

1. Definitions

- 1.1 The following definitions shall have the following meanings within the context of these Standard Conditions of Purchase:
 - a) "Order" shall mean the Purchase Order which incorporates these Terms and Conditions of Purchase by reference
 - b) "Buyer" shall mean Ultra Electronics Ltd, trading as Ultra Electronics CEMS whose registered office is at 35 Portman Square, London, W1H 6LR, company registration number 02830644 having a place of business at Waverley House, Hampshire Road, Granby Estate, Weymouth DT4 9XD
 - c) "Supplier" shall mean business described on the face of the Order
 - d) "Goods" shall mean the equipment, services, and/or software the Supplier is required to deliver/ complete as identified on the Face of the Order
 - e) "Parties" shall mean the Buyer and the Supplier, and "Party" shall either mean the Buyer or the Supplier depending on the context

2. Acceptance of Order

- 2.1 The commencement date of the Order is the date as specified on the Face of the Order.
- 2.2 By undertaking any activity in respect of the Order, the Supplier acknowledges and accepts the requirements and terms stated herein without exception.
- 2.3 Any Terms and Conditions of sale issued by the Supplier within their acknowledgement to the Buyer are considered null and void, and as such any acknowledgement will constitute Order acceptance in accordance with Condition 2.2.
- 2.4 All Goods are to be supplied in accordance with the Buyer's Supplier Quality Requirements Manual (SQRM) which can be accessed on the Ultra CEMS Supplier portal at: <https://ultra.valuechain.com/Login>

3. Price

- 3.1 The prices set out within the Order are in Pounds Sterling, unless otherwise identified on the Face of the Order, and are considered firm fixed, non-revisable throughout the duration of the Order, and exclusive of Value Added Tax and any applicable EU customs duties, but inclusive of all other taxes, imports and fees.
- 3.2 If Value Added Tax is payable it shall be separately identified on the Supplier's invoice and shall be payable by the Buyer subject to receipt of a valid VAT invoice.
- 3.3 No additional charge shall be made for tooling, compliance with CE marking requirements, packaging to avoid damage or deterioration during shipment, insurance or delivery unless otherwise agreed and set out on the Order and any such charge shall be separately identified on the invoice.
- 3.4 In the event that the Order is in fulfilment of a requirement for the UK Ministry of Defence, and the value of the Order is in excess of £25,000 (Twenty-five thousand pounds sterling) and has not been determined by competition, then the following UK Government contracting terms shall apply; DEFCON 643, 648, 651 or 652.
- 3.5 Any tooling purchased by the Supplier and funded by this Order shall become the property of the Buyer and shall be delivered to the Buyer upon completion or Termination of the Order, unless otherwise agreed in writing.

4. Payment

- 4.1 The Supplier shall only be entitled to claim payment for the Goods once they have been accepted by the Buyer, unless otherwise identified on the Face of the Order.
- 4.2 Upon acceptance of the Goods by the Buyer, the Supplier shall electronically submit a valid invoice identifying the Goods for which payment is being claimed, AP-CEMS@ultra-gbs.com. The invoice must clearly state a detailed description and part number of the goods or services supplied, quantity, unit of measure, unit price and total price. It must also include the Buyer's purchase order number, name and address of Supplier and the Buyer, Harmonisation/Commodity/Tariff Code and country of export. UK VAT shall be separately identified.
- 4.3 The Buyer shall have 60 (sixty) calendar days (unless otherwise stated on the front of the Order) in which to reimburse the Supplier for the correctly rendered invoice received in accordance with Condition
- 4.4 Payment to the Supplier shall either be via a cheque or electronic bank transfer, whichever is the preferred method of the Buyer.
- 4.5 The Buyer shall duly notify the Supplier within a reasonable timeframe if the invoice submitted under Condition 4.2 will be rejected and provide reasons for such rejection.
- 4.6 Payment of invoice does not constitute acceptance of the goods or services and is subject to appropriate adjustments should the Supplier fail to meet the requirements of the Purchase Order.

