

Terms and Conditions of Purchase



1. Definitions

Affiliate will for the purposes of the Delta P/O mean, with respect to either Party, any entity, Including , any individual, corporation, company, partnership, limited liability company or group, that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Party.

Agreement means these Terms and Conditions of Purchase which form this agreement between Delta and Supplier, which also includes the P/O or P/O's placed by Delta and acknowledged by Supplier for the purchase of the Goods. Agreement may also mean contract.

Bulgarian Lev and "BGN" shall refer to the lawful currency of Bulgaria.

Call Off P/O means a Delta P/O which is agreed by both Parties and acknowledged in writing (by email or a formal order acknowledgement) by the Supplier. The Call Off P/O sets a total fixed quantity at a fixed price for a fixed period of time for each line(s) stated on the Delta Call Off P/O.

Delta will then call off smaller quantities from the total quantity for each part line on the Call Off P/O for the duration of the Delta P/O. The call off quantities may vary from one call off to the next for the duration of the Call Off P/O. The percentage(%) variance of quantity for each part on each call off will be agreed between Supplier and Delta.

Change of Control - means a change in the direct or indirect ownership of more than fifty percent (50%) of the voting power on the board or members of the named entity.

Condition shall mean a condition of this Agreement and Conditions should be construed accordingly.

Confidential Information means all business information disclosed by one Party to the other in connection with this Agreement unless it is or later becomes publicly available through no fault of the other Party or it was or later is rightfully developed or obtained by the other Party from independent sources free from any duty of confidentiality. Without limiting the generality of the foregoing, Confidential Information shall include Delta Customer information, and the details of Supplier proprietary items. Confidential Information shall include the terms of this Agreement and all the following: the fact of signature of this Agreement; the identities of all Parties hereto; the identity of Delta products.

Delta means Delta Mobrey Limited, Riverside Business Park, Dogflud Way, Farnham, Surrey GU9 7SS United Kingdom and its legal representatives, authorised agents, successors, and assignees.

P/O will mean a Delta purchase order of any type and variety for Goods and will be Including any and all subsequent purchase order addendums, amendments, and changes such that Delta see fit for the duration of the purchase order. Further, Goods will also incorporate any and all other documents referenced and specified collectively within the Delta purchase order. P/O will also mean P/O's

Delay Period will mean the period of time between the original supply date promised by the Supplier on the first Supplier acknowledgement receive by Delta and the date the Supplier actually delivers the Goods in part or in full.

Delta Property will mean all tangible and intangible property of whatever kind or nature and in whatever form or medium, Including Tooling, patterns, know-how, materials, documents, drawings, plans, specifications, trademarks, copyrights, Intellectual Property Rights, strategies, computer software and other data provided by Delta or paid for by Delta or created with Delta IP rights in connection with the P/O or previous P/O will remain at all times Delta's personal property.

Euros and "€" shall refer to the lawful currency of members of the EU.

Goods means any machinery, Tooling, materials, components, assemblies, sub-assemblies, castings, parts represented by Delta's part number and or related or unrelated documents, certificates, reports, services, or goods and services of any kind to be supplied under this Agreement.

Including will mean and be construed as "including, but not limited to" or "including, without limitation", unless expressly stated to the contrary within this Agreement.

Inspection will mean any one or all combinations of: visual inspection by eye or by video, oral review, mechanical measure, test, chemical test, mechanical test, environmental test, witness, witness points, audit, and documentary review.

Intellectual Property Rights means patents, utility models, rights to inventions, copyright and neighbouring 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 legal redress for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights in proprietary information, rights to use, Delta Mobrey Limited 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, Including the right to legal redress for, and to recover any damages and other suitable remedies in respect of, any infringement of these rights which occurred or commenced prior to the effective date of this Agreement.

Material Shipped Direct will mean where Goods are transported to Delta's customer, or a location designated by Delta or designated by Delta customer.

Moral Rights means the personal rights of an author of a copyright work which is not capable of assignment, Including the right to be identified as the author of the work and the right to object to derogatory treatment of the work and rights of a similar nature having effect throughout the world.

Non-Conforming shall mean Goods and or documentation which fail to meet any one or more of the following but not limited to Delta specifications; drawings; standards and or any referenced third-party standards as noted in Delta specifications. Delta's decision on non-conforming Goods is full, final, and non-negotiable.

