



Hi-Rel Lids Limited

Terms and Conditions of Purchase

We, the Company, only purchase Deliverables in accordance with these Terms (capitalised terms have the meaning set out in clause 1.1 below). These Terms apply to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are imposed by custom, trade, practice or course of dealing. The Supplier agrees to waive any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of the Supplier that is inconsistent with these Terms. If you act in a manner calculated to appear as an acceptance of our order, *that will act as an acceptance* and you will be bound by our Terms, regardless of any inconsistency in your own small print. If you wish to reject our order and make a counter-offer you MUST therefore reply to our order in words explicitly and clearly indicating *rejection*. Equally, if you make a counter-offer which is not clearly labelled as such (or as a rejection of our order) no subsequent behaviour of ours, in accepting Performance, can be taken to imply any acceptance by us of that counter-offer.

1 Definitions

1.1 The following definitions shall apply in these Terms:

Business Day: a day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Commencement Date: has the meaning given in clause 2.4.

Consent: express written agreement given to the Supplier from the Company signed by a director or other senior officer of the Company.

Contract: the contract between the Company and the Supplier for the supply of Deliverables in accordance with the Terms.

Company/us: Hi-Rel Lids Limited, a private limited company registered in England and Wales with company number 02034839 whose registered office address is at Hi-Rel lids Ltd, 28, Fuller road, Harleston, Norfolk, IP20 9EA.

Deliverables: the goods (or any part of them) and/or the services (including any documents, products or materials in any form developed by the Supplier as part of or in relation to the provision of the services) to be provided by the Supplier under the Contract as set out in the Purchase Order.

Delivery Address: the address to which the Deliverables will be delivered as set out in the Purchase Order.

Delivery Date: during the Company's usual business hours on the date specified for delivery of the Deliverables as set out in the Purchase Order, or if no date is specified within 14 days of the date of the Purchase Order.

Follow-on Deliverables: has the meaning given in clause 3.4.

IPR: patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Performance: completion of delivery of any goods or the completion of any services that constitute or form part



of the Deliverables in accordance with these Terms.

Purchase Order: The Company's order for the supply of Deliverables, as set out in the Company's purchase order form attached.

Special Process: means, for example, heat treating, electroplating, electrical discharge machining, electrochemical machining and all similar processes.

Supplier/you: the person or firm from whom the Company purchases the Deliverables.

Terms: these terms and conditions as amended from time to time, and any additional information or notes set out on the Purchase Order.

1.2 The following rules of interpretation shall apply in these Terms:

1.2.1 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

1.2.2 A reference to a statute or statutory provision is a reference to it as amended or re-enacted. A reference to a statute or statutory provision includes all subordinate legislation made under that statute or statutory provision.

1.2.3 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.2.4 A reference to writing or written includes by pre-paid post and email.

2 The Contract

2.1 The Purchase Order constitutes an offer by us to purchase Deliverables from the Supplier in accordance with these Terms.

2.2 If you want to vary these Terms or if you wish to rely on a representation we have made, you must obtain our Consent to such amendment. We will deal with you in reliance on these Terms, so be aware that our acceptance of contractual performance by you does *not* imply acceptance of any terms that are different to our Terms.

2.3 If any of the terms of the Contract conflict with or contradict each other those terms will over-ride each other in the following order of priority: (1) any Consent given; (2) Purchase Order; (3) these Terms.

2.4 The Contract shall come into existence when we receive a formal order acknowledgement from you in writing or (if earlier) when you perform any act consistent with fulfilling the Purchase Order (the "**Commencement Date**").

2.5 These Terms will apply to each Purchase Order sent to you.

3 Price

3.1 The price of the Deliverables will be as stated in our Purchase Order and, unless otherwise stated, will be:

3.1.1 exclusive of any applicable VAT (which will be payable by us at the rate applicable at the Delivery Date subject to receipt of a valid VAT invoice);

3.1.2 inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery, commissioning or performance of Deliverables to or at the Delivery Address, and of any duties or levies other than VAT;

3.1.3 payable in the currency specified in the Purchase Order; and



3.1.4 fixed for the duration of the Contract.

