage or course of dealing conflicting with any term in this offer is expressly negated. The parties intend that these Terms together with the description of Goods and other information on Buyer's Purchase Order ("Order") constitute the final, complete, exclusive and fully integrated terms of the contract. Any other prior or contemporaneous agreements, oral or written, are hereby negated. Any modification or waiver of these Terms, whether evidenced by language or conduct, shall be null and void unless they are evidenced by a writing signed by an authorised representative of Buyer.

2. Changes

a) **Changes without Charge** - Buyer reserves the right at any time to make changes in any one or more of the following upon notification to Supplier and without any charge to Buyer. Buyer may (i) make changes in the quantities ordered; (ii) change the method of shipment or packing or the place of delivery for the Goods; (iii) adjust the due dates for the Goods; or (iv) make changes in the design, specifications or drawings for the Goods, provided such changes do not result in additional cost to Supplier.

b) **Changes with Charge** - If any such change specified in Clause (a) above causes an increase or decrease in the cost of or the time required for delivery of the Goods, Supplier shall notify Buyer in writing (with sufficient supportive detail and documentation) within ten (10) days after receipt of Buyer's change notice, the extent to which Supplier believes such changes so affect the cost or time of performance. Supplier shall proceed promptly to make such changes in accordance with the terms of such written and/or telegraphic order. An equitable adjustment shall be made of any price, time of performance, or other provisions of the Order required to be changed thereby, and the Order shall be amended in writing accordingly. Any claim for adjustment under this clause must be in writing within thirty (30) calendar days from the date of receipt by Supplier of such change. In the absence of such notification, Buyer shall not be obligated to consider Supplier's claim for an equitable adjustment, resulting from a change. Nothing in this clause shall excuse Supplier from proceeding with the Order as changed.

c) **Other Changes** - Except as may be directed or agreed to in writing by a representative of Buyer's Purchasing Department, Supplier shall not make any changes in any aspect of the work to be performed under the Order, including, but not limited to, drawings or specifications, quantity of Goods ordered, and delivery schedules.

3. Stop Work

a) When directed by written notice from Buyer, Supplier will immediately stop all or part of the work relating to the Order to the extent specified in the notice for a period of up to one hundred and eighty (180) calendar days or longer if extended by mutual agreement. Supplier shall take all reasonable steps to minimise the incurrence of costs allocable to the work covered by the Order during the period of the stop work.

b) Within such period, Buyer may either terminate or continue the work by written order to the Supplier. If a Stop Work notice is cancelled or the period of the Stop Work notice or any agreed extension thereof expires, Supplier must resume work and Buyer and Supplier will agree upon a reasonable adjustment in the delivery schedule. In no event will such adjustment exceed the period of time in which the Stop Work notice was in effect. Except as otherwise provided under Clause 2, the total Order price will not be adjusted, and Buyer will not incur any liability by the issuance of a Stop Work notice.

4. Termination for Convenience

a) Notwithstanding any other provisions of the Order, the Buyer may by written notice terminate for its convenience the whole or any part of an Order upon providing ten (10) calendar days' notice thereof, except that the Buyer may immediately terminate for its convenience the whole or any part of the Order in those instances in which such action is reasonably required as a result of Buyer's customer taking action affecting all or part of the performance of work, or Buyer's decision to terminate the Order. Upon receipt of such notice, the Supplier must immediately cease work, including but not limited to the manufacture and procurement of materials for the fulfilment of the terminated portion of the Order, and take any necessary action to protect property in Supplier's possession in which Buyer has or may acquire an interest.

b) Buyer's only obligation shall be to pay Supplier a percentage of the price reflecting the actual work performed prior to the notice of termination based on data submitted by Supplier. Supplier shall not be paid for any work performed or costs incurred that could have been avoided.

c) Buyer shall not be liable for lost or anticipated profits, unabsorbed indirect costs or overhead, or any amount more than the total Order price.

d) Supplier shall continue all work not terminated.

e) In the event Supplier has a claim for adjustment, Supplier's final termination claim must be submitted to Buyer within thirty (30) calendar days after the effective date of the termination. Failure to substantiate Supplier's final claim will result in denial of Supplier's adjustment claim. Supplier shall have no other remedies after this period.

5. Termination for Default

a) If the Supplier fails to comply with any of the terms of the Order, fails to make progress so as to endanger performance of the Order, fails to provide adequate assurance of future performance, becomes insolvent, or makes a general assignment for the benefit of creditors, or files or has filed against it a petition of bankruptcy or for reorganisation, or pursues any other remedy under any other law relating to the relief for debtors, or in the event a receiver is appointed for Supplier's property or business, the Buyer shall, prior to termination of the whole or part of the Order, give the Supplier notice of default. The Supplier shall have ten (10) calendar days (or longer if authorised in writing from the Buyer) from the date of receipt of such notice in which to either cure the default or provide a recovery plan satisfactory to the Buyer. Upon failure to cure the default, Buyer may give the Supplier written notice of Termination for Default.

b) Upon termination, the Supplier will have no claim for further payment other than as provided in this Clause. Additionally, Supplier will be liable to the Buyer for all direct losses and direct damages which may be suffered by the Buyer by reason of the default, including any substantiated increase in the costs incurred by the Buyer in procuring the Goods from another source. Nothing in this Clause affects any obligation of the Buyer under the law to mitigate damages and Supplier must proceed with the portion of the Order not terminated under the provisions of this Clause.

c) If the Order is terminated for default, the Buyer may require the Supplier to transfer the title and deliver, as directed by the Buyer any:
   (i) completed Goods; and
   (ii) raw materials and components that the Supplier and its subcontractors have specifically produced or acquired for the portion of the Order under notice of Termination for Default. Upon direction of the Buyer, the Supplier shall also protect and preserve property in its possession in which the Buyer has any interest.

d) The Buyer shall pay the Order price for completed Goods that have been delivered and accepted. The Supplier and Buyer will agree on the amount of payment for raw materials and components delivered and accepted. The Buyer may withhold from these amounts any sum the Buyer determines to be necessary to protect the Buyer against loss because of outstanding liens or claims of former lien holders and Buyer's estimate of re-procurement costs due to the Buyer.

e) Any termination by Buyer, whether for default, or otherwise, shall be without prejudice to any claims for damages or other rights of Buyer against Supplier. Supplier shall continue performance of the Order to the extent not terminated.