Party means ether Supplier or Delta and **Parties** means Supplier and Delta together.

Pounds Sterling and "£" shall refer to the lawful currency of England and Wales.

Raw Material shall mean bona fide raw material held within the Supplier stock in the materials base form before any manufacturing processes are carried out by the Supplier or its nominated third-party sub-contractors and exclusively for Delta manufactured parts only.

Supplier means the person, corporation or other legal entity of any tier and its legal representatives, authorised agents, successors and assignees which supplies the Goods and or services to Delta under the Delta P/O.

Supplier Quality System will mean Supplier Inspection, testing and process control.

Tooling means any pattern, artwork, drawings, specifications, equipment designs, jigs and fixtures, tools, spare parts, trial parts, ancillary products related to the tooling, non-consumables hardware or software, dies, instrumentation, gauges, moulds, associated accessories like base plate, rack and pinion etc not necessarily manufactured and supplied by or to Delta but paid for by Delta for the production of Delta parts. The term Tooling shall Include Design for Assembly (DFA) documentation that is related to the assembly line layout and physical assembly of the products.

WIP shall mean work in progress semi-finished manufactured product exclusively for Delta product demand placed upon the Supplier which has zero (0) defects and strictly no partially finished manufacturing processes but may have further fully uncomplete manufacturing processes remaining before finally becoming fully finished product for sale to Delta.

Working Days means any day excluding Saturdays, Sundays and public and statutory holidays in the United Kingdom.

US Dollars and "\$" shall refer to the lawful currency of the Americas and suppliers in Asia trading in \$.

2. Acceptance

2.1 This Agreement will govern the supply of all Goods by the Supplier to Delta and will prevail over all other terms of sale and purchase.

2.2 The Supplier acknowledgement of the P/O will not refer to the Supplier terms and conditions and will accept these terms for the P/O, and will agree the price and the delivery date for the duration of the P/O.

2.3 This Agreement will have precedence over any printed or electronic conditions appearing on any quotations or form, delivery form or other documents or letter emanating from the Supplier and such conditions will have no effect whatsoever except insofar as they confirm the terms of the P/O.

3. Procedure

3.1 Delta will not be liable for any P/O amendments other than those issued or confirmed on Delta official printed P/O or Delta P/O amendment forms, issued by a person authorised on Delta's behalf.

3.2 Delta may at any time make changes within the scope of the P/O in any one or more of the following: specifications, designs, drawings, method of shipping, packing requirement, place and time of delivery, amount of Delta's furnished property, quality, quantity and scope of schedule of Goods.

3.3 Supplier will not proceed to implement any change(s) until such change(s) are provided in writing by Delta. If any Delta changes cause an increase or decrease in the cost or schedule or quality of any work under this P/O, an equitable adjustment shall be made in writing to the P/O price and/or delivery schedule as applicable. Any Supplier claim for such adjustment shall be deemed waived unless asserted within twenty (20) days from Supplier's receipt of the change from Delta or suspension notification and may only include reasonable, direct costs that shall necessarily be incurred as a direct result of the change.

3.4 Supplier will notify Delta in writing in advance of any and all of; (i) internal Supplier process change(s); (ii) plant and/or Tooling/equipment change(s) or Supplier manufacture location change(s); (iii) transfer of any Delta P/O related work to another Supplier site or Supplier sub-contractor whether that transfer is in full or in part; (iv) change(s) to Goods, their specifications and/or composition either by design or default; (v) sub-contractor change(s) when no such change being accepted by Delta until such change has been approved in writing by Delta.

3.5 It is the Supplier's absolute and total responsibility to obtain, complete and submit any and all appropriate documentation in order to execute and despatch the Delta P/O per the terms of this Agreement and the P/O and be free from any discrepancies or hindrances which will frustrate the delivery of the order per the P/O terms. This will also apply to any P/O amendments arising subsequent to the P/O first issue including compliance with any Delta procedure changes where Delta makes these known to the Supplier in good time.

3.6 It is the Supplier's sole responsibility to inform Delta well in advance of any Supplier acknowledgement to Delta of any and all export restrictions which will or may be imposed upon it or any of the products it manufactures and or distributes during the execution and delivery on all of the Delta P/O. These restrictions can either be specifically on the Supplier and or its products or imposed on the country of the Supplier by; (i) its government; and or (ii) any regulatory body; and or (iii) any external government or regulatory body which may not reside in the Supplier's country of organisation, origin or manufacture.