- 3.2 No charges in addition to those set out in the Purchase Order will be payable by the Company unless prior Consent has been provided to such charges being incurred.
- 3.3 We will be entitled to any discount for prompt payment, bulk purchase or the like normally granted by you in comparable circumstances.
- 3.4 If we will be reliant on you for the supply of any additional maintenance, training, spare parts, consumables or other goods, IPR or services for us to benefit fully from the Deliverables that are not set out in the Purchase Order ("**Follow-on Deliverables**") then you will provide those Follow-on Deliverables or procure that they are provided to us, for at least the duration of time specified in the Purchase Order following Performance, at fair and reasonable prices as agreed with us in advance.

4 Payment

- 4.1 Invoices for the Deliverables shall be sent to us on, or after, Performance. Each invoice must quote the number of our Purchase Order. No sum may be invoiced more than six months after Performance.
- 4.2 Unless otherwise stated in the Purchase Order, we will pay the invoiced amounts as set out in the Purchase Order within 30 days of the end of the month in which we receive the invoice to a bank account as specified in writing by the Supplier.
- 4.3 Subject to clause 4.4, if either party does not make payment of any sum due to the other party under the Contract by the due date, the defaulting party will pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause will accrue each day at 3% a year above the Bank of England's base rate from time to time.
- 4.4 If a payment is disputed in good faith, interest under clause 4.3 will only be payable for the period from 30 days after the date the dispute is resolved and the date of payment.
- 4.5 We will be entitled to set off any liability of the Supplier to the Company against any liability of the Company to the Supplier. Any exercise by the Company of its rights under this clause shall not limit or affect any other rights or remedies available to it under the Contract or otherwise.

5 Specifications

- 5.1 If the Deliverables are goods, then unless otherwise stated the Purchase Order is deemed to include the supply of all relevant documentation and certification, and of any commissioning of those goods, necessary to enable the Company to use them for their intended purposes. If the Deliverables are services then, unless otherwise stated, our Purchase Order is deemed to include the complete performance of those services including the delivery of any employee instruction, manuals, explanations or certifications necessary to enable the Company to benefit from them for their intended purposes. If we order goods or services then, unless otherwise stated, our order includes any legal rights necessary to use those goods or services for their intended purposes (as determined in accordance with clauses 5.2.2 or clause 9.2).
- 5.2 The Supplier shall ensure that any Deliverables that are goods shall:
 - 5.2.1 correspond with the quantity, quality and description of Deliverables as specified in our Purchase Order and these Terms or as otherwise agreed by us in writing;
 - 5.2.2 be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Supplier or made known to the Supplier by us expressly or by implication, and in this respect the Company relies on the Supplier's skill and judgement;
 - 5.2.3 be free from defects in materials and workmanship;



- 5.2.4 not breach any proprietary rights and/or IPR in or relating to that Deliverable, including IPR, of any third party;
- 5.2.5 where the Supplier is manufacturing the Deliverables, be free from defects in design, material and workmanship and remain so for 18 months after delivery.
- 5.2.6 comply with all applicable regulations and other legal and regulatory requirements and guidelines concerning the Deliverables and/or Performance of the Contract.
- 5.3 The Supplier will ensure when providing Deliverables that are services that you shall:
 - 5.3.1 co-operate with us and comply with all reasonable instructions;
 - 5.3.2 perform the services with the best care, skill and diligence in accordance with best practice in your industry, profession or trade;
 - 5.3.3 use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that your obligations are fulfilled in accordance with the Contract;
 - 5.3.4 ensure that all service Deliverables conform with the descriptions, standards and specifications set out in the Purchase Order;
 - 5.3.5 provide all equipment, tools, vehicles and other such items as are required to perform the Deliverables;
 - 5.3.6 obtain and at all times maintain all licences and consents which may be required for the provision of the services; and
 - 5.3.7 comply with all applicable regulations and other legal and regulatory requirements and guidelines which may apply to the performance of the Deliverables.
- 5.4 We will be allowed to inspect and/or test any Deliverables that are goods during (and at your premises for) manufacture and/or storage so long as we request an inspection by reasonable notice. The Supplier shall remain fully responsible for the Deliverables despite any such inspection and/or testing and any such inspection and/or testing will not reduce the Supplier's obligations under the Contract.
- 5.5 If, as a result of the inspection, we are not satisfied that the quality of the goods or the standards of their manufacture, storage or handling conforms with the Contract, you will immediately take such steps as are necessary to ensure compliance. We will be entitled to conduct further inspections once any remedial action is taken. If, after that, we are still not satisfied we can cancel the contract in part or in full without penalty.
- 5.6 If, before Performance has occurred in the relevant respect, we notify you in writing of any change in desired specification (including as to quality and Delivery Date) you will respond as follows. We appreciate that a change may affect the contract price, or may even be unachievable. If the change would reduce your costs, the price for the Deliverables as set out in the Purchase Order will be reduced to fairly reflect that saving. If the change would increase your costs you may notify us promptly, in writing, of a proposed revision of the price for the Deliverables, which will fairly and proportionately reflect any unavoidable increased cost. Following notification of the revised price, you and we will use our reasonable efforts to agree the revised terms in writing, including as to price and Delivery Date and pending such agreement no variation to the Contract will be effective. If the change would for any reason be unachievable you may notify us of that promptly and in writing, with reasons. Both parties will then use reasonable efforts to agree and properly execute a mutually acceptable Contract variation. If the Supplier fails to give notice under this clause our proposed change will be deemed to have been accepted, and the contract will be deemed to have been varied with immediate effect to reflect the requested specification change with no price increase. The Contract price will not in any circumstance increase except with our express written