6. Ethics & Code of Conduct

a) Under no circumstance may Supplier engage in any fraudulent activity for, on behalf of, or with the effect of directly or indirectly benefitting the Buyer. Fraudulent activity includes without limitation and by way of example: falsifying documents; making false representations; failing to disclose material information; abuse of position; false accounting or trading; cheating the public revenue; obtaining services dishonestly; and other fraudulent business activities. Any such fraud by Supplier will be grounds for immediate termination of POs and Terms with the Buyer, at Buyer's discretion and on terms it directs, with Buyer further reserving its right to recover all costs and damages incurred resulting from such fraudulent activity. Buyer's policy herein complies with the UK Economic Crime and Corporate Transparency Act 2023 (ECCTA).

b) The Supplier undertakes that its current or former directors, employees, agents, representatives, contractors or sub-contractors, and any other person acting on its behalf will not:
   (i) give, agree or promise any financial or other advantage to or for the benefit of any person, government official or entity for the purpose of influencing or rewarding any act or decision of any representatives of the Buyer in relation to the aware or negotiation in relation to the issue of any Order; or
   (ii) engage in any other activity, practice or conduct which would constitute an offence under any Ethics legislation.

c) The Supplier will have in place adequate procedures designed to prevent any person working for or engaged by the Supplier or any other third party in any way connected to the Order, from engaging in any activity, practice or conduct which could infringe any Ethics legislation.

d) The Supplier will comply with Senior plc's Global Code of Conduct, as set out on Senior plc's website, as amended or replaced from time to time by Senior plc: https://www.seniorplc.com/investors/corporate-governance/corporate-governance.aspx

e) The Supplier undertakes that, except as disclosed in writing to Buyer, no-one other than a bona fide employee of the Supplier will recommend that the Buyer issue any Order or otherwise intercede or negotiate on the Supplier's behalf in relation to the issue, agreement or negotiation of any Order.

7. Excusable Delay

a) A delay in the performance by the Supplier of any obligations under the Order that is caused by an event which:
   (i) is an act of God, act of Government, fire, riot, war, terrorism, pandemic, epidemic, or any other event which constitutes a superior force and is beyond the reasonable control of the Supplier; and
   (ii) is without any fault on the part of the Supplier;
   (iii) interferes with the performance of Supplier's obligations; and
   (iv) the effects of which could not reasonably have been avoided by the Supplier.

b) In addition to the events described in paragraph (a), a delay caused by the default of a subcontractor of the Supplier may constitute an Excusable Delay if the event causing the default of such subcontractor is an event that meets the criteria set out in paragraph (a) and such delay has not been contributed to by the Supplier, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Supplier to meet the required delivery schedule.

c) Except as otherwise provided herein, the following will not be considered as events beyond the reasonable control of the Supplier:
   (i) lack of financial resources of the Supplier or its subcontractors; or
   (ii) any labour disturbances including strikes/lock-outs experienced by the Supplier or its subcontractors;

d) To claim an Excusable Delay, the Supplier must, by written notice to the Buyer, describe in detail any excusable delay and provide the Buyer with an acceptable "work-around" plan within ten (10) calendar days of such facts coming to the attention of Supplier. The Buyer may accept or reject such "work-around" plan in writing and, if accepted, the Supplier must promptly implement such "work-around" plan at Supplier's expense.

e) In the event of an Excusable Delay, any affected delivery date will be postponed for such period as is reasonably necessary to offset the effects of the Excusable Delay. In no event will the delivery date be extended by a time period longer than the time period in that the Excusable Delay was in effect. No adjustment will be made to the Order price; adjustment to the delivery schedule is the exclusive remedy of the Supplier in the case of an Excusable Delay.

f) Notwithstanding the above, after an Excusable Delay has continued for a period of thirty (30) calendar days in the aggregate the Buyer may, in the Buyer's absolute discretion, terminate the Order. In the event of such termination, the rights and obligations of Buyer and Supplier shall be determined in accordance with the provisions of the Termination for Convenience clause herein.

8. Buyer Funded & Furnished Materials & Property

Supplier shall not use, reproduce or appropriate for or disclose to anyone other than Buyer any material, tooling, dies, drawings, designs, and other property or data furnished by Buyer nor shall Supplier use the same to produce or manufacture Goods other than those required hereunder.

Title thereto shall be and remain in Buyer at all times. Supplier shall mark such Property as Buyer Owned, keep appropriate records and traceability for said Property, maintain Property in usable condition and bear the risk of loss or damage to such property furnished by Buyer unless such loss or damage is solely and directly caused by Buyer's negligence. All such Buyer furnished property, together with spoiled surplus materials, shall be returned to Buyer at termination or completion of the Order unless Buyer shall otherwise direct in writing.