3.7 The P/O is given to the Supplier on the basis that the Supplier will invoice Goods at the price stated on the P/O and will deliver on the date stated on the P/O and to the quality required. If for any reason the Supplier intends to submit an invoice whose value is greater than that of the P/O, the Supplier reasons for doing so must be notified to Delta fifteen (15) Working Days prior to invoicing and if such increase is accepted by Delta such acceptance must be signed by a person authorised on Delta's behalf. Failure to do so will result in payment only of the value stated on the Delta P/O.

3.8 It is the sole duty of the Supplier to provide Delta with regular written indication as to the timely progress of the P/O requirement relative to the first original Supplier acknowledged delivery date(s).

3.9 It is the Supplier's sole responsibility to ensure correctly provisioned Raw Material and WIP is kept in an environment either within its own facilities or within those of its sub-contractors which is not detrimental to the performance of the finished Delta product or any subassemblies embedded within the finished Delta product.

3.10 If in the execution of this Agreement, the Supplier needs to import material for which any form of licence without exclusion is required, the responsibility for applying of the licence shall rest solely and exclusively with the Supplier who will bare all such related costs and legal responsibilities in obtaining such.

4. Termination and postponement

4.1 Subject to Condition 4.2 below, Delta will have power to terminate this

Agreement for Delta convenience at its sole discretion and at any time by giving the Supplier notice specifying the date of termination of this Agreement (the "End Date") which will be a date not less than thirty (30) days from the date of such termination notice and upon the End Date this Agreement will be terminated without prejudice to the rights of the Parties accrued to the date of termination but subject to the operation of the following provisions of this Condition.

4.2 In the event of a termination notice for convenience being given in accordance with Condition 4.1, Delta will at any time before the End Date, be entitled to exercise as soon as is reasonably practicable within that period the following powers as it considers pertinent; (i) to direct the Supplier, where any part of the Goods has not been commenced, to refrain from commencing such part; (ii) to direct the Supplier to complete in accordance with this Agreement all or any part of the Goods which has been commenced prior to receipt of the termination notice and to complete such Goods at such time or times as may be mutually agreed on, or, in the absence of agreement, at the time or times provided by this Agreement; (iii) to direct that the Supplier will, as soon as is reasonable and practical after the receipt of such Goods termination notice:

- (a) take measures as will ensure that the performance of the Agreement is reduced as quickly as possible;
- (b) determine on the best possible terms any subcontracts subject to any direction given under this Condition 4.2 as far as may be reasonably possible.

In each case the Supplier shall be entitled to payment for performance of its obligations under this Condition 4.2 in accordance with P/O's related to this Agreement.

4.3 Delta reserves the right to summarily determine at its option to cancel for default (terminate for default) this Agreement and or P/O or any part thereof by giving termination notice to the Supplier and Delta will be entitled to reimbursement in respect of all loss and or expense which results directly or indirectly by any singular reason or any combination of reasons thereof; (i) the failure to provide Delta with a P/O acknowledgement in accordance with Condition 2.2 of this Agreement; (ii) the failure by the Supplier to deliver, or delay by the Supplier in delivering materials or Goods, or failure to complete work, by the date specified in the Delta P/O; (iii) the circumstances set out in Conditions 3.2, 3.3 and 5.1 of this Agreement; (iv) the failure by the Supplier to comply strictly with the Delta description, specification and drawings relating to the materials or Goods to be supplied or work to be carried out and or the failure to comply with any specified third-party standards including but not limited to British Standard Specifications and conditions where applicable; (v) the materials or Goods to be supplied by the Supplier or work to be carried out by the Supplier being below the specified standards or failing to pass such Inspection or test as may be required by Delta or by Delta customer or their agent or by any government department concerned; (vi) the failure by the Supplier to demonstrate compliance to the requirements of a quality plan where such has been agreed or the failure by the Supplier to supply documentation demonstrating conformity to the Delta and or third-party specified standards when such documentation had been requested either as part or solely on the Delta P/O; (vii) consistently deny Delta accurate reporting of Delta P/O progress in comparison to the Supplier's original first acknowledgement and agreed delivery dates; (viii) breaches any of its obligations arising under Condition 8 of this Agreement; (ix) breaches in any security arrangements as agreed with the Supplier by means of a separate Supplier agreement; (x) If the Supplier becomes;

