

## DENROY LIMITED TERMS AND CONDITIONS OF PURCHASE

same Conditions, so far as applicable, as though the said variations were stated in the Contract.

### 1. INCORPORATION OF TERMS

- 1.1 Subject to any variation under condition 1.4, these Conditions are the only conditions upon which the Company is prepared to deal with the Seller and they shall govern the Contract to the entire exclusion of all other terms and conditions.
- 1.2 Each Order for Goods by the Company from the Seller shall be deemed to be an offer by the Company to purchase Goods subject to these Terms and Conditions and no Order shall be accepted until the Seller either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part accepts the offer.
- 1.3 No terms or conditions endorsed upon, delivered with or contained in the Seller's quotation, acknowledgement or acceptance of order, specification or similar document will form part of the Contract and the Seller waives any right which it otherwise might have to rely on such terms and conditions.
- 1.4 These Conditions apply to all the Company's purchases and any variation to these Conditions shall have no effect unless expressly agreed in writing and signed by a Director of the Company.

### 2. DEFINITIONS & INTERPRETATION

2.1 In these conditions (the "Conditions") the following words shall have the following meanings:

the "Company" means Denroy Limited (NI 012835) having its registered office at Clandeboyne Road, Bangor, BT20 3JH

the "Contract" means the Order and the Seller's acceptance of the Order together with any additional specification or documents agreed in writing between the parties as applicable to the contract between them

"Goods" means any goods agreed in the Contract to be purchased by the Company from the Seller

"Order" means the Company's written instruction to buy the Goods, incorporating these Conditions

"Seller" means the person, firm or company who accepts the Company's Order

2.2 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.

2.3 A reference to one gender includes a reference to the other gender.

2.4 Condition headings do not affect the interpretation of these conditions.

### 3. ORDERING GOODS

- 3.1 The Company reserves the right to withdraw or cancel any Order or request for a quotation without notice at any time prior to receipt of acceptance and any quotation given by the Seller shall be subject to acknowledgement as stated below.
- 3.2 No request for a quotation by the Company shall constitute an offer to purchase goods or services.
- 3.3 The Company shall not be bound by any terms or any conditions set out in the Seller's acknowledgement and these Conditions shall prevail to the exclusion of all other terms or conditions.
- 3.4 No previous correspondence, writings, facsimiles, telexes, telegrams or verbal communications between the Seller and the Company regarding the Goods shall form any part of or be incorporated into the Contract unless specifically referred to on the Order. For the avoidance of doubt, nothing in the Contract shall exclude or limit liability for fraudulent misrepresentation.
- 3.5 The Company's order number as set out on the Order must be clearly stated by the Seller on all acknowledgements, advices, invoices, delivery notes and correspondence.
- 3.6 Each Order acknowledged by the Seller shall be deemed to be an individual legally binding Contract between the Company and the Seller and shall be deemed to be subject to these Conditions.
- 3.7 The Company shall have the right from time to time during the performance of the Contract, by notice in writing, to direct the Seller to add to or omit from or otherwise vary the Goods, and the Seller shall carry out such variation and be bound by the

### 4. PRICES

4.1 The price for the Goods shall, unless otherwise agreed between the parties, be stated on the Order. Unless otherwise stated in the Order, all prices shall be fixed on the basis of the Seller's price list applicable and available to the Company as at the date on which the Order is placed and shall include all costs, both direct and indirect, of supplying the Goods excepting only Value Added Tax at the rate applicable at the relevant invoice tax point, which amount shall be shown separately.

4.2 In the event of Orders being placed on a "price to be agreed" basis, quotations shall be submitted for the Company's agreement and the Company's official amendment confirming the price shall be in the Seller's possession before the Goods are invoiced.

4.3 The Seller shall not make any alteration in the price and any purported alteration shall not be binding on the Company unless agreed by the Company in writing.