9. Quality Control/Inspection

a) Supplier must provide and maintain a Quality Management System in accordance with the latest revisions to ISO-9001 or AS/EN-9100. Supplier's system must also be in compliance with the applicable requirements of the Supplier's civil airworthiness authority (i.e. EASA, FAA, CAA, Transport Canada, or other Foreign Air Worthiness Authority) and the Supplier Quality Requirements referenced in the Order. Supplier agrees to permit Buyer or relevant authorities' access to its facilities, quality system procedures, processes, and documentation related product/service compliance to requirements. This accessibility will remain applicable to Supplier in addition to any special quality assurance provisions, which may be incorporated elsewhere in the Order.

b) All Goods are subject to final inspection and acceptance by Buyer at destination, notwithstanding any payment or prior inspection at source. The final inspection will be made within a reasonable time, not to exceed thirty (30) calendar days after receipt of the Goods. When Buyer inspection is performed at Supplier's facility, Supplier must provide, at no charge to the Buyer, appropriate facilities and assistance to allow the performance of the inspection. Buyer must notify Supplier if any Goods delivered hereunder are rejected, and such Goods may be returned to Supplier at Supplier's risk and expense at Buyer's discretion. Inspection and tests by Buyer do not relieve the Supplier of responsibility for defects or other failures to meet the Order's requirements. Acceptance will not be final with respect to latent defects, fraud, or gross mistakes amounting to fraud. Notwithstanding anything else in the contract terms herein to the contrary, Supplier and Buyer expressly agree that Supplier is responsible for any claims for damages, losses, expenses—which specifically exclude any administrative fees referenced in paragraph (e) and (f) below— that result from, or arise out of Supplier's failure to comply with the requirements of this clause.

c) The Supplier must have an effective program for investigation of quality system or product deficiencies that includes utilisation of a disciplined problem-solving method for determining the root cause and determination of effective corrective actions that preclude recurrence of deficiencies detected by the Supplier or Buyer. The Buyer may forward a request for root cause and corrective actions response for quality system and product deficiencies from the Supplier when the Buyer discovers discrepancies for which the Supplier is responsible. The Supplier's response must be returned to the Buyer within thirty (30) calendar days unless otherwise specified by the Buyer. The response will include the corrective action effectivity point by part number, unit serial number, ship dates into Buyer, quantity and/or manufactured date.

d) The Supplier is responsible for compliance to all contract and Order (e.g., engineering drawing, specification, Order) requirements. All documents, drawings, and specifications, regardless of origin, are applicable to the Supplier when specified in the contract or Order, or in documents referenced in the contract, and are required to be flowed down to all levels of the supply chain. Any audit, surveillance, inspection, or test made by Buyer, representatives of the Buyer or its customer(s), at Supplier's facilities, at any sub-tier facilities, or upon receipt at Buyers facility, will not relieve the Supplier of the responsibility to furnish acceptable products or services that conform to all contract or Order requirements; nor does it preclude subsequent rejection by Buyer or its customers. Failure to comply with Quality System requirements or to achieve an acceptable quality performance level may result in an on-site audit or additional source inspection oversight being initiated by Buyer, at Supplier's expense. Buyer reserves the right to debit Supplier accounts to compensate for inspection or related activities that take place as a result of Buyer directed inspections, including source inspections being by-passed by the Supplier.

e) As described in paragraph (B) of this clause, the following administrative fees shall apply:
   (i) If Buyer determines that the defective Goods is non-conforming to the applicable engineering drawings or specifications, and must be returned to Supplier, Buyer shall debit Supplier's account per event for actual freight charges and customs brokerage incurred in shipping defective Goods both to and from the Buyer to Buyer's operators, plus
   (ii) £250.00 GBP per event for administration fees. It is the Buyer's sole discretion to choose a freight carrier(s) and customs broker(s) of its choice.
   (iii) If Buyer determines that the defective Goods is non-conforming to the applicable engineering drawings or specifications, however if it is dispositioned by Buyer to be concessed, Buyer shall debit Supplier's account a review and disposition fee of £500.00 GBP.
   (iv) If Buyer determines that the defective Goods is not re-workable and must be scrapped, then Buyer shall debit Supplier's account the amount of the parts cost to Buyer plus an administration fee of £500.00 GBP.

f) If Buyer finds it impractical to return defective Goods, or Supplier is unable to repair or replace the defective Goods within the time allotted herein, Buyer may perform necessary repair at its own facility and charge or debit Supplier's account for those costs.

g) Buyer shall debit Supplier's account £1,000.00 GBP for each Supplier Concession submitted to Buyer where the nonconformance is determined to be caused by Supplier.

h) Records of all inspection work by Supplier shall be kept complete and available to Buyer or its customers during the performance of the Order and the warranty period specified herein and for a period of seven years thereafter.

10. Warranty

Supplier makes the following warranties for the Goods to the Buyer, its successors, assigns, customers and the users of their respective customers' products and all such warranties shall be in addition to any and all other warranties, express or implied, which may be prescribed by law or in equity:

a) Supplier warrants that all Goods delivered under the Order will be free from defects in design(patent or latent), material and workmanship; Supplier shall, at the date of delivery, have full, good and marketable title to the Goods; Goods shall be free and clear of any and all liens, restrictions and encumbrances; will conform to applicable descriptions, specifications, and drawings; comply with all quality standards and procedures furnished by Buyer or generally applicable in the industry; and are suitable for the purpose intended. THIS WARRANTY SHALL BE IN ADDITION TO ALL WARRANTIES ARISING AS A MATTER OF LAW AND SHALL SURVIVE ACCEPTANCE AND PAYMENT.

b) Supplier's express warranties must be enforceable by Buyer's customers as well as Buyer and will begin at delivery to Buyer and be valid for forty-eight (48) months after delivery to Buyer's customers.

c) Buyer shall debit Supplier's account for reasonable labour charges incurred by Buyer's customer(s) associated with warranty related issues, including part(s) removal and re-installation.