Consent.

- 5.7 The Supplier shall notify the Company of and obtain the Consent of the Company to any changes that may be required to the product or processes used in supplying the Deliverables or of any change in supplier of services or raw materials. The Supplier must also notify the Company of any significant changes to the Supplier's organisation or manufacturing facility location.
- 5.8 The Supplier must keep records as to precisely how the Deliverables were manufactured and performed, and as to all relevant activities of any suppliers or sub-contractors of yours. You will meet any reasonable request for such information as soon as reasonably possible and will keep records adequate for that purpose for at least two years after completion of Performance (see section 6.1.1 for record retention of AS9100 deliverables). Without limitation, these records must provide full traceability for all goods comprised in, or used in making, any Deliverables which are in any respect safety-critical. They must also demonstrate compliance of the contract work with all legal or regulatory requirements and with all contractually binding quality and Performance standards.
- 5.9 You will comply with any reasonable requirements we may have as regards the packaging and packing of any Deliverables, and as to information to be displayed on packaging or to be included on dispatch documentation and bills of lading. Subject to that, you will ensure that all packaging, packing, labelling and documentation is such as to ensure full compliance with legal requirements throughout the scheduled delivery process.
- 5.10 In performing its obligations under the agreement, the Supplier shall:
 - 5.10.1 comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including, but not limited to, the Modern Slavery Act 2015;
 - 5.10.2 not engage in any activity, practice or conduct that would constitute an offence under sections 1, 2, or 4, of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK; and
 - 5.10.3 ensure that each of its subcontractors and suppliers shall comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including, but not limited to, the Modern Slavery Act 2015.

6 AS9100 Compliance

- 6.1 If the Deliverables are required to be AS9100 compliant as specified in the Purchase Order, all requirements of AS9100 must be met and the additional requirements in clause 6 shall apply.
- 6.2 The Supplier shall provide the following additional documentation on delivery of the Deliverables where applicable:
 - 6.2.1 test and inspection reports as required by the applicable procurement specification;
 - 6.2.2 physical and chemical test report certificates (mill certification) in respect of any raw materials or supplier supplied materials forming part of the Deliverables;
 - 6.2.3 a certificate of conformance; and
 - 6.2.4 evidence of National Aerospace and Defense Contractors Accreditation Program certification in relation to all Special Processes performed in relation to the Deliverables.
- 6.3 All test reports required under clauses 6.2.1 and 6.2.2 shall be legible and include the material designation, specification and revision letter (materials must be certified to the latest applicable revision at the time of Delivery), results of all specified testing requirements, a mill heat lot number and any additional requirements as set out in the Purchase Order.



