

SIRIUS AEROSPACE MANUFACTURING LIMITED
TERMS OF TRADING (PURCHASE)

1. GENERAL

- 1.1 Unless we have specifically agreed in writing, these Terms will govern all purchases by us, to the exclusion of any conditions of sale (whether expressed in printed, oral or other form) of the seller which are inconsistent with these Terms.
- 1.2 A contract is made between ourselves and the seller only when we have ordered goods by means of our official purchase order form. If an acknowledgement of an order is given, otherwise than on the form provided by us for that purpose, it shall not operate to detract from the application of Term 1.1.
- 1.3 "Goods" in these Terms means products to be supplied in accordance with the specifications, applicational requirements and other details notified by us (or as we otherwise accept in writing); additionally, it includes goods or parts of goods not of the seller's own manufacture and, when the context requires, services. Related expressions, such as "seller" and "delivery", will be construed by reference to the above definition of "goods" as the context requires.
2. DELIVERY
- 2.1 An advice note must be sent to us when the goods are despatched, and a delivery note (or a copy of the advice note) must accompany the goods. The notes must state our order number, any part of drawing number involved, full particulars of the quantity and description of the goods, whether the consignment represents the whole or a part of the order, number of packages, and carrier.
- 2.2 Goods must be delivered, carriage paid by the seller, to the delivery point stated in our purchase order form.
- 2.3 The property and risk in the goods remain with the seller until (but not beyond the point in time at which) the goods have been delivered to and accepted (unexamined) by us.
- 2.4 If the goods are incorrectly delivered, the seller will pay for re-delivery to the correct destination.
- 2.5 The goods must be delivered on the date stated on the purchase order form (or any related delivery schedule), unless a substitute date is specifically agreed between ourselves and the seller. If, nonetheless, goods are delivered before the due date we may act in regard to them, by returning them to the seller or arranging for their storage, in either case at the expense of the seller, or otherwise as may be reasonable in all the circumstances: in any event, payment will only be made for them as if they had been delivered on the due date.
- 2.6 Goods must be properly packed so as to prevent damage in transit and be protected from corrosion or other deterioration in condition during delivery or storage.
- 2.7 Without detracting from Term 2.6, we may, at our discretion provide the seller with stillages or other containers, and the seller will take proper care of them and will make use of them in delivering to us. All other packing materials and containers will be supplied, without charge to ourselves, by the seller, and may be used or disposed of by us unless the seller arranges immediate collection of them on delivery of the goods concerned.

3. CANCELLATION

- We shall be entitled to cancel the purchase order if delay in delivery (for whatever reason, including industrial dispute, accident or other circumstances of force majeure) a) occurs (when cancellation may be at any time after the due delivery date); or b) Is reasonably to be anticipated from events occurring before the due delivery date (when cancellation may be at any time during the occurrence of such events).

Cancellation shall be without prejudice to any rights we may have to recover from the seller for any loss we have suffered because the delivery date was, actually or prospectively, not met. If the purchase involves more than one delivery, cancellation will at our discretion be of the whole or part of the purchase order.

4. SUSPENSION

If, through accidents, industrial disputes or other circumstances, beyond our reasonable control, we are unable to accept any delivery, we shall be entitled to revise our delivery requirements (by suspending the delivery until we are again in a position to accept it, or otherwise as we may reasonably consider appropriate).

5. PAYMENT

- 5.1 An invoice quoting our order number, and giving details of the goods, must be sent to us at the same time as the advice note referred to in Term 2.1.
- 5.2 Payment will only be made against monthly statements of account, which must be received by us during the month following the date of the invoice.
- 5.3 Payment of any sum may be withheld by us in the event of our having a claim or dispute with the seller over any purchase order placed with him.

6. PRICES

- 6.1 The price to be paid by us for any goods will (subject to Term 6.2) be that set out on our order form, unless (1) within seven days from the date of our order the seller puts us in receipt of notification that the price is incorrect, and (2) we accept, in writing, the revised price as notified by the seller.
- 6.2 Not less than one month's notice of any increase of the price determined under Term 6.1 shall be given, and the increase will not apply to goods which have a due delivery date before the operative date of the increase. On receipt of such notice we may within 14 days thereafter cancel the order, or part of the order, to which the price increase relates, by giving written notice to that effect to the seller, and we shall be under no liability towards the seller for any financial or other consequences to him of our so cancelling.