### 5. PAYMENT

5.1 No Goods shall be paid for by the Company unless they are specified in the Contract.

5.2 In paying any one or more of the Seller's invoices in respect of Goods the Company reserves the right (without prejudice to any other right or remedy) to set off any amount owing at any time from the Seller to the Company against any amount payable by the Company to the Seller under the Contract. Failure by the Seller to attend to any of the following details may mean delay in payment (but, for the avoidance of doubt with no prompt payment discount to be forfeited by the Company): (a) failure by the Seller to send on the day of despatch for each consignment of Goods, a separate advice note and invoice for each such delivery or performance; or (b) failure by the Seller to mark the order number on the consignment package, packing note, invoices, monthly statements and all other correspondence relating to them. Provided that the Company shall have received the Goods in accordance with the relevant Contract, the Company shall, unless otherwise stated in the Contract, pay the price of the Goods within 60 days of delivery of the Goods to the Company, but time for payment shall not be of the essence of the Contract.

5.4 All payments will be made without prejudice to the Company's rights should the Goods prove unsatisfactory or not in accordance with the Contract.

5.5 The Seller is not entitled to suspend deliveries of the Goods as a result of outstanding sums.

5.6 Any and all expenses, costs and charges incurred by the Seller in the performance of its obligations under the Contract shall be paid by the Seller.

### 6. DELIVERY

6.1 The Seller shall deliver the Goods to the Company's place of business or to such other place of delivery as is agreed by the Company prior to delivery at the prices, in the quantities and within the time provided in the Contract. All Goods shall be suitably packed, marked with the Company's Order number, and shipped in accordance with shipping instructions specified in the Contract and (unless otherwise specified therein) shall be non-returnable. No charge shall be made to the Company for packaging, cartage or insurance unless separately agreed in advance and itemised in the Contract. Additional expenses, charges, damages or claims incurred as a result of deviation from the delivery instructions specified in the Contract shall be Seller's responsibility.

6.2 The risk that the Goods may be lost, damaged, or delayed in transit shall be borne by Seller until actual receipt by the Company in conformity with the terms of the Contract. The Seller shall off-load the Goods at its own risk as directed by the Company. Time for delivery shall be of the essence and unless otherwise stipulated by the Company, deliveries shall only be accepted by the Company during normal business hours.

6.3 If the Seller fails to comply with its requirements under condition 6.1, the Company may (in addition to any other rights and remedies) (a) cancel the Contract in whole or in part and be relieved of all liability for any undelivered portion; (b) refuse

to accept any subsequent delivery of the Goods which the Seller attempts to make; (c) recover from the Seller any expenditure reasonably incurred by the Company in obtaining the Goods in substitution from another supplier; and (d) claim any damages for additional costs, loss or expenses incurred by the Company which are in any way attributable to the Seller's failure to deliver Goods on the due date.

6.4 If the Goods are delivered to the Company in excess of the quantities ordered, the Company shall not be bound to pay for the excess and any excess will be and will remain at the Seller's risk and will be returnable at the Seller's expense.

6.5 The Seller shall not be liable for damages due to delays in shipment for causes beyond the Seller's control, provided the Seller promptly notifies the Company as soon as it learns or should have learned of such a delay. Goods received in advance of the Company's delivery schedule may, at the Company's option, be returned at Seller's expense or be retained, in which case payment shall become due at the same time as if the goods had been delivered on the scheduled date.

6.6 Delivery in instalments can be made only with the Company's written consent.

### 7. CANCELLATION BY THE COMPANY

The Company may cancel any undelivered portion of this order at any time without cause by written or telegraphic notice, and in such event the Company's liability for cancellation shall be limited to those actual costs which (a) were incurred before notice of cancellation, (b) are applicable to this order only, and (c) are not recoverable in the normal course of the Seller's business.

### 8. INSPECTION

8.1 Notwithstanding any payment which may be made, no Goods are to be deemed accepted until the Company has had a reasonable opportunity to inspect them at the Company's plant or any other designated place following delivery. Acceptance of the Goods by the Company shall be without prejudice to the Company's rights and remedies under the Contract or otherwise. The Company shall also have the right to reject the Goods as though they had not been accepted for a reasonable period after any latent defect in the Goods has become apparent such period not to be less than 30 days.

8.2 The Company may return, at the Seller's risk and expense, any Goods not in conformity with the specifications or Seller's warrants in the Contract or by law, and the Seller shall reimburse the Company for any damages incurred and payments made on account of such items. The Seller shall not replace Goods returned as defective unless so directed by the Company in writing.