- 6.4 All certificates of conformance shall be legible and include the Purchase Order number, part number and revision, quantity, material lot number or the mill heat number as applicable. If multiple lot numbers or mill heat numbers are applicable to one delivery, different parts shall not be mixed and all material lot numbers or mill heat numbers shall be reported.
- 6.5 In addition to the requirements in clause 6.4 above, for all Deliverables which have been subject to a Special Process, the certificate of conformance must also include the specification number and revision of all special processes performed.
- 6.6 The Supplier must have a documented program in place to detect, verify, and prevent counterfeit parts in accordance with the applicable industry standard:
- SAE AS5553C (or later revision) for electrical, electronic, and electromechanical parts, and
 - SAE AS6174A (or later revision) for other types of materiel, including metals, plating materials, chemicals, and mechanical components.
- Upon request, the Supplier must provide full supply chain traceability for the Deliverables, including certificates of conformance from the original manufacturer, mill, or foundry, or provide written confirmation prior to the Delivery Date if the part/source is not from an authorised channel (in which case clause 6.7 shall apply).
- 6.7 Any manufacturer certificate of conformance provided under clause 6.5 must include the name and address of the manufacturer, the manufacturer and or buyer's full part number and description, the batch identification for the Deliverables (such as date codes, lot codes, serialisations or other relevant batch identification), a statement of conformance to the applicable government standards and a signature or stamp with the title of the individual authorised to sign the certificate on behalf of the Supplier or manufacturer.
- 6.8 If the Supplier notifies the Company of a non-confirming or non-authorised part being supplied, written approval must be received by the Supplier from the Company before such an item is delivered to the Company.
- 6.9 The required process capability for critical dimensions of the Deliverables must be verified by capability studies. If no capability studies are provided, the Company reserves the right to inspect all items before accepting delivery of them.
- 6.10 On all Deliverables that are in scope, the Supplier must comply with the Restriction of Hazardous Substances EU Directive 2011/65/EU ("ROHS") and the Supplier shall provide a declaration of conformity in relation to all such products.
- 6.11 All records, certificates, documents or other materials relating to any Deliverables that are required to be AS9100 compliant shall be kept by the Supplier for a period of 15 years and the Supplier shall notify the Company prior to destruction of such records.
- 6.12 The Supplier must get prior Consent from the Company in relation to any Special Processes applicable and the supplier of such processes if the Supplier will not be performing them. Once Consent is obtained, the Special Processes or the supplier of those processes shall not be changed without the Consent of the Company.

7 Quality Assurance

- 7.1 The Supplier must maintain a quality system that complies with, as a minimum, the requirements of ISO 9001.
- 7.2 The Supplier must comply with the requirements set out in AS9100D, in particular clause 8.3.4 of such



standards.

- 7.3 The Supplier must notify the Company immediately if any of its quality assurance certificates or those of any of its suppliers or sub-contractors are revoked or if they expire without renewal.
- 7.4 We (including our representatives, customers and/or any relevant regulatory authorities) reserve the right, on giving reasonable notice to you, to enter your premises at mutually agreed times to carry out any necessary quality surveillance and product verification.
- 7.5 The Supplier will ensure that any sub-contractors and suppliers used in connection with the Deliverables also comply with the quality assurance requirements set out in these Terms.
- 7.6 The Supplier shall comply with the Company's Conflict Free Minerals Policy and Anti Human-Trafficking Policy, copies of which are available on request.

8 Delivery and risk

- 8.1 Any Deliverables that are goods will be delivered to, and any Deliverables that are services will be performed at, the Delivery Address on the Delivery Date, or as otherwise specified in accordance with clause 6.2. If no Delivery Address is specified, then delivery will be at the Company's usual trading address or main UK premises.
- 8.2 If we specify the date or delivery address after submitting the Purchase Order, we will give you reasonable notice of the Delivery Address and Delivery Date. If no Delivery Date is provided, supply will be as soon as reasonably possible after receipt of the Purchase Order.
- 8.3 The date of delivery of any goods or IPR, and the performance of any services, will be of the essence of this Contract.
- 8.4 The Supplier will ensure that any Deliverables that are goods are properly packed and secured in such a manner as to enable them to reach the Delivery Address in good condition.
- 8.5 A packing note quoting the number of the Purchase Order must accompany each delivery or consignment of goods and must be displayed prominently.
- 8.6 Where Deliverables are to be supplied in instalments, the Contract is still to be treated as a single contract. If you fail to deliver or perform any instalment we will be entitled to seek any remedy set out in clause 6.8.
- 8.7 Acceptance of the Deliverables does not occur until we have had a reasonable time to inspect or consider the relevant Deliverables following delivery or supply and, in the case of latent defect, a reasonable time after the defect becomes apparent.
- 8.8 If you fail to deliver or perform the Deliverables by the Delivery Date or if the Deliverables do not comply with the undertakings set out in clause 5.2 or 5.3, then, without limiting or affecting any other rights available to us, we will be entitled to one or more of the following rights, whether or not we have accepted the Deliverables:
 - 8.8.1 to terminate the Contract with immediate effect by giving written notice to you;
 - 8.8.2 to reject the Deliverables (in whole or in part) whether or not title has passed and to return them to you at your risk and expense;
 - 8.8.3 to require you to repair or replace the rejected Deliverables or provide repeat performance of any service Deliverables, or to provide a full refund of the price of the rejected Deliverables if payment has already been made by us;
 - 8.8.4 to recover from you any expenditure incurred by the Company in obtaining substitute goods from



a third party;