5. Delivery, Shipment and Packaging

- 5.1 Delivery shall be made in accordance with the instructions, quantities and delivery dates set out in the Order. Timely delivery of the Goods in accordance with the dates identified within this Order is deemed essential, and the Supplier shall not deliver the Goods earlier than the specified dates unless otherwise agreed in writing with the Buyer.
- 5.2 If anything delays or threatens to delay the agreed delivery date, the Supplier must immediately notify the Buyer in writing with all relevant information with respect to the delay. If the delivery date is missed for any reason other than the Buyer's fault then the supplier will, at its expense, deliver the goods by the most expeditious shipping method.
- 5.3 Should delivery of the Goods not occur on the date specified the Buyer reserves the right to charge the Supplier for direct expenses incurred as a result of the delay in delivery.
- 5.4 A Delivery Note must accompany the Goods which includes the following information: Order and line number; description of Goods or services; serial number; Buyer's part number; Supplier's part number; quantity; drawing and specification numbers together with the issue numbers relating to the manufacturing standard of the items, if applicable; date, batch and lot code; Certificate of Conformity reference number; expiry date; remaining shelf life. All other relevant documentation detailed in the Ultra CEMS Supplier Quality Requirements Manual must also accompany the Goods.
- 5.5 The delivery term of the Order shall be DDP (Delivery Duty Paid) Waverley House, Weymouth, DT4 9XD (INCOTERMS 2020), unless otherwise specified on the Face of the Order.
- 5.6 The Buyer shall have the right to delay delivery of any Goods without revision of price.
- 5.7 Packaging shall be in accordance the Ultra CEMS Supplier Quality Requirements Manual

6. Force Majeure (Excusable Delay)

- 6.1 A "Force Majeure Event" means any circumstance not in a party's reasonable control including, without limitation: acts of God, natural

disasters, epidemic or pandemic, terrorist attacks, civil commotion, war, imposition of sanctions, embargo or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; collapse of buildings, fire, explosion or accident; any labour or trade disputes, strikes, industrial action or lockouts.

- 6.2 Provided the affected party has used all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations and has promptly notified the other party (no later than 3 (three) working days after its start), the affected party shall not be in breach of these Terms or otherwise liable for any such failure or delay in the performance of such obligations.
- 6.3 If the Force Majeure Event prevents, hinders or delays the Affected Party's performance of its obligations for a continuous period of more than 4 (four) weeks, the Buyer may terminate this agreement without liability by giving 2 (two) weeks' written notice to the Affected Party.

7. Acceptance & Rejection

- 7.1 Unless otherwise stated in the Order, the Supplier shall ensure that Goods (equipment and software only) are supplied with the certification specified on the Face of the Order and in line with Buyers Supplier Quality Requirements Manual, or that the completion of any services are acknowledged by the Buyer signing an appropriate Acceptance Certificate.
- 7.2 Where acceptance tests are defined in the Order, acceptance of delivered Goods shall be subject to completion of the acceptance tests to the satisfaction of the Buyer. Where no acceptance tests are defined in the Order, the Buyer shall have the right to inspect the Goods after delivery and acceptance shall take place if the Goods are satisfactory to the Buyer on inspection or, if no inspection is made, the Goods shall be accepted after they have been taken into use by the Buyer.
- 7.3 If the Buyer is not satisfied that the Goods are delivered in accordance with the Order, the Buyer may:
- Reject the Goods delivered in whole or part;
 - Give notice to the Supplier to repair, replace or otherwise correct the Goods delivered, at the Supplier's sole risk and cost, so that they conform with the requirements of the Order.
 - Require the Supplier to pay all the Buyer's expenses, losses incurred and additional costs directly arising from the failure to deliver the Goods to the satisfaction of the Buyer.

8. Quality & Warranty

- 8.1 The Supplier confirms that the Goods specified in the Order conform in all respects to any Specification's identified therein, and that any Goods and/or services supplied in respect of the Order are new and of current manufacture (unless otherwise stated in the Order). Any Goods containing software shall contain all of the features and facilities identified in the Order and shall be free of defects or bugs.
- 8.2 If, within 12 (twelve) calendar months, or other such time as mutually agreed on the Face of the Order, from the point of delivery or acceptance whichever is the later, the Goods are discovered to contain faults, design errors or have otherwise been constructed poorly so as to adversely affect the performance or usage of the Goods, then the Supplier shall, at no cost to the Buyer, rectify, repair or replace the faulty Goods. In such instances the Supplier shall be liable for all costs associated with the corrective action, transportation, and any dismantling and re-assembly costs. The balance of the warranty period shall apply to the corrected Goods following re-delivery and acceptance.