- (a) bankrupt;
- (b) insolvent;
- (c) in receipt of court administration order;
- (d) have a receiving order made against it;
- (e) notified of a petition for the winding-up of;
- (f) compound with the Supplier creditors;
- (g) under the control of a receiver for the benefit of the Supplier creditors;

or any of them Delta will be at liberty to;

(h) terminate the Agreement forthwith to the Supplier or to the receiver or liquidator or to any person in whom the Agreement

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may become vested and to collect forthwith all Delta material sent to the Supplier for further processing (and or assembly); or (j) give such receiver, liquidator or other person the option of carrying out the Agreement subject to his providing a guarantee for the due and faithful performance of the Agreement up to an amount to be agreed by both Parties.

4.4 In the event of any war, strike, riot, crime, epidemic, lockout, fire, explosion or accident or of any stoppage of Delta business or work beyond Delta control which may prevent or hinder the use of the Goods or work the subject matter of the P/O, the delivery of such Goods or the completion of such work and the payment therefore may be suspended or postponed at Delta option until the circumstances preventing or hindering the use of such Goods or work have ceased.

4.5 The Supplier will immediately notify Delta of any anticipated delay in delivery, despatch or completion and, without prejudice to any other of Delta's rights, Delta will be entitled to cancel the P/O under Condition 3.1 if such delay is in Delta opinion likely to jeopardise the purpose of the P/O.

4.6 Delta will have the right, without prejudice to its other rights or remedies, to terminate this Agreement by one (1) months' written notice to the Supplier, if there is a Change of Control of the Supplier. Notice of termination under this Condition must be given within one (1) calendar month of notice in writing that such events have or will take place.

4.7 Even after termination of this agreement by either Party, both Parties remains under a duty not to divulge the Confidential Information, and any dispute relating to this Agreement and its effects are to be settled per the provisions of this Agreement.

4.8 Delta shall be entitled to recover from the Supplier the amount of any loss resulting from termination. For the avoidance of doubt the Supplier will bear any and all costs associated with rectifying a material breach including material cost, labour cost and any travel costs.

5. Sub-contracting and assignment

5.1 No part of this Agreement is to be sub-contracted, assigned, novated, delegated, charged, transferred or otherwise disposed by the Supplier without Delta's written prior consent. Where such consent is given it is conditional upon the Supplier sub-contractor or assignee accepting this Agreement and any other terms agreed between Parties in this Agreement, P/O or other referenced Delta documentation. In the case that the Supplier has sub-contracted or assigned part of the Delta P/O, it is the Supplier's responsibility to ensure any sub-contracted or assigned work has been carried out to the Delta specified standards and any third-party standards as referenced by Delta.

5.2 This Agreement is personal to the Parties and the Supplier will not assign, delegate any rights or obligations, transfer or otherwise part with this Agreement without first obtaining written consent from Delta hereto, except that this Agreement will be binding with any and all benefits of any successor corporation to Delta.

6. Inspection, testing, and quality

6.1 Delta's inspector or representative or designee and any inspector or representative of Delta's customer(s) or their agent or designee or of any government or regulatory departments and authorities concerned will be entitled on Delta authority to conduct Inspection or test any or all of the following which are the subject matter of the P/O at any reasonable time at any Supplier premises or elsewhere or at any premises of any of the Supplier sub-contractor(s) or Supplier Affiliate or Agencies: i) Goods or work; ii) WIP; iii) assemblies and component assemblies; iv) Tooling; v) Books, records, and documentation

If specified by Delta the Supplier will give Delta adequate notice of the Supplier test(s) that Delta will be fully entitled to attend to witness. The Supplier will provide Delta with such test certificate(s) and or documentation as Delta may require per the requirements of the P/O. Such Inspection does not relieve or waiver the Supplier of any liability nor does it imply acceptance of the Goods or work that are the subject matter of the P/O.

6.2 If on site Supplier Inspection is specified in the P/O, Goods will not be shipped without a written Delta inspector's official release or a written waiver of Inspection with respect to each such occurrence; however, Delta

shall not unreasonably delay shipment and Supplier shall notify Delta in writing at least twenty (20) Days prior to each and every one of Supplier's scheduled final and, if applicable, intermediate Inspection points. Supplier agrees to fully cooperate with such Inspection Including, completing and returning questionnaires and making available its knowledgeable representatives in a manner timely to the Inspection. Further, Delta's failure to inspect or reject or detect full or partial defects by Inspection shall not relieve or waiver in any way whatsoever the Supplier from its responsibilities under this Agreement and the P/O.