8.3 At any time prior to delivery of the Goods, the Company shall have the right to inspect and test the Goods and the Seller shall take immediate steps to remedy any defects identified. Notwithstanding any such inspection, the Seller should remain fully responsible for the Goods and any such inspection shall not diminish or otherwise affect the Seller's obligations under this Contract.

### 9. RISK/PROPERTY

9.1 The risk of loss, damage or destruction of the Goods shall remain a risk of the Seller until immediately after the Goods have been accepted by the Company.

9.2 Except as provided in this condition 9, property and title in the Goods shall pass to the Company immediately upon delivery of the Goods.

9.3 The Seller shall have adequate insurance to cover the risk of loss, damage or destruction of the Goods during the whole time that the risk in the Goods lies with the Seller.

### 10. WARRANTY

10.1 In addition to the statutory obligations implied in favour of the company by the Sale of Goods Act 1979 and the Sale and Supply of Goods and Services Act 1982 (each as amended) and/or any service guarantee specified in the Contract, the Seller warrants that it has good and merchantable title to all Goods supplied here-under and that such Goods shall be free and clear of all liens and encumbrances.

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- 10.2 The Seller warrants, undertakes and represents that the Goods shall be: (a) of the of the best design; (b) of the best available quality, material and workmanship; (c) be without fault and conform in all respects with the Contract and specification and/or patterns supplied or advised by the Company to the Seller; (d) the Goods shall also be fit for the Company's purposes including without limitation in respect of design and functionality and (e) shall meet all applicable laws, regulations and requirements, including REACH, RoHS, Proposition 65, hereafter in effect in the UK, EU or otherwise which affect or impinge upon the matters referred to in the Contract or the Goods or the performance by the Seller of its obligations under the Contract.
- 10.3 The foregoing warranties shall survive inspection, delivery and payment and shall run in favour of the Company and the Company's customers.
- 10.4 The Seller undertakes that it will provide at its own expense, all assistance required by the Buyer in ensuring that any goods in which the Goods are incorporated are accepted by a third party purchaser from the Company and will give the Company and any third party purchaser from the Company all reasonable assistance as may be necessary for the Goods to be used for the intended purpose post-supply by the Seller.
- 10.5 The Company's regulatory standards require that the Supplier maintains procedures to minimise the risk of the supply of counterfeit material goods within the supply chain. This includes controls to ensure that material is supplied from original or authorised manufacturers and demonstrates the appropriate traceability requirements. Suppliers are also required to notify the Company if counterfeit item are detected. Guidance for this can be found in Defence standard 05-135 - Avoidance of Counterfeit Material.
- 11. INDEMNITY**
- The Seller shall keep the Company indemnified in full against all direct liabilities and all reasonable indirect or consequential liabilities (all three of which terms include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss, damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by the Company as a result of or in connection with: (a) defective workmanship, quality or materials; (b) any breach of the terms of the Contract; and (c) any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by the Company's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Seller.
- 12. QUALITY RECORDS AND AEROSPACE AND DEFENCE SPECIFIC REQUIREMENTS**
- 12.1 The Seller shall maintain complete and accurate records of the time spent and materials used by it in providing the Goods in such form as the Company shall approve. The Seller will allow the Company (or its representatives) to access the Seller's premises and inspect such records and any and all information, documents, plans, specification and other things relating to the Goods as are reasonably requested by the Company from time to time to allow it to audit the Seller's performance of the Contract.
- 12.2 Notwithstanding the generality of the above, the Seller acknowledges and agrees that quality records related to aerospace or defence products supplied under the Contract shall be kept and retained as required by EN9100:2016 Quality Management Systems and shall be made available on the request of the Company or any relevant competent authority. The Seller undertakes to procure that any third party sub-contractor to which it sub-contracts any part of the Contract will also comply with this requirement. The seller shall ensure adequacy of requirements on orders with regard to processes, products and services to be provided including technical data (drawings, specifications, CAD data, SOPs). Approval for products, services, methods, processes, equipment and release of products and services. And the necessary competency/qualification of persons involved in providing products and services.
- 12.3 Where the company places an order on the Seller for any goods which are subject to military controls or restrictions, including but not limited to ITAR and EAR, the Seller must advise the Company at the time of order confirmation that the goods being ordered are the subject of such controls. In addition, the Seller must clearly note on all delivery documentation details of the controls that apply to any Goods supplied to the Company providing the necessary approval and certificate of conformity information as is required to be disclosed by the relevant authority. If goods are being delivered to the Seller under an export licence, the licence number must be clearly evident on all delivery and invoice documentation and a copy of the export licence attached to each document.