9. Expiry Dates

- 9.1 Material supplied with an expiry date should be supplied with a minimum of 75%, unless otherwise agreed on the face of the purchase order or if a written agreement is in place between the parties

10. Counterfeiting

- 10.1 Supplier shall only deliver authentic components, devices, pieces, material, modules, assemblies, sub-assemblies, goods etc. that are manufactured by or obtained from Original Equipment Manufacturers (OEMs), Original Component Manufacturers (OCMs), or authorised distributors. Supplier shall make available to Buyer documentation in accordance with that detailed on the face of the Order

11. Title & Risk

- 11.1 Title to the Goods shall transfer to the Buyer upon delivery of the Goods in accordance with Condition 5.
- 11.2 Risk in the Goods shall transfer to the Buyer upon acceptance of the Goods following delivery in accordance with Condition 5. Risk shall revert back to the Supplier if the Goods are rejected in accordance with Condition 7.
- 11.3 Notwithstanding the above, Goods purchased under specific INCOTERMS shall be defined on the Face of the Order. Where such INCOTERMS are used, the transfer of Title and Risk in the Goods shall comply with the referenced INCOTERM.
- 11.4 In the event that the Order is to fulfil a requirement for the UK Ministry of Defence, then the provisions of DEFCON 649, Vesting, shall apply and take precedence over any other provision stated in this Condition 11.

12. Importation of Goods

- 12.1 Prior to accepting this Order the Supplier shall inform the Buyer as to whether there are any End Use restrictions relating to the Goods including any Intellectual Property Rights issues. Otherwise, the Supplier hereby confirms that they have obtained all necessary Government and any other approvals to export the Goods into the UK, which then may or may not be incorporated into other equipment by the Buyer and re-sold to Third Parties including those outside the UK.
- 12.2 The Supplier shall provide details of the Harmonisation/Commodity/Tariff Code for each supplied item together with its ECCN Number if relevant.
- 12.3 The Supplier is to provide a clear and unambiguous statement regarding Conflict of Minerals under the U.S.A. Consumer Protection Act Section 1502 of the Dodd-Frank Act 2010 associated with sourcing tin, tantalum, tungsten and gold from the Democratic Republic of the Congo and adjoining countries.

13. Confidentiality

- 13.1 All information relating to this Order shall be considered as confidential between the Parties. Except for the Buyer being able to pass such information across to its customer, it shall not be disclosed to any Third party without the prior written consent of the other Party. Information relating to this Order shall only be released to the personnel of each Party on a need to know basis.

14. Intellectual Property Rights (IPR) & Copyright

- 14.1 Where the Goods involve any design or development activity which is funded as part of the Order then all Intellectual Property Rights to said design and development activity shall vest with the Buyer, unless the Supplier provides a written list to the Buyer within 7 (seven) calendar days of receiving the Order identifying any pre-existing background IPR rights in the Goods, design or development activity. The assignment of said foreground Intellectual Property Rights shall be automatic upon completion of the Order.
- 14.2 The Buyer shall have copyright in any documentation generated under the Order irrespective of whether such documentation forms part of the Goods or not.
- 14.3 The Supplier shall indemnify the Buyer against any and all costs associated with any claim for infringement of Intellectual Property Rights by any third party as a result of awarding the Order, accepting the Goods, or using the Goods in the prescribed manner. The Supplier shall immediately take responsibility in defending and resolving any such infringement claim so as to allow the Buyer continued use of the Goods.
- 14.4 Unless the Supplier can resolve any infringement claim without affecting the delivery dates as stated in the Order, then the Buyer reserves the right to terminate the Order in accordance with Condition 15.

15. Actions for Supplier Default

- 15.1 In the event the Supplier fails to discharge any of its obligations identified in the Order, such a failure shall be deemed a material breach of the Order and subject to the following provisions:
- 15.2 The Buyer shall duly notify the Supplier in writing of the material breach, and the Supplier shall have 30 (thirty) calendar days in which to correct the breach to the satisfaction of the Buyer. Failure by the Supplier to satisfactorily correct the breach shall entitle the Buyer to terminate the Order immediately for default.
- 15.3 In the event of Supplier default, the Buyer shall only be obliged to reimburse the Supplier for monies relating to Goods which have been accepted by the Buyer in accordance with Condition 7.
- 15.4 In the event the Buyer's re-procurement costs for the defaulted Goods exceed the price that would have been payable to the Supplier had it not defaulted, then the Buyer shall be entitled to reclaim such costs from the Supplier by the most expedient means possible.