6.3 At the request of Delta and in support of Delta P/O's, the Supplier will provide a prompt, true and accurate record of production and process data in a suitable format requested by Delta. Supplier will provide and maintain a robust and reliable Supplier Quality System in order to deliver and comply to the quality required for all Goods in the Delta P/O and further comply will all the demands of the Delta quality system unless otherwise mutually agreed in writing by both Parties. Delta's acceptance of Supplier Quality System does not alter or waiver Supplier obligations and /or liabilities under the Delta P/O Including Supplier sub-contractor and sub-supplier obligations.

6.4 If Supplier Quality System fails to meet with the terms of the P/O, Delta may require upon its sole discretion further quality assurance measures to be enacted at Supplier's sole expense to meet Delta's quality requirements. Supplier will keep complete records relating to Supplier.

7. Packing, delivery, and transport

7.1 Unless otherwise agreed in writing, any time or period given for delivery, despatch or completion will be of the essence. Delta reserves the exclusive right to apply liquidated damages per Condition 24. for default to this Agreement and P/O.

7.2 All Goods supplied against the P/O must be adequately protected against damage and deterioration in transit and delivered carriage paid and be in accordance with Delta instruction (if given) and must bear the description and the quantity of the contents and Delta P/O number on the package thereof. The Goods will be at the Supplier risk until delivered to Delta at the point designated on the P/O unless Delta otherwise agree in writing on Delta official P/O form. The Supplier will deliver Goods DDP to the point designated on the P/O unless Delta otherwise agrees in writing. Supplier Failure to comply with any such Delta specification(s) shall cause all resulting transportation charges to be for the account of Supplier.

7.3 Packaging must be; (i) re-usable and / or recyclable where possible. The use of returnable packaging is encouraged if a practical method can be worked between Delta and the Supplier; (ii) clearly marked with Supplier name and content; (iii) managed so that if from UK supply via pallets then Supplier is required to arrange for the collection of their pallets on the next delivery or by other means.

7.4 Where packaging requires additional treatments such as but not limited to fumigation, Inspection, fit for purpose and or testing thereof then Delta will be kept fully indemnified against any and all direct or indirect Supplier incurred expenses in relation to this Condition 7.4. Compliance to local and international regulation to the fitness of packaging used is solely the responsibility of the Supplier. The Supplier will ensure that all such procedures in connection to this Condition do not affect the performance of this Agreement or any Delta P/O. Where the Supplier has not met the requirements of Condition 7.3 then Delta reserves the option to recoup direct and indirect cost incurred for rectification directly from the Supplier without prejudice or limitation.

7.5 If Supplier incurs a Delay Period, Delta may review such amounts as may be set forth on the P/O as liquidated damages for same Delay Period. The Parties agree that if liquidated damages are set forth on the P/O, they are the exclusive remedy for the damages resulting from the Delay Period only; are a reasonable pre-estimate of said damages Delta shall suffer as a result of time delay based on circumstances existing at the time the P/O was issued; and are to be assessed strictly as liquidated damages and not as a penalty. Delta's resort to liquidated damages for the Delay Period does not preclude Delta's right to other remedies and damages under the P/O other than the damages resulting from the Delay Period, including Delta's right to terminate the P/O for non-delivery. If there are no liquidate damages set forth on the P/O, Delta shall be entitled to recover

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any and all damages Delta incurs as a result of Supplier failure to perform as scheduled.

7.6 All documentation requirements requested on the P/O should be present and correct on receipt of the delivery to Delta or delivery to point specified on P/O. This should be in legible hard copy format, and a duplicate set can be sent to the Delta buyer electronically by mutually agreed means. This includes, but is not limited to, certificate of conformance, material certificates, sub-contract process certificates. Failure to conform to the exact requirements of the Agreement (Including P/O) including conformance to the agreed required delivery could result in Delta applying liquidated damages as specified in this Agreement.

7.7 Delta will accept no liability for packing materials or cases unless previously agreed to by Delta in writing.

7.8 No concession on Delta's part with respect to delay in delivery, despatch or completion will be construed as a waiver of Delta rights and remedies, unless Delta specifically so agree in writing.