- 8.8.5 to claim damages for any additional costs, loss or expenditure incurred by the Company arising from the Supplier's failure to supply Deliverables in accordance with clause 5.2 or 5.3.
- 8.9 We will not be bound to return to you any packaging or packing material, but if any relevant requirement for packaging recycling applies, you will take materials back free of charge on request.
- 8.10 If any Deliverables are not supplied on or by the Delivery Date then, in addition to any other remedies available to us, we will be entitled to deduct 1% of the overall Contract price for the outstanding Deliverables, for every week's delay up to a maximum of 10% of the total price of the outstanding Deliverables.
- 8.11 Risk of damage to or loss of any Deliverables passes to us on completion of delivery.
- 8.12 Property and ownership of any Deliverables will pass to us on completion of delivery.
- 8.13 If we supply any articles to you, e.g. for modification or copying, they must be kept confidential and secure and we can enter your premises at any time on reasonable notice to ensure that this is so. While those articles are in your custody you must not use them, copy them or disseminate them, electronically or otherwise, except with our Consent or in the performance of the Contract. We retain copyright and any other available IPR in any plans, design drawings, computer programs, compilations of data, specifications or the like which we supply to you. You must indemnify us against any loss caused to us, and account to us for any profit which you make, through breach of this provision.
- 8.14 If any Performance occurs on our premises this sub-section will apply. You will ensure that best industry standards are adopted for the health and safety both of your personnel and of any other individuals affected by your actions. We may refuse or terminate access to our premises to any individual whom we reasonably consider undesirable to have on our premises. Your personnel must, while on our premises, comply with our reasonable requirements as to security, health and safety routines, times and areas of access, and otherwise. You will be responsible to us on a full indemnity basis for all damage and injury caused by your staff while on our premises.
- 8.15 If the contract terms refer to terms such as F.O.B and C. & F. which bear defined meanings in the current edition of Incoterms, those defined meanings will apply unless expressly stated otherwise.
- 8.16 Any goods provided by us to you on a free issue basis will remain our absolute property throughout and will be at your risk while the goods are, or are supposed to be, in your possession. You are not to part with possession (save to us) unless with our Consent.

9 Export Control and Regulatory Compliance

- 9.1 The Supplier shall comply with all applicable export control laws and regulations, including but not limited to those of the United Kingdom, the United States (including the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR)), the European Union, and any other relevant jurisdiction.
- 9.2 The Supplier must inform the Purchaser in writing if any goods, software, technology, or services provided under these Terms are subject to export control restrictions. This includes identifying the relevant export control classification number, such as UK Military List (e.g. UKML11), EU Dual-Use List (e.g. 3A001), US ECCN (e.g. 5A002), or ITAR category (e.g. Cat XI).
- 9.3 The Supplier shall not supply any item, sub-component, or technical data that is subject to third-country re-export restrictions (e.g. of US origin) without prior written consent from the Purchaser. Where such content is included, the Supplier must clearly declare its origin, control status, and any known licence or re-export requirements.



9.4 The Supplier shall notify the Purchaser immediately in writing if:

- (a) the export classification of any deliverable item or related technology changes;
- (b) any item becomes subject to additional export controls, sanctions, or licensing obligations; or
- (c) a government licence, permit, or authorisation is required to continue supplying, using, or transferring the item.

9.5 Upon request, the Supplier shall provide a completed export control classification declaration (such as a SECCF), and any supporting documentation reasonably required by the Purchaser to assess export risk, apply for licences, or meet audit obligations.

9.6 The Supplier shall ensure all personnel involved in the supply of goods or services are aware of and comply with relevant export control requirements and shall maintain appropriate compliance processes, including training and record-keeping.

9.7 The Supplier agrees to indemnify and hold harmless the Purchaser from any costs, penalties, losses, or liabilities arising as a result of non-compliance with export control or sanction regulations, including any failure to disclose accurate classification, origin, or licensing conditions.

10 Warranties and liability

10.1 All warranties, conditions and other terms implied by statute or common law in our favour will apply to any Deliverables supplied by you.