16. Termination

- 16.1 The Buyer retains the right to terminate the Order or part thereof for its convenience at any time by providing the Supplier with 30 (thirty) calendar days written notice.
- 16.2 Upon receiving such termination notice, the Supplier shall cease all work immediately as detailed in the notice. The Buyer's liability in such instances shall be limited to actual costs incurred by the Supplier up to the end of the notice period, plus a reasonable level of profit which will be mutually agreed.
- 16.3 The Supplier shall forward its cost claim in respect of Condition 16.2 with reasonable supporting rationale as requested by the Buyer and certified by an independent Chartered Accountant as true and correct. Submission of the claim and rationale shall in no way prejudice the Buyer's right to negotiate a settlement figure with the Supplier. In no event shall the termination costs exceed the price that would have been payable to the Supplier for the terminated Goods.
- 16.4 The Buyer may, at any time by notice in writing, the Buyer shall be entitled to suspend the performance of, or terminate, the Order immediately (whether in whole or in part) without incurring any liability whatsoever except in respect of Goods or Services delivered to the Purchaser before the occurrence of the events listed in this Condition, upon the occurrence of any of the following events:
 - a) If the Supplier enters into an arrangement with its creditors, shall become insolvent or shall have appointed a receiver or administrative receiver or shall be unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 (as amended from time to time) or other steps are taken for the winding up or putting into bankruptcy of the Supplier or for the making of an administration or receiving order (otherwise than for the purposes of a solvent amalgamation or reconstruction).
 - b) In the event the Supplier is acquired by or merged with any third party or undergoes a change of control, For the avoidance of doubt where the Supplier is based in a jurisdiction other than the United Kingdom and in the event that the Supplier undergoes or undertakes equivalent action in the Supplier's relevant jurisdiction then the provisions of this Condition shall apply.

17. Liability and Indemnities

- 17.1 Except in the case of death or personal injury caused by the Supplier's negligence, the Supplier's liability under or in connection with the Order whether arising in contract, tort, negligence, breach of statutory duty or otherwise, shall not exceed the sum of £1,000,000 (one million pounds) or the value of the Order, whichever is the greater.
- 17.2 Neither Party shall be entitled to claim from the other any indirect costs or consequential losses including without limitation any economic loss, loss of profit, production, business, or revenue etc, howsoever caused.
- 17.3 The Supplier shall indemnify the Buyer against all liabilities, costs, expenses, damages and losses suffered or incurred by the Buyer arising out of or in connection with any claim made against the Buyer arising out of or in connection with the Buyer's use in any way of the Goods and or Services.

18. Amendments

- 18.1 Amendments to the Order shall only be effective when:
 - a) An Order amendment in the form an updated order revision issued by the Buyer; except for changes in dates that may be agreed as part of weekly order rescheduling which shall be confirmed in writing by the Buyer.
- 18.2 For the purposes of clarity, any information issued or provided to the Supplier by the Buyer's Technical Department above the Specification / Scope of Work should be considered as guidance information only and not as instructions to vary or alter the Order.

19. Buyer Information and Equipment

- 19.1 Any information, equipment, data, software, samples, models, etc. provided by the Buyer to the Supplier to aid fulfilment of the Order shall remain the property of the Buyer. The Supplier shall not be entitled to copy, modify, re-engineer or otherwise re-distribute such information or equipment except for backup purposes. The Buyer provides no warranty as to the accuracy of the information or

fitness for purpose of the equipment supplied under Condition.

- 19.2 In the event of Termination of the Order the Supplier shall, at its own expense, return to the Buyer's site, or other destination designated by the Buyer, all Buyer owned property within 30 (thirty) calendar days of notice of Termination

20. Obsolescence

- 20.1 During the life of the order and for a period of 24 (twenty-four) months from completion of the Order, the Supplier is obliged to notify the Buyer within a reasonable notice period but not more than 10 (ten) working days from the time the Supplier becomes aware, if the Goods or any part thereof will become or is likely to become obsolete. In such instances of obsolescence the Supplier shall identify to the Buyer what options are available to overcome such obsolescence. Management of this provision shall be at no cost to the Buyer.

21. Assignment and Agency or Partnership

- 21.1 Except for its normal course of business, the Supplier shall neither assign nor transfer its rights or obligations under this Order to a Third Party without the prior written consent of the Buyer.
- 21.2 Nothing contained within this Order shall constitute or imply any partnership, joint venture, agency or other relationship between the Parties other than the contractual relationship expressly provided for in the Order

22. Rights of Third Parties

- 22.1 The provisions of the Contracts (Rights of Third Parties) Act 1999 are specifically excluded from this Order. This Order is mutually exclusive between the Parties unless otherwise identified in any Special Conditions.