d) Defective Goods will be returned to Supplier at Supplier's expense for repair or replacement, at Buyer's option. In the event defective Goods are returned to Supplier, the repaired or replacement Goods will be provided by Supplier, at Supplier's cost, to Buyer within twenty-one (21) calendar days from receipt of the defective Goods by Supplier. For valid warranty claims, Buyer will debit Supplier's account for actual freight charges and costs incurred from the Buyer. If Buyer finds it impractical to return defective Goods, or Supplier is unable to repair or replace the defective Goods within the time allotted herein, Buyer may perform necessary repair at its own facility and charge or debit Supplier's account for those costs.

e) If defective Goods cannot be repaired or replaced by Supplier with Goods as warranted and Buyer finds it impractical to repair Goods per Clause 10 (d), Buyer will debit Supplier's account for the price of the Goods and any increase in the costs incurred by the Buyer in procuring the Goods from another source.

f) In addition to remedies contained in this clause, Buyer also has the right to charge Supplier administrative fees for warranty administration as set forth in Clauses 9 (e) and (f).

11. Intellectual Property Rights

If Buyer furnishes the design for the Goods or reimburses Supplier in whole or in part for designing them, then Buyer will own all intellectual property rights relating to the design. In such case:
   (i) Supplier hereby assigns such intellectual property rights to Buyer and Buyer hereby grants Supplier a non-exclusive, limited license to use such intellectual property to manufacture the Goods solely for Buyer and to rework, repair or replace any defective or non-conforming Goods; and
   (ii) Supplier will supply any necessary documentation to Buyer upon Buyer's request regarding the assignment of rights, claims or other intellectual property rights in any design to Buyer and agrees to execute any and all documents deemed necessary by Buyer to effectuate Buyer's rights under this Clause 11.

12. Confidential Information

a) Supplier agrees to comply with the terms of any Proprietary Information Agreement (PIA) / Non-Disclosure Agreement (NDA) with Buyer and to comply with all proprietary information markings and restrictive legends on information provided hereunder by Buyer to Supplier. Supplier agrees not to use any Buyer-provided information for any purpose except to perform the Order and agrees not to disclose such information to third parties without the prior written consent of the Buyer.

b) Except as necessary to perform the Order, as required by law (upon prior written notice to Buyer), or with Buyer's prior written consent, Supplier will, at all times, keep confidential all information, drawings, specifications and data furnished by Buyer (whether in writing, electronically, orally, or visually) or derived or developed by Supplier for the purpose of performing the Order ("Confidential Information"). Supplier agrees to take all reasonable steps to ensure and preserve the confidentiality of Buyer's Confidential Information. Upon termination of the Order, and, at any time upon written request, Supplier will return all copies of Buyer's Confidential Information to Buyer.

c) Supplier shall not advertise or publicise without Buyer's prior written consent, in any medium, including, without limitation, any print, broadcast, direct mailing, or any internet web site maintained by or for Supplier, the fact that Supplier is a supplier of products or services to Buyer. Neither Supplier nor its subcontractors, suppliers or agents shall without Buyer's prior written consent: (i) use Buyer's name, photographs, logos, or any other identifying information in any such medium; (ii) use (except to communicate with Buyer or its affiliates) any internet domain names, metatags, or electronic mail addresses or the names of any product or service of the Buyer; or (iii) provide a link to any domain name or internet address registered to Buyer or any of its affiliates.

d) Supplier acknowledges that a breach of Clause 12 may cause irreparable harm and money damages would not be a sufficient remedy and that Buyer may seek injunctive relief in addition to other remedies available at law or equity. Supplier's obligations under Clause 12 shall survive termination or completion of the Order

13. Indemnity

Supplier is responsible for the manufacture of the Goods and, as such, shall to the fullest extent permitted by law, indemnify, defend and hold Buyer, its successors, assigns, customers, affiliates, employees, agents, and users (collectively the "Indemnified Parties"), harmless from and against any and all claims, liabilities, losses, fines, penalties, duties, damages and expenses (including reasonable legal fees and court costs) which the Indemnified Parties may sustain or incur as a result of any claim of damage, loss, injury or death to any person or entity or property of any person or entity relating to or resulting from:
   (i) defective material or workmanship of the Goods, failure of the Goods to conform to specifications, or failure of the Goods to comply with applicable laws, regulations, or government orders;
   (ii) claimed infringement of any patent, trademark, trade secret, copyright, or other proprietary right of any other party with respect to all Goods; or
   (iii) the work of Supplier or any of its subcontractors under the Order. Buyer agrees to notify Supplier promptly of an action or claim of any nature that may be the subject of Supplier's indemnification obligations hereunder.

14. Books And Records

Supplier will provide authorised representatives of Buyer, the Buyer's Customer or other governmental or airworthiness authorities, reasonable access to books, records, and other relevant cost and pricing data which will permit the adequate evaluation of the Supplier's cost, manufacturing and quality procedures.

15. Prices, Payment, and Discount

Pricing is firm, fixed and not subject to escalation without prior agreement with the Buyer. Payment by Buyer will be made net sixty (60) days from the later of the following: (i) the date of acceptance of the Goods; or (ii) from Buyer's receipt of an acceptable invoice as described in

Clause 16. Any payment discounts will be calculated from the same date. Discount terms shall be clearly stated on the face of each invoice.