- 12.4 Where the company places an order for Aerospace/Defence/Space goods, the seller shall ensure the adequacy of the following requirements, verification/validation activities, design and development controls, special requirements, critical items, or key characteristics; test, inspection, and verification, the use of statistical techniques for product acceptance. And the need to: implement a quality management system; use customer-designated or approved external providers, including process sources (e.g., special processes); notify the organization of nonconforming processes, products, or services and obtain approval for their disposition; prevent the use of counterfeit parts, notify the organization of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain the organization's approval; flow down to external providers applicable requirements including customer requirements; provide test specimens for design approval, inspection/verification, investigation, or auditing; retain documented information, including retention periods and disposition requirements; and awareness of the sellers contribution to product/service conformity, product safety, and the importance of ethical behaviour
- 12.5 The Seller shall provide the right of access by the organisation, their customers, and regulatory authorities to the applicable area of facilities and to applicable documented information at any level of the supply chain.
- 13. CONFIDENTIALITY & INTELLECTUAL PROPERTY**
- 13.1 The Seller shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Seller by the Company or its agents and any other confidential information concerning the Company's business or its products which the Seller may obtain and the Seller shall restrict disclosure of such confidential material to such of its employees, agents or sub-contractors as need to know the same for the purpose of discharging the Seller's obligations to the Company and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality as bind the Seller.
- 13.2 The Seller shall indemnify the Company and its customers against all direct and indirect losses (including consequential losses and loss of profit) arising from any infringement of any third parties intellectual property rights and other rights in the Goods by the manufacture or sale by the Seller of the Goods or the Company's use of the Goods.
- 14. COMPANY'S MATERIALS**
- 14.1 The Company may at its discretion supply to the Seller or fund in whole or in part the purchase by the Seller of materials, tooling or equipment for use in the manufacture of other Goods and may provide the Seller with drawings, specifications and other materials ("**Materials**"). All Materials and the intellectual property therein shall be and remain the property of the Company. The risk of loss, damage or destruction of the Materials lies with the Seller while they are held by the Seller until they are delivered to the Company. The Seller shall not place any Order with any third party for the purchase of any equipment which is to be funded in whole or in part by the Company without prior written approval of the Company and without having received an Order from the Company. In the event of termination of the Contract for any reason, the Seller shall deliver to the Company all Material in accordance with the instructions of the Company.
- 14.2 Any information disclosed by Seller respecting the design, manufacture, sale or use of the goods ordered shall be deemed to have been disclosed as part of the consideration for this Order, and Seller shall not assert any claim (other than for patent infringement where appropriate) against the Company by reason of the Company's use thereof.
- 15. AMENDMENTS**
- No amendments to a Contract shall be binding on the Company unless authorised and confirmed in writing by the Company. The Seller shall not be entitled to claim any additional costs or extensions to delivery schedules unless such additions or extensions are authorised in writing by the Company. The Company may make changes in drawings, specification, quantities, delivery, schedules, or, methods of shipment or packaging on any Goods at any time. If such changes result in an increase or decrease in cost, an equitable adjustment of price and delivery schedule may be made, or the Company may, at the Company's option, terminate the Contract pursuant to these Conditions if agreement on an adjustment cannot be reached. The Seller must assert claims for adjustment within ten days of the changed Order.
- 16. ASSIGNMENT**
- 16.1 The Seller shall not without the consent in writing of the Company assign or transfer the Contract or any part of it to any other person. The Seller shall not without the consent in writing of the Company sub-contract the Contract or any part of it other than for materials, minor details or for any part of the Goods for which the makers are named in the Contract. Any such consent shall not relieve the Seller of any of its obligations under the Contract and the Seller shall be responsible for all work done and Goods or part thereof supplied by sub-contractors. The Seller shall indemnify the Company against all losses (including consequential loss or loss of profits) or damage incurred by the Seller as the result of any act or omission on the part of the sub-contractor.
- 16.2 The Company may assign the Contract or any part of it to any person, firm or company.
- 17. FORCE MAJEURE**
- The Company reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of Goods ordered if it is prevented from or delayed in the carrying-on of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil, commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies or adequate or suitable materials.
- 18. REMEDIES**
- Without prejudice to any other right or remedy which the Company may have, if any Goods are not supplied in accordance with, or the Seller fails to comply with, any of the terms of this Contract, the Company shall be entitled to avail itself of one or more of the following remedies at its discretion, whether or not any part of the Goods have been accepted by the Company: (a) to rescind the Order; (b) to terminate the Contract; (c) to reject the Goods (in whole or in part) and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller; (d) at the Company's option, to give the Seller the opportunity at the Seller's expense either to remedy and defect in the Goods or to supply replacement Goods and carry out any other necessary work to ensure that the terms of the Contract are fulfilled; (e) to refuse to accept any further delivery of the Goods but without any liability to the Seller; (f) to carry out at the Seller's