23. Law, Jurisdiction, Disputes, Waiver and Severance

- 23.1 The Order has been construed in accordance with English Law, and is subject to the exclusive jurisdiction of the English Courts. These Conditions do not derogate and are in addition to the Buyer's rights under statute and common law.
- 23.2 Any dispute arising under the Order shall in the first instance be resolved using a method of internal management escalation. If after 30 (thirty) calendar days (unless otherwise mutually agreed) the dispute still remains unresolved, then the Parties agree to refer the matter for resolution in accordance with the Arbitration Act 1996 or for non UK Suppliers via the International Chamber of Commerce, the place of arbitration shall be London. The decision arising from such arbitration shall be final and binding. The Parties agree to equally share the costs of such arbitration irrespective of the decision.
- 23.3 No exercise, failure to exercise, or delay in exercising any right, power or remedy vested in any Party under or pursuant to the Order shall constitute a waiver by that Party of that or any other right, power or remedy.
- 23.4 Should any provision of the order be deemed invalid, illegal or void, then that provision shall be deemed severed from the Order which shall continue in force notwithstanding such severance. The Parties shall negotiate in good faith in order to agree terms of a mutually acceptable and satisfactory alternative in place of the severed provision

24. Personal Data

- 24.1 The Supplier shall:
- a) comply with all applicable laws, regulations and guidance relating to the General Protection Data Regulation (2018), all as amended or modified from time to time or as replaced in their entirety by any legislation which replaces any of them;
 - b) process the Buyer's Personal Data in accordance with the "Personal Data Annex" and as may be further detailed in the Order;
 - c) have and shall maintain in place throughout the term of this Order, its own policies and procedures to ensure compliance with applicable laws, regulations and guidance relating to the processing of the Buyer's Personal Data
- c).
- 24.2 The Buyer shall collect and process any Supplier Personal Data in accordance with the Buyer's Data Protection Policy.

25. Anti-Bribery

- 25.1 The Supplier shall comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 ("Relevant Requirements").
- 25.2 The Supplier shall be responsible for the observance and performance of the Relevant Requirements, and shall ensure that any person associated with the Supplier, including but not limited to any subcontractor(s) or agent(s), who is performing services or providing goods in connection with the Order shall comply with this Condition 25.
- 25.3 Notwithstanding any other provision set out in the Order in the event of any breach or alleged breach of this Condition 25 by the Supplier as determined by the Buyer, the Buyer shall be entitled, at any time and without liability, to immediately terminate the Order. The Supplier shall be responsible for and shall indemnify and hold harmless the Buyer from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities however so arising in respect of any breach or alleged breach of this Condition 25.

26. UK Anti-Slavery Compliance Requirements

- 26.1 The Supplier agrees to comply with Section 54 of the UK Modern Slavery Act 2015. The Buyer reserves the right to terminate all or part of this order in accordance with condition 15, should it be determined that the Supplier is not in compliance with the requirements of this Act or fails to address non-compliance in a timely manner.

27. REACH Regulations

- 27.1 The Supplier shall comply with all applicable laws, statutes, regulations and codes relating to Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) including but not limited to The REACH Enforcement Regulations 2008 and the European Union regulation no 1907/2006. The supplier shall be responsible for notifying the Buyer of any Goods being supplied pursuant to the Order which are known to contain or may contain Substances of Very High Concern (SVHC) in such volume or concentration to require registration in accordance with the applicable regulations.

28. Special Conditions

- 28.1 In the event the Buyer is required or deems it necessary to flow down any Special Conditions, then the Supplier will refer to the Buyer's Supplier Quality Requirements Manual (SQRM).
- 28.2 Should it be deemed necessary to apply additional flow down conditions, these will be identified on the Face of the Order. Should this occur the Order will supersede the SQRM.

29. Headings

- 29.1 The Condition and paragraph headings used herein are for purposes of convenience or reference only. They shall not be used to explain, limit or extend the meaning of any part of these terms and conditions of business.

30. Notices

- 30.1 All notices to be sent under or in connection with the assignment shall be delivered by hand or sent by registered post to the registered address of the Parties as specified in these terms and conditions of business.

31. Order of Precedence

- 31.1 In the event of any conflict between these Standard Conditions of Purchase and any other document referenced within the Order, then the order of precedence is as follows:
- a) The Face of the Order
 - b) Any identified Special Conditions
 - c) These Terms and Conditions of Purchase
 - d) The specification / Scope of Work
 - e) Any other Documents