16. Invoicing, Packing, Shipping

a) Separate invoices indicating Order number, line-item number(s), quantity, description of part or service, unit price and extended value are required for each Order. For international shipments, Supplier should indicate the Country of Origin for each item shipped on the export documents related to the export shipment.
b) Expedited transportation will be paid by Buyer only when specifically authorised in writing. Supplier is solely responsible for the costs of premium transportation if Supplier is the cause of the delay requiring expedited transportation.
c) Separate packing lists are required for each Order and must accompany each shipment. The location of the packing slip must be clearly marked on the container. The complete Order number must appear on all documents.
d) Single Goods containers will be identified with Order, part number, and quantity. When multiple Orders or Goods are combined in one container, they must be separately packaged inside that container and the packages identified as to Order, part number and quantity.
e) Test reports, X-Rays, certificates, and other supporting documents must accompany each shipment when required by the Order.
f) Goods will be marked in such a manner as to be readily identifiable with the part number reflected on the Order and the Goods Country of Origin. Kits, assemblies and all parts consisting of multiple Goods, that is, hardware, pins, gaskets, etc., must be unit packaged as a complete unit and so identified. If the Goods are individually packaged, the package will be so marked. Single Goods too small to be separately identified will be separated into lots and tagged or bagged. Proper markings corresponding to the Order description and part number must be applied to the tags or bags for handling and storage purposes.
g) With each shipment to Buyer the Supplier must include on the packing slip a "Statement of Product Conformity". Unless otherwise required by contract, the Supplier must include a statement declaring compliance to all requirements specified in applicable standards or specification documents. This certification of compliance must be signed by Supplier's authorised Quality representative.
h) Unless otherwise specified, the price stated in the Order includes the costs of preparing and packing for shipment, container marking, and furnishing packing lists and test reports.
i) In addition to the above, for orders issued by Buyer to Suppliers outside of the Buyer's home country:
   (i) Supplier shall be the importer into, and exporter from, Supplier's country for all Goods sold by Supplier and for any property furnished by Buyer (technical data, software, Buyer Furnished Materials, components, or tooling). Supplier shall pay all taxes, tariffs, or import/export duties of any kind, including those taxes, tariffs, or duties that may be imposed or assessed on these import or export shipments by its government. All such taxes, tariffs, and duties, existing, new, or increased, are included in the price stated in the Order. Buyer shall be the importer into and exporter from its country for all Goods purchased by them and for all property furnished by them to the Supplier. Buyer shall pay all taxes, tariffs or import/export duties imposed on these import or export shipments by its government.
   (ii) The Buyer and Supplier acknowledge that licenses and/or permits may be required for the export or import of certain "controlled" Goods as is understood under the import/export laws of Buyer's country. These licenses or permits may impose restrictions on use of the controlled Goods, technical data, and/or software subject to the Order. Each Party shall comply with all applicable export and import laws and regulations controlling the import and/or export of the controlled Goods, technical data, and/or software. Each Party will, at its expense, obtain all necessary licenses and/or permits required for its import or export responsibilities described in (i). The Parties will cooperate with each other to obtain these licenses/permits in a timely manner and will notify each other, without delay, of any obstacles that may delay performance of this Order.
   (iii) All wood packaging material must conform to ISPM 15 Regulation of Wood Material in International Trade. Penalties for noncompliance are the Supplier's responsibility.
   (iv) Each package in the shipment shall contain the following, in English, on the outside of the container, for the purposes of clearing Customs: (1) A packing list listing the contents of that package; (2) The commercial invoice as detailed in Clause 16 (a); (3) Certificates of origin as described in Clause 16 (a), if applicable.
j) If Supplier fails to comply with invoice, packing, or shipping instructions, title and risk of loss shall not pass to Buyer until acceptance of Goods.

17. Government Regulations Relating to the Export/Import of Goods and Technical Data

a) Goods and technical data provided under the Order may be subject to the export control laws of the United States, United Kingdom, European and other applicable jurisdictions. The Parties acknowledge that the export control laws of the U.S. impose restrictions on the import, export, re-export, or transfer to third countries certain categories of goods, technical data, and software. Neither Party shall export, transfer, re-export, or re-transfer any Goods, technical data, and software to any United States, United Kingdom or European sanctioned countries, denied/debarred, or designated parties even where the Goods have been integrated into Supplier's product. These restrictions apply to Supplier, its employees, and any third party including, but not limited to Supplier's suppliers and subcontractors. All relevant manufacturing location(s) of products subject to the Order during Supplier's performance shall be compliant with all applicable U.S., U.K., European and other relevant export and/or import laws and regulations.
b) All technical data and software subject to the International Traffic in Arms Regulations (ITAR) (22 CFR 120-130) or the Export Administration Regulations (EAR) (15 CFR 730-774) shall be clearly marked with their applicable export classification(s) and any subsequent information identified by either Party impacting the classification of the subject Goods shall be communicated to the other Party within a reasonable time. Upon completion of performance or termination of the Order, Buyer furnished articles, technical data, and software shall, at Buyer's option, be returned to Buyer.
c) Supplier shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including legal fees, all expense of litigation and/or settlement, and court costs, arising from any act or omission of Supplier, its officers, employees, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