10.2 It is your responsibility to find out from us the purposes for which we intend to use the Deliverables (including any applicable onward deadline affecting us). You promise that the Deliverables will be suitable for those intended purposes, save only for any unsuitability which you have, as soon as might reasonably have been expected of you (and in any case before starting Performance) expressly notified to us.

10.3 You will indemnify us and keep us indemnified immediately upon our written demand against any cost, claim, expense, damages or liability arising from or in connection with any claim made against us:

10.3.1 as a result of any breach by you of clause 5.10;

10.3.2 for actual or alleged infringement of a third party's IPR arising out of, or in connection with, the manufacture, supply or use of the Deliverables; or

10.3.3 by a third party for death, personal injury or damage to property arising out of, or in connection with, the supply of or any defects in the Deliverables.

10.4 Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under it if such delay or failure results from events, circumstances or causes beyond its reasonable control. If the period of delay or non-performance continues for 4 weeks or longer, the party not affected may terminate the Contract by giving 14 days' written notice to the affected party.

10.5 If any Deliverables were bought or obtained by you from a third party then any benefits or indemnities that you hold from that other party, in respect of those items, will be held on trust for us.

10.6 You will insure yourselves, and keep insured until Performance is complete, against all normal insurance risks relevant to your work for or with us, on terms and for amounts consistent with normal business prudence. You will demonstrate to us the terms and currency of any such insurance on request.

11 Intellectual Property Rights

11.1 Any IPR which you are contracted to supply must be provided to us in accordance with sections 8.2 or 8.3 as applicable.



11.2 This clause 8.2 will apply to the following types of contractual right:

11.2.1 where the Contract expressly identifies particular IPR as being excluded from the provision of the Deliverables;

11.2.2 where the IPR in question are evidently not unique to our Deliverable (for instance you evidently supply the same thing, in the relevant respect, to others); or

11.2.3 if those IPR are evidently held by a third party of whom the same would be true (for instance you supply software on what you have told us is a proprietary third party platform).

In those cases we do not expect full ownership of such IPR to be transferred. You will however validly grant to us (or procure the grant of) a licence of the relevant IPR to allow us to use, copy and modify the Deliverables (if applicable), on the following terms: assignable; royalty-free; covering usage for any likely intended purpose; and free of any obligation on us save such as we expressly agree in the Contract or as are the minimum reasonably necessary for the maintenance of the IPR in question.

11.3 This clause 8.3 will apply to all Contract IPR to which section 8.2 does not. In that case you will transfer to us, or procure to be transferred to us, with full title guarantee the ownership of the relevant IPR to the full extent (including as to territory) that we reasonably require for our intended purposes, and to the full extent of any wider IPR available to you. You will execute any documents and make any declarations reasonably required by us, now or in future, to transfer those rights, you will not exploit those rights save for us or with our Consent, and you will (to the extent not yet legally transferred) hold all such IPR on trust for us absolutely for the maximum permitted period of eighty years. We have your irrevocable power of attorney to execute any such documents and make any such declarations on your behalf if you fail to do so promptly on request by us.

11.4 If you carry out any development work at our request and wholly or primarily at our expense we will own all IPR generated by that work, and clause 8.3 will apply to those rights.

11.5 You will do anything reasonably required by us, during or after Performance, to perfect any transfer or licence of IPR to us under this section or to assist us in registering or authenticating (and, but not at your cost, enforcing or defending) those rights.

12 Termination

12.1 If Deliverables have been offered by you as, or if they are, standard or stock items we can, by notice to you, at any time up to the Delivery Date cancel our commitment to buy them.

12.2 Without affecting any other right or remedy available to us, we may terminate the Contract for convenience by giving you 3 months' written notice.

12.3 Any other commitment of ours to receive and pay for Deliverables may be cancelled by us as follows. We will be bound to reimburse you for all irrecoverable costs incurred, or unavoidably committed, by you up to the point of cancellation. "Costs" means for this purpose, the direct costs to you of Performance, to an aggregate amount not exceeding 80% of the total purchase price for the cancelled commitment. We will be entitled, if we wish it, to the benefit of the part-finished Deliverables in question.

12.4 We may suspend performance of, or cancel, or suspend and then at any subsequent time cancel, the Contract without any liability to you with immediate effect by giving written notice to you if:

12.4.1 you breach the Terms;

12.4.2 a notification is made under clause 7.2; or

12.4.3 if the Supplier's financial position deteriorates to such an extent that in our opinion the Supplier's capability to adequately fulfil its obligations under the Contract has failed in accordance



with clause 11.5.