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expense any work necessary to make the Goods comply with the Contract; and (g) to claim such damages as may have been sustained in consequence of the Seller's breach or breaches of the Contract.

### 19. TERMINATION

- 19.1 The Company shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Seller written notice whereupon all work on the Contract shall be discontinued and the Company shall pay to the Seller fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss.
- 19.2 The Company shall have the right at any time by giving notice in writing to the Seller to terminate the Contract forthwith if:
- (a) the Seller commits a material breach of any of the terms and conditions of the Contract; or
  - (b) any distress, execution or other process is levied upon any of the assets of the Seller; or
  - (c) the Seller has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or a resolution is passed or a petition presented to any court for the winding-up of the Seller or for the granting of an administration order in respect of the Seller, or any proceedings are commenced relating to the insolvency or possible insolvency of the Seller; or
  - (d) the Seller ceases or threatens to cease to carry on its business; or
  - (e) the financial position of the Seller deteriorates to such an extent that in the opinion of the Company the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy.
- 19.3 The termination of the Contract, however arising, shall be without prejudice to the rights and duties of the Company accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.

### 20. GENERAL

- 20.1 Each right or remedy of the Company under the Contract is without prejudice to any other right or remedy of the Company whether under the Contract or not.
- 20.2 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 20.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract. Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the Seller shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.
- 20.4 The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it other than in respect of the rights granted to customers of the Company in these Conditions.
- 20.5 All communications between the parties about this Contract must be in writing and delivered by hand or sent by pre-paid first class post or sent by email as follows: (a) in the case of communications to the Company to its registered office, or such changed address as shall be notified to the Seller by the Company; or (b) in the case of communications to the Seller, to the registered office of the addressee (if it is a company) or (in any other case) to any address of the Seller set out in any document which forms part of this Contract or such other address as shall be notified by the Seller to the Company. Communications shall be deemed to have been received (a) if sent by pre-paid first class post, 2 days (excluding Saturdays, Sundays and bank

and public holidays) after posting (exclusive of the day of posting); (b) if delivered by hand, on the day of delivery; or (c) if sent by email a valid email receipt must be received by the sender from the receiving party and the email address used must be one that has been agreed between the parties as valid for communication.. Communications addressed to the Company shall be marked for the attention of the Purchasing Director.

### 21. JURISDICTION

- 21.1 The formation, existence, construction, performance, validity and all aspects of the Contract and any disputes or claims arising out of or in connection with it shall be governed by the laws of Northern Ireland and the parties hereto agree to submit to the exclusive jurisdiction of the Courts of Northern Ireland.
- 21.2 In the event that any provision (or part thereof) of these terms is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable the parties shall amend the provision (or part thereof) in such reasonable manner as achieves the intention of the parties without illegality or by mutual agreement of the parties, it may be severed from these terms and the remaining provisions of these terms (and/or parts thereof) shall remain in full force and effect.