18. Delivery

a) Supplier is responsible for the Goods covered by the Order until they are delivered in accordance with the Incoterms specified on the Order – the default Incoterms is Delivery Duty Paid (DDP) Buyer's dock. Title and risk of loss shall pass to Buyer upon receipt of Goods at point specified on the Order, subject to Clause 15. The Order will be governed by the provisions of Incoterms ® Rules as published by the International Chamber of Commerce 2020, Paris, France. If Goods are received more than five (5) calendar days ahead of specified schedule, Buyer reserves the right to keep the Goods and make payment based on the original scheduled delivery date, or return the Goods to Supplier at Supplier's expense. The delivery dates contained in the Order are the dates that the Goods are required on dock at Buyer's facilities.
b) Should Supplier experience or anticipate any delay in performing the Order, Supplier must immediately notify Buyer in writing of such delay, it's expected duration, and the reasons thereof. Neither such notification nor an acknowledgment by Buyer will constitute a waiver of the Order's specified delivery schedule.
c) The Parties agree that on-time delivery is critical to this Order. The Parties further agree that a breach and/or late delivery by Supplier may cause Buyer to incur economic damages and losses of types and in amounts which are difficult to ascertain with any certainty as a basis for recovery of actual damages. Therefore, the Parties have agreed that the sole and exclusive remedy for late delivery under this Clause 18 shall be the payment of liquidated damages, which each believes to represent a fair, reasonable, and appropriate estimate thereof, as set forth herein. Such liquidated damages are intended to represent estimated actual damages as contemplated by the parties at the time of entering into this Agreement and are not intended as a penalty.
   (i) Accordingly, Buyer will assess 3% of the price of the late Goods(s) per calendar day for each day of delay. The total amount of the above-mentioned withholding shall not exceed 30% of the price of the late Goods. Five (5) calendar days grace period will be granted by Buyer from the delivery date contained in the Order before Buyer begins to calculate withholdings.
   (ii) Damages which become due under this Clause 18 may be setoff or withheld pursuant to Clause 20 below or may be collected by Buyer through means of direct payment from the Supplier.
d) If the delivery of Supplier's Goods is delayed for a period in excess of five (5) calendar days, the Buyer has the right to Terminate the Order, in full or in part, for Default, in accordance with Clause 5 of these Terms & Conditions, at its sole discretion.
e) Neither the Buyer's right to not accept defective Goods from Supplier in accordance with the Quality Control/Inspection provision herein, nor any delay in Buyer issuing the demand for payment to Supplier, constitutes a waiver of this liquidated damages clause.
f) This clause does not limit the rights and remedies of the Buyer in any other clause of the Order provided by the law or under these Terms and Conditions. While liquidated damages are the sole and exclusive remedy for late delivery, Buyer retains its rights to pursue other remedies for breaches of the Order other than or in addition to late delivery.

19. Assignment & Change of Control

a) Supplier may not assign (by operation of law, merger, consolidation or otherwise, whether or not Supplier is the surviving entity), transfer or delegate the Order or any of its rights or obligations under the Order and Supplier may not undergo, directly or indirectly, a Change of Control (as defined herein) without the prior written consent of Buyer. Any purported assignment, delegation or transfer by Supplier in violation of this clause shall be null and void.
b) A Change of Control shall mean (a) a transaction or series of related transactions in which any person, entity, or group of persons or entities, acting individually or in concert, becomes the beneficial owner of more than 25% of the combined voting power of Supplier; or (b) the sale of all or substantially all of Supplier's assets.
c) If, without Buyer's prior written consent, Supplier assigns, delegates or transfers this Agreement or any of its rights or obligations hereunder or Supplier undergoes a direct or indirect Change of Control, Buyer shall have the right (in its sole discretion) to terminate the Order for Supplier's default under Clause 5. If Supplier requests Buyer's consent to the assignment, delegation or transfer of the Order or to the Change of Control of Supplier, the Supplier must provide the Buyer:
   (i) Written notification of the request;
   (ii) Detailed description of any impact on the Order; and
   (iii) Transition plan, if needed
d) No changes in pricing or terms and conditions will be allowed, except through a mutually acceptable modification to the Order, signed by both Parties.
e) Any costs associated with Buyer's efforts to approve an assignment including, but not limited to, Quality Assurance or financial audits, shall be borne by the Supplier. Should the assignment be unacceptable to the Buyer, this Order will be terminated and the provisions of the Termination for Default Clause 5 will apply.

20. Set-Off & Withholding

Buyer has the right of set-off against any payments due or at issue under the Order or any Order between Buyer and Supplier. Buyer may withhold from payment to Supplier in an amount sufficient to reimburse Buyer for any loss, damage, expense, cost or liability relating to or arising from Supplier's failure to comply with any requirements of the Order.

21. Limitation of Liability

IN NO EVENT WILL BUYER BE LIABLE TO SUPPLIER FOR ANY SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES. In no event will Buyer's liability to Supplier exceed the amount due under the Order for conforming Goods.

22. Drawings & Data

All drawings, models, specifications, and data furnished by the Buyer to the Supplier shall remain the property of the Buyer and shall not be disclosed to others by the Supplier and shall be used by Supplier only as and to the extent required for the performance of the Order, unless otherwise approved by Buyer in writing. No review or approval by the Buyer of any work hereunder or of any drawings, models, specifications, and data prepared by Supplier will be construed to relieve Supplier, in any way from design responsibility for the Goods to be delivered hereunder, or from responsibility to comply with the requirements of the Order.

23. Environmental Requirements & Hazardous Materials

a) Supplier certifies complies with all federal, state or provincial laws, including but not limited to the U.S. Occupational Safety and Health Act of 1970 (OSHA). Furthermore, if the

Goods purchased under the applicable Order are considered toxic or hazardous as defined in the above set of regulations, Supplier shall provide a copy of the Safety Data Sheet (SDS) with each shipment or as otherwise specified on the Order. Supplier agrees to provide any required information or documentation as reasonably requested by Buyer in a timely manner to ensure compliance with the applicable Hazardous Material law or regulation.