- 12.5 Your business will be treated for this purpose as having failed if:
- 12.5.1 you make any voluntary arrangement with your creditors;
 - 12.5.2 (being an individual or firm) you become bankrupt;
 - 12.5.3 (being a company) you become subject to an administration order or go into liquidation;
 - 12.5.4 any third party takes possession of, or enforces rights over, any of your property or assets under any form of security ;
 - 12.5.5 you stop or threaten to stop carrying on business;
 - 12.5.6 you suffer any process equivalent to any of these, in any jurisdiction; or
 - 12.5.7 we reasonably believe that any of the events mentioned above is about to occur and we notify you accordingly.
- 12.6 Any right of cancellation or suspension under this section is additional to any rights available to us under the law of any other relevant jurisdiction.

13 General

- 13.1 Subject to clause 10.2, at any time during the Contract and for a period of 5 years after termination of the Contract, each party undertakes to keep strictly confidential and not to disclose to any person any information which is provided about the other party and their business or customers, clients or suppliers and use that information only for the performance, in good faith, of your contractual obligations to us under the Contract. This restriction does not apply to information which was demonstrably public knowledge at the time of usage by the receiving party.
- 13.2 Each party may disclose the other party's confidential information:
- 13.2.1 to its employees, officer, representatives, subcontractors or advisors who need to know such information for the purposes of carrying out the party's obligations under the Contract. Each party shall ensure that its employees, officers, representatives, subcontractors or advisors to whom it discloses the other party's confidential information must comply with this clause;
 - 13.2.2 as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.
- 13.3 Our relationship is as independent contractors only, not as partners or as principal and agent.
- 13.4 The contract is non-assignable by you. The Contract is assignable by us only to a group company, that is a company in the same ultimate beneficial ownership ("**Group Company**"). You may sub-contract or delegate performance of obligations under the Contract in particular respects but not generally and not as regards your responsibility to us, nor your direct contact with us, in any respect.
- 13.5 You will warrant that none of your associates behaves in a way which, had the behaviour been yours, would have breached the contract. We hold the Contract on trust for ourselves and all Group Companies, and the Contract is made for the benefit of all of them so that you will be liable for damage caused to any Group Company as well as to us.
- 13.6 No failure or delay by us to exercise any right or remedy under this Contract or by law shall constitute a waiver of that or any other right or remedy. No waiver by us for breach of Contract by you will be considered as a waiver of any subsequent breach of the same or any other provision, or as a release of the provision which you breached. No delay by us in enforcement, and no toleration shown by us, is to imply any waiver or compromise of our rights. A waiver is only effective if given in writing.



- 13.7 If any provision of these Terms is held by competent authority to be invalid, illegal or unenforceable in whole or in part, the validity of the other Terms and of the remainder of the provision in question will not be affected. Every provision is severable from every other and any modification to or deletion of a provision shall not affect the validity of the rest of the Contract.
- 13.8 Any written notice under these Terms will be deemed to have been sufficiently served:
- 13.8.1 if posted by pre-paid official postal service, at 9am on the second Business Day after posting;
- 13.8.2 if sent by e-mail during business hours, at the time of transmission (but in this case only on evidence of successful transmission and only if the parties have regularly communicated on contract matters by e-mail using those addresses); or
- 13.8.3 if an email is sent outside of business hours, at 9am on the Business Day following transmission.
- 13.9 The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral in relation to its subject matter.
- 13.10 The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation will be governed by and construed in accordance with the law of England.
- 13.11 Each party irrevocably agrees to submit to the exclusive jurisdiction of the English courts to settle any dispute or claim arising out of or in connection to the Contract or its subject matter or formation.

Ethical Terms and Conditions

13.1 Compliance with Laws and Regulations

Suppliers shall comply with all applicable laws, regulations, and standards related to ethical conduct, including those relating to labour, environmental, health and safety, anti-corruption, and trade compliance. This includes adherence to the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and any other applicable anti-corruption laws.

13.2 Ethical Conduct

Suppliers must conduct their business in an ethical manner, which includes:

- **Fair Business Practices:** Engaging in fair competition and avoiding any form of corruption, extortion, or embezzlement. Suppliers shall not offer, give, or receive bribes or other improper inducements in any form.
- **Conflict of Interest:** Suppliers must disclose any potential conflicts of interest related to their dealings with Hi-Rel Lids. This includes any situation where the Supplier's personal or financial interests could potentially influence their decisions.
- **Confidentiality:** Suppliers must protect all confidential information provided by Hi-Rel Lids and use it only for the purposes specified in the contract or purchase order.
- **Respect for Intellectual Property:** Suppliers must respect and not misuse any intellectual property rights, including patents, trademarks, copyrights, and trade secrets.