7. DEFECTIVE EXECUTION OF PURCHASE ORDER

- 7.1 In addition to our other rights as set out in these Terms, we shall have the full benefit of rights given to buyers by the Sales of Goods Act 1979, by the Unfair Contract Terms Act 1977 (in regard to which it is expressly agreed hereby that as between the seller and ourselves any purported detraction by the seller from the benefit to us on these Terms shall be taken not to satisfy the requirement of reasonableness), or by operation of any other statute, of common law or trade usage.
- 7.2 The seller will indemnify us against all direct and consequential loss, and against any legal liability in respect of injury to persons (including our employees) or damage to property, which we incur as a result of the supply of defective goods or the defective execution of the purchase order in any way, whether the defect arises from any default (including negligence) on the part of the seller or his employees or agents or not.
- 7.3 Any goods found, within 12 months of delivery or such longer period as may in the circumstances be reasonable, to be in any manner defective may, without prejudice to our rights under Terms 7.1 and 7.2 be rejected and returned to the seller at his expense and risk for replacement or repair or, at our discretion, cancellation of the order or part order. The whole of a delivery of goods may be assumed to be of the same description and quality as any portion examined.

8. CONFIDENTIALITY

All drawings, designs, specifications and other information which we supply for the purpose of quotation or in connection with our order are confidential. They remain our property and must not be disclosed to any third person without our written permission.

9. TOOLS AND OTHER MATERIALS

We will pay at an agreed rate for tools specifically required for the carrying out of a purchase order, and such tools, together with materials (including patterns and tools) which may be provided by us for use in connection with a purchase order will be or remain our property and the seller will be fully responsible, at his expense, for their safe custody and proper usage and maintenance and for their transfer or return to us, in good condition, or their disposal in such other way we may reasonably require.

10. ON-SITE INSTALLATION OR SERVICES

When the seller installs goods or provides services on our premises the seller will indemnify us against any damage to our property and any loss resulting from such damage, and against all claims and demands made against us in respect of injury to any persons (including our employees) or damage to our property caused by negligence or other default of the seller or of his employees, contractors or agents.

- 10.1 All contractors working on site must sign an acceptance to agree to contractors' regulations.

11. INSURANCE

The seller will at his expense effect and maintain full cover with a reputable insurer in respect of his liabilities under these Terms.

12. PERFORMANCE; SAMPLES; INDUSTRIAL PROPERTY RIGHTS; LAW

- 12.1 We shall have the right to refuse, at our absolute discretion, to allow performance of a purchase order, or any part of such, by a sub-contractor of the seller, and our refusal may relate either to sub-contractors in general or to a specific sub-contractor.
- 12.2 We may require samples of goods to be provided to us for approval as a pre-condition to the carrying out of a purchase order for the goods concerned, and if we do so the samples will, at the seller's risk and expense, be retained by us for disposal, by return or otherwise as the seller requires, when the purchase order has been completed.
- 12.3 The seller will indemnify us against all costs and expenses incurred by us arising from any claim for infringement of patent, registered design, copyright or trademark by our use of sale goods supplied by the seller, and will give us all possible help in meeting any such claim.
- 12.4 The order is conditional up on you allowing right of access to Sirius Aerospace Manufacturing Ltd Representatives, its customers and regulatory authorities. This is to include all-applicable areas of your company's facilities, at any level of the supply chain, involved in the order and access to all applicable records. This may be for the purpose of assessment visit, external audit and inspection / verification of products, as we may consider necessary.
- 12.5 Schedule 1 to the Uniform laws on International Sales Act 1967 shall not apply to purchases by us.
- 12.6 These terms shall in all respects be construed and have effect according to English Law and the parties agree to submit to the jurisdiction of the English Courts.

13. QUALITY REQUIREMENTS - PURCHASING INFORMATION

- 13.1 Sirius Aerospace Manufacturing and/or ISO 9000 approved Suppliers/Subcontractors

Clause A; "The supplier will conduct 100% inspection to verify the conformity of the goods to the drawing, specification and this order".

- 13.2 Nonconformity - Suppliers have NO delegated authority regarding acceptance of nonconformity. Nonconforming material shall NOT be delivered to Sirius Aerospace Manufacturing without written permission from Sirius Aerospace Manufacturing's Quality Representative. Suppliers shall prevent the use of counterfeit materials and retain documentation to confirm conformity.

- 13.3 Quality Records - The supplier is responsible for maintaining complete quality records relating to work undertaken on the Purchase Order. All order related documents will be maintained for a minimum of two years. Aerospace material documents will be archived for an indefinite period.

- 13.5 Supplier Responsibility - Sirius Aerospace Manufacturing's acceptance of the Suppliers Quality System in no way absolves the Supplier from their responsibility for product quality. Initial acceptance by Precision Laser Processing does not exclude rejection at a later date if deviations attributable to the supplier are subsequently found. The Supplier is responsible for notifying Sirius Aerospace Manufacturing of any changes in product or process definition and where required obtain our approval. The supplier is responsible for the subsequent transfer of Sirius Aerospace Manufacturing Supplier Quality Conditions to their subcontractor and for the quality of all work carried out by their subcontractor, including key characteristics. A certificate of conformity shall be obtained for all subcontracted work.