b) Supplier shall comply with all applicable Registration, Evaluation, Authorization, and Restriction of Chemicals EC No.1907/2006 (REACH) regulations and any subsequent revisions or amendments. Supplier must flow down these requirements to its supply chain as necessary to ensure documentation and reporting as required. Supplier agrees to timely respond to and provide all information or data reasonably requested by Buyer to document Supplier's compliance with REACH and to satisfy Buyer's reporting obligations under REACH. Supplier shall bear all costs and expenses related to REACH compliance. Information about REACH regulations, detailed reporting requirements, lists of substances subject to authorisation, and information concerning Substances of Very High Concern (SVHC) can be provided on request.
   (i) **For Suppliers NOT manufacturing or delivering from the European Union (EU)** If Goods delivered by Supplier under any Order may be incorporated into goods destined for the European Union, REACH regulations will apply. Pursuant to subsection (b)(iii) below, Supplier agrees to provide all information or data as reasonably requested by Buyer to satisfy Buyer's reporting obligations under REACH. Supplier must flow down these requirements to its supply chain as necessary to ensure documentation and reporting as required. Supplier shall bear any and all costs and expenses related to REACH compliance.
   (ii) **For Suppliers manufacturing or delivering from the EU** Goods manufactured or delivered from the European Union by Supplier under any Order must be compliant with REACH. Chemical substances and preparation integrated in such Goods must be made only with non-SVHCs or substances pre-registered and authorized by REACH regulations. This requirement is also applicable for chemical substances and preparation used in manufacturing processes. Pursuant to subsection (b)(iii) below, Supplier agrees to provide all information or data as reasonably requested by Buyer to document compliance with REACH regulations. Supplier is solely responsible for all obligations under REACH in connection with the Goods delivered under any Orders. Supplier must flow down these requirements to its supply chain as necessary to ensure documentation and reporting as required. Supplier shall bear any and all costs and expenses related to REACH compliance.
   (iii) **REACH Reporting and Documentation**: Upon Buyer's request, Supplier agrees to timely respond to all of Buyer's written inquiries and will include all requested information at the part number level.

c) To the extent Supplier Goods or any substances in the Goods fall within the scope of other hazardous material, substances regulations, laws that restrict or regulate product content, or other similar chemicals regulations (collectively "Substance Laws") in any country or locality, Supplier must comply with all applicable regulations and agrees to provide any required information or documentation as needed to ensure compliance.

d) In the event that Supplier does not fulfil its obligations under REACH, the Substance Laws, or this Clause 23, Buyer may terminate any Order pursuant to Clause 5 Termination for Default. Supplier shall be responsible for all losses, costs, claims, causes of action, damages, liabilities, and expenses, including legal fees and court costs, arising from any act or omission of Supplier, its officers, employees, agents, suppliers, or subcontractors at any tier in the performance of any of its obligations under this Clause or for any failure to comply with any applicable REACH regulation or any Substance Laws.

24. Insurance

a) During the term of this Agreement, Supplier shall maintain at its own expense, insurance of the type and in the amounts specified: (i) Aviation Products Liability insurance including Completed Operations and Grounding Liability insurance for a Combined Single Limit (Bodily and Property Damage) in the amount of ten (10) times Seller's annual sales to Buyer in the last calendar year rounded to the nearest million GB pounds or five million GBP (£5,000,000), whichever is greater, and (ii) Property Insurance against loss of or damage to any materials or tools in an amount equivalent to replacement cost value of the material and/or tools in the event the aforesaid material and/or tools are furnished by Buyer to Supplier.

b) All such insurance shall be placed with reputable companies and Supplier shall furnish Certificates of Insurance to Buyer upon request as long as the Contract shall remain in effect. All such insurance shall not be cancelled without thirty (30) days prior written notice to Buyer.

25. Claims and Indemnification

a) In the event a claim or claims are made against the Buyer resulting from incidents, accidents, injuries or deaths to any person and/or losses to property, and defence of the Buyer has not been accepted under the insurance contract(s) specified in Clause 24, Supplier agrees to pay the defence costs of the Buyer for any claims which result in whole or in part or are alleged to have resulted in whole or in part from (a) any act or omission of Supplier with respect to the products or services furnished to Buyer hereunder; (b) any claimed defect in the goods or services supplied to Buyer by Supplier; or (c) any claim by a third party alleging negligent supervision on the part of Buyer regarding (i) the goods and/or services supplied by Supplier; (ii) the design/manufacturing or other activities of Supplier in making or supplying the goods or services. Supplier further agrees to indemnify Buyer to the extent Buyer is vicariously liable for the acts, omissions, or strict product liability of Supplier.

b) If Supplier does not have actual notice of a claim, Buyer agrees to give Supplier prompt notice of any such claim and legal action within a reasonable period of time, after Buyer receives written notice thereof; to tender to Supplier the defence and handling of any such claim and legal action, including the right to settle or compromise such claim or action at Supplier's sole expense, however, Supplier will not consent to the entry of a judgement with respect to any claim or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releasing the Buyer from all liability with respect thereto, without the written consent of Buyer and to reasonably cooperate with Supplier in the defence of every such claim or legal action at the sole expense of Supplier.

26. Governing Law & Disputes

a) This Agreement and any non-contractual obligations arising out of or in relation to this Agreement will be governed in accordance with the laws of England & Wales, and the Parties submit to the exclusive jurisdiction of the courts of England. The United Nations Convention on Contracts for the International Sale of Goods, 1980, and any successor thereto, does not apply to this Agreement.

b) In the event of a dispute between Buyer and Supplier, which is not resolved by agreement, Supplier must request a final written decision from Buyer's Head of Supply Chain. If the parties cannot agree on a dispute resolution process or otherwise resolve a dispute, said dispute may be filed in the court of proper jurisdiction for disposition pursuant to Clause 26 (a) above. Pending final resolution of any dispute or appeal, the Supplier shall proceed diligently with the performance of the Order as directed by the Buyer.

27. Compliance with Law

Supplier shall comply with all applicable laws, including, but not limited to, laws with respect to the protection of the environment, and Supplier hereby certifies that it is in compliance with all such laws and regulations in the production of the Goods, and that the Goods themselves are compliant with all applicable laws. Supplier will indemnify and hold Buyer harmless to the full extent of any loss, damage or expense, including lost profit, legal fees and court costs, for any failure or alleged failure of Supplier to comply with the requirements of this clause or for any release or threat of release of any hazardous substance, hazardous or solid waste, pollutant or contaminate from any site now, or in the past, owned or operated by Supplier, or any site where Supplier disposed of or arranged for the disposal of any hazardous substance, hazardous or solid waste, pollutant or contaminate.