13.3 Labour Practices

Suppliers are expected to uphold the highest standards of labour practices, including:

- **No Forced or Child Labour:** Suppliers shall not engage in or support the use of forced labour, child labour, or any other form of human trafficking.



- **Non-Discrimination:** Suppliers shall not discriminate against any employee or applicant based on race, colour, religion, sex, national origin, age, disability, or any other characteristic protected by law.
- **Fair Wages and Working Hours:** Suppliers shall comply with all applicable wage and hour laws, including those relating to minimum wages, overtime, and maximum working hours.
- **Health and Safety:** Suppliers shall provide a safe and healthy working environment for their employees and comply with all applicable health and safety regulations.
- **Anti-Harassment Policy Compliance:** The Supplier agrees to comply with all applicable laws and company policies regarding workplace conduct, including maintaining a workplace free from sexual harassment and other forms of harassment or discrimination. The Supplier shall take appropriate measures to ensure that its employees, subcontractors, and agents adhere to these standards while providing goods or services under this agreement. This includes a strict prohibition on employees and contractors procuring commercial sex acts during the course of the contract. Any violation of this clause may result in immediate termination of the contract.

13.4 Environmental Responsibility

Suppliers must comply with all applicable environmental laws and regulations. Suppliers are expected to actively manage and minimize the environmental impact of their operations, including reducing waste, emissions, and energy consumption, and promoting recycling and sustainable resource use.

13.5 Risk Management

Suppliers shall identify, evaluate, and manage risks related to ethical conduct in their operations. This includes taking preventive measures to avoid ethical breaches that could impact the quality or delivery of goods and services. Suppliers are expected to have a risk management process in place that aligns with the risk-based thinking approach of ISO 9001:2015.

13.6 Leadership Commitment

Suppliers shall ensure that their top management demonstrates a commitment to ethical conduct and actively promotes a culture of integrity throughout their organization. Leadership must be engaged in ensuring that ethical practices are embedded in the organization's policies and operations.

13.7 Context of the Organization

Suppliers are required to consider internal and external issues that can impact their ethical behaviour, as well as the needs and expectations of relevant interested parties, including customers, regulatory bodies, and the community. Suppliers must ensure that their ethical practices align with these broader considerations.

13.8 Quality and Continuous Improvement

Suppliers shall adhere to the highest quality standards in the manufacture and delivery of goods and services. Suppliers are expected to implement continuous improvement processes and report any deviations or non-conformances to Hi-Rel Lids promptly. Continuous assessment and improvement of ethical practices must also be an integral part of the supplier's quality management system.

13.9 Competence and Awareness

Suppliers must ensure that their employees are competent and aware of how their work impacts the organization's quality and ethical standards. Suppliers are required to provide training and resources to their employees to ensure they understand and adhere to ethical standards.

13.10 Reporting and Whistleblowing

Suppliers must have in place mechanisms for employees to report unethical behaviour or violations of laws,



regulations, and these terms and conditions without fear of retaliation. Suppliers are required to promptly report any known or suspected violations of ethical standards or legal requirements related to their dealings with Hi-Rel Lids.

13.11 Audits and Compliance Verification

Hi-Rel Lids reserves the right to audit Supplier facilities and operations to ensure compliance with these terms and conditions. Suppliers shall provide access to relevant records and documentation to support these audits.

13.12 Termination

Failure to comply with these ethical standards may result in the termination of the purchase order or contract and disqualification from future business with Hi-Rel Lids. In such cases, Hi-Rel Lids reserves the right to seek damages and other legal remedies.

13.13 Acknowledgment

By accepting a purchase order or entering into a contract with Hi-Rel Lids, the Supplier acknowledges and agrees to comply with these Purchasing Terms and Conditions pertaining to ethics in accordance with AS9100 and ISO 9001:2015 standards.

13.14 Amendments

Hi-Rel Lids reserves the right to amend these terms and conditions as necessary to reflect changes in laws, regulations, or internal policies. Suppliers will be notified of any such changes and are expected to comply with the updated terms.

Signed: Ben Wink

Title: General Manager

Revision Date: 21/05/25