- 13.6 Sirius Aerospace Manufacturing, their customers and regulatory authorities shall have right of access to the applicable areas of the facilities, at any level of the supply chain involved in the order and to all applicable records.

14. COUNTERFEIT GOODS

- 14.1 All Goods provided by the Seller to the Buyer, including any that are provided by the Seller's subcontractors, must be original and genuine, and in full compliance with all of the Buyer's contract requirements, specifications, certifications, and any supporting data representing contract performance. The Seller warrants that it has received from all of its subcontractors and suppliers all data necessary to comply with this obligation and the Seller has validated all such data. The Seller will ensure that none of the Goods are counterfeit, inaccurately marked, or in any manner misrepresented.
- 14.2 The Seller shall operate a counterfeit control process for all Goods regardless of industry sector consistent with these provisions and reasonable commercial terms for applicable industry sectors, and the Buyer shall have the right to audit, inspect and/or approve the process at any time before or after delivery of the Goods.
- 14.3 If any of the Goods delivered or to be delivered under this order is discovered to be a counterfeit item or suspected to be a counterfeit item, then the Buyer shall have the right to impound the item for further investigation of its authenticity. The Buyer's investigation may include the participation of third parties or governmental investigative agencies as required by law or regulations or by the Buyer's customer, or by the Buyer, in its sole discretion. The Seller shall cooperate in good faith with any investigation conducted by the Buyer, including, but not limited to, cooperation by the Seller with respect to the disclosure of all design, development, manufacturing, and traceability records in respect of the item. Upon the Buyer's request, the Seller shall provide the Buyer certificates of conformance with respect to the item under investigation. The Buyer shall not be required to return the item to the Seller during the investigation process or thereafter. The Buyer shall not be liable for payment to the Seller of the price of any suspected counterfeit items under investigation.

15. ANTI-CORRUPTION, ETHICS AND POLICIES

- 15.1 The Seller warrants that its directors, employees, agents, representatives, contractors and subcontractors, and any other person acting on its behalf will not: (i) offer, give or agree to give or receive, request or accept any financial or other advantage of any kind as an inducement or reward for doing or not doing any improper act or for the improper performance of any function associated with the order or the Goods; nor (ii) act in any way which would constitute an offence by the Seller or would cause the Buyer to commit an offence under any anti-bribery legislation; nor (iii) employ any workers under the age of 15 or, in the countries subject to the developing country exception of the ILO Convention 138, employ any workers under the age of 14; nor (iv) breach applicable anti-slavery legislation, nor any applicable anti-corruption legislation. (b) If the Seller breaches any of the above warranties, the Buyer shall be entitled to terminate the order by written notice with immediate effect. Any termination shall be without prejudice to the accrued rights of the Buyer. (c) The Seller shall comply with The Company Ethics and Business Conduct and Anti-Corruption Policies accessible on request, or, with the Buyer's consent, equivalent policies adopted by the Seller
16. CONFLICT MINERALS DISCLOSURE
- The Seller shall support the Buyer's compliance with sourcing obligations to certain customers subject to requirements to report sourcing of tin, tantalum, tungsten and gold ("Conflict Minerals") from certain countries in the African subcontinent. The Seller shall have due diligence processes in place to make reasonable enquiries, including with its supply chain, into the country of origin of Conflict Minerals included in the Goods sold to Buyer. The Seller shall disclose to the Buyer in writing those Goods containing Conflict Minerals prior to acceptance of this order. Seller shall report such data as may be required by Buyer to fulfil its obligations to its customers on sourcing of Conflict Minerals.
17. QUALITY ASSURANCE OF EXTERNAL PROVIDORS
- 17.1 The Company shall ensure the adequacy of requirements prior to their communication to the external provider.
- 17.2 The Company shall communicate to external providers its requirements for (i) The processes, products and services to be provided (ii) the approval of products and services, methods, processes and equipment, the release of products and services, personnel competence, including any required qualification of persons, the external providers with the organisation, control and monitoring of the external providers' performance to be applied by the organization, verification or validation activities that the organization, or its customer, intends to perform at the external providers' premises
- 17.3 The Company will request at regular intervals seller conformance to audited standards, and performance metrics which may include special process sources.
- 17.4 The seller shall notify the buyer changes to organisational changes to processes, products, or services, including changes to their external providers or location of manufacture. Approval shall be sought from the buyer.
- 17.5 The Company shall flow down to all external providers all customer requirements and all applicable requirements.
- 17.6 The seller will provide test specimens for design approval for inspection / verification purposes, or for audit control.
- 17.7 It is required that all personnel contributing and adding value to the product, must be aware of their contribution to product or service conformity, product safety and ethical behaviour.