28. Partial Invalidity & Waiver

If any provisions of the Order including these Terms & Conditions become void or unenforceable, the other provisions will remain valid and enforceable. Waiver of one or more provisions of these Terms & Conditions by Buyer will in no way act as a waiver of any other provision herein.

29. Order of Precedence

Buyer's Standard Terms & Conditions of Purchase override any conflicting terms in order acknowledgements from the Supplier. In the event of any inconsistency among the provisions of the Order hereunder, such inconsistency will be resolved by giving precedence in the following sequence:

a) Provisions typed on the face of the Order including any applicable mandatory flow-downs from Buyer's Customer's Contract
b) Long Term or Multiyear Agreement/Contract (including attachments) between Buyer and Supplier (If applicable)
c) Terms and Conditions referred in the Order
d) Statement of Work
e) Specifications
f) Other documents, exhibits, and attachments to the Order
g) Proprietary Information Agreement / Non-Disclosure Agreement ("PIA/NDA")

30. Entire Agreement/ Severability/ Survival

a) The Order, including attachments hereto, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations and understandings, whether oral or written. However, nothing herein will be construed as a limitation or exclusion of any right or remedy available to Buyer by law. Buyer and Supplier agree that the U.N. Convention on Contracts for the International Sale of Goods will not apply to any purchase and sale of Goods governed by these Terms & Conditions.

b) If any provision of the Order is invalid or is prohibited by applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions, terms or conditions or of such Order.

c) The provisions of the Order which by their nature are intended to survive the termination, cancellation, completion or expiration of the Order, including any indemnities, warranties and expressed limitations of or releases from liability, shall continue as valid and enforceable obligations of the parties notwithstanding any such termination, cancellation, completion or expiration.

31. Obsolescence

Supplier shall be responsible for monitoring obsolescence and providing written notification within a reasonable time to Buyer of any impending obsolescence during the life of the Order. Supplier shall be responsible for all costs incurred due to obsolescence, including but not limited to lifetime purchases, storage of Goods, and non-recurring engineering/redesign efforts. Supplier shall provide timely written notification to Buyer of any imminent lifetime purchases. If Supplier determines a component to be at risk of obsolescence after the effective Order term, then Supplier shall provide timely written notification to the Buyer with funding requirements for a lifetime purchase and a cutoff date to support order placement or, if necessary, funding requirements for a redesign effort.

32. IT Data Security

a) Supplier shall notify Buyer upon any actual, potential or suspected breach of security of Buyer's data. A "breach of security" shall mean the acquisition of, or access to, computerised data by an unauthorised person that compromises the security, confidentiality, or integrity of such data. Buyer may conduct an audit in the event of a breach of security of Supplier data.

b) Supplier will indemnify, hold harmless and defend Buyer against, and compensate Buyer for, any and all liabilities, damages, losses, costs, expenses, claims, demands, suits, fines or judgments (including reasonable legal fees and costs and expenses) resulting from or arising out of the failure by Supplier or its third-party service providers to safeguard Buyer data. Supplier shall be liable for all costs and expenses of incident remediation.

33. Flow down & U.S. Government Contracts – Additional Terms

Supplier must comply with specific Buyer's Customer's quality clauses, drawings, specifications or process controls, which will be provided by the Buyer. Supplier is responsible for ensuring that these requirements are flowed down to its sub-tier suppliers.

If the Order bears a U.S. Government contract number or if the Supplier is otherwise informed that the Goods covered by the Order are to be supplied directly or indirectly to the U.S. Government, the terms and conditions which may be required to be agreed to by Supplier as a condition to supplying the Goods pursuant to such U.S. Government contract are hereby incorporated by reference. In the event of any inconsistency between the required terms of such U.S. Government contract and the terms of the Purchase Order, the required terms of such U.S. Government contract shall apply.

34. UK R&D Tax Relief Entitlement

a) The Parties acknowledge and agree that the Buyer shall be exclusively entitled to claim any and all UK Research & Development (R&D) tax reliefs available in respect of the activities carried out under this Agreement, including reliefs available under the merged R&D scheme or any successor regime. The Parties further agree that the Supplier shall not claim, and waives any right to claim, R&D tax relief or any related credit or deduction in respect of the same activities.

b) The Parties acknowledge that the activities to be undertaken by the Supplier under this Agreement include activities that may reasonably be assumed to constitute R&D for UK tax purposes, having regard to the terms of this Agreement and the surrounding circumstances. The Parties agree that such activities are carried out by the Supplier as a contractor on behalf of the Buyer, and that the Buyer bears the financial and operational risk associated with those activities.

c) The Parties confirm that, at the time of entering into this Agreement, it was intended or contemplated that the Supplier may undertake R&D activities in order to fulfil the scope of work. Evidence of this intention includes:
   (i) the nature of the technical challenges to be addressed;
   (ii) the expectation that scientific or technological uncertainty may arise; and
   (iii) the Customer's ownership of all resulting intellectual property and responsibility for directing the project.

d) The Supplier shall, upon reasonable request, provide the Buyer with documentation and information reasonably required to support the Buyer's R&D tax relief claim, including technical descriptions of the work undertaken, records of eligible expenditure, and confirmation of the Supplier's role as contractor.

e) Nothing in this Agreement shall be construed as limiting the Buyer's eligibility to claim R&D tax relief. The Parties acknowledge that payment for the contracted-out R&D is made on commercial terms and does not constitute a subsidy or other disqualifying arrangement under the relevant UK R&D tax legislation.