7.9 The Supplier will advise Delta of any shutdown periods, staff on furlough or any other possible disruption to supply. A reasonable notice period should be considered to ensure Delta can make any necessary changes to supply arrangements to satisfy Delta customer(s).

8. Warranties

8.1 The Supplier warrants that the Goods will comply strictly with any and all Delta specifications, drawings or other data that Delta may provide to the Supplier in respect of the Goods and packaging for such Goods, and in any event the Goods will be of the highest workmanship and will comply with all relevant Delta, third-party standards and regulatory requirements.

9. Passing of property

9.1 The property in the Goods ordered will pass to Delta upon delivery at the place specified in the Delta P/O or as otherwise agreed, without prejudice to any right of rejection or other right which may accrue to Delta or may have accrued to Delta under this Agreement or otherwise.

10. Payment

10.1 Delta will pay the price for the Goods to the Supplier sixty (60) days after the end of the month in which the Supplier issued an invoice to Delta having completed delivery of all Goods and documentation. Any delivery will not be considered complete until Delta has all required documentation and Goods of the right quality.

10.2 In the event of the Supplier failure to: (i) send on the day of despatch for each consignment such advice(s) or despatch and invoice(s) as may be indicated in the P/O; or (ii) send a monthly statement of account by day number ten (10) of each month quoting the invoice numbers applicable to each item thereon; or (iii) mark clearly Delta P/O number on the consignment package, packing notes, advice notes, invoices, monthly statements and all other correspondence relating thereto.

Delta will not be liable for any delay in payment nor will Delta right to receive a prompt payment discount from the Supplier be forfeited.

10.3 All payments made will be without prejudice to Delta rights should the Goods, materials or services prove unsatisfactory or not in accordance with Delta P/O or instructions.

11. Ownership of tools, patents/copyrights, etc

11.1 All tools, patterns, materials, drawings, specifications, and other data provided by Delta or paid for by Delta in connection with the P/O or previous P/O's will remain at all times Delta property and are to be surrendered to Delta on completion of the P/O and are to be used by the Supplier solely for the purpose of completing the same. The Supplier shall keep all tools and material supplied by Delta in good working condition and clearly marked as the property of Delta. Tooling maintenance and management is the responsibility of the Supplier, and all tools will be regularly examined by the Supplier and the condition reported to Delta and at least once per year. Delta requires that any deterioration in Tooling condition due to wear and tear should be highlighted to Delta and repairs

undertaken by the Supplier to keep the Tooling in safe and useable condition and producing parts that meet the requirements of the drawing and specifications. Tooling which may be coming to the end of its life needs to be advised to Delta in sufficient time to agree and finalise any repairs or refurbishment or replacement of the Tooling. Any damage to Tooling while in the possession of the Supplier shall be the responsibility of the Supplier. Tooling may not be moved or transferred to another site or location or Supplier without the prior written agreement of Delta.

11.2 All Intellectual Property Rights in Delta patterns, drawings, specifications, or other data shall remain Delta property together with the rights to and in any patents, copyrights or registered designs therein or which may arise therein.

11.3 Any information Delta discloses to the Supplier, including the contents of P/O shall be treated as confidential between the Supplier and Delta and shall not be disclosed by the Supplier or any sub-contractor or assignee or other Supplier third-party or used by the Supplier or any such sub-contractor or assignee for advertisement, display, or publication without Delta prior consent. This Condition 11.3 shall survive termination of all and any contracts between us.

11.4 The Supplier agrees neither to quote nor supply parts made with Delta tools or materials or to Delta patterns, specifications, designs, or drawings to any third-party without Delta prior written consent.

11.5 The Supplier will keep Delta indemnified (except in respect of designs provided by us) against all claims of whatsoever nature (including those for royalties, damage, or other losses) arising from infringement of a third-party's intellectual property rights by the Goods or any articles or processes contained therein.

12. Defective material / workmanship

12.1 Delta considers defective Goods (be they ascertained as defective by Delta or the Supplier) as a material breach of this Agreement.

12.2 The Supplier will keep Delta indemnified in respect of all loss and/or expense which results during or after proper use directly or indirectly from defective materials or Goods or defective workmanship or design supplied by the Supplier and in addition the Supplier will repair, replace, or reinstate at Delta option the defective item or items free of charge. Should the Supplier wish to submit a concession to Delta to accept Goods that do not exactly meet the drawing or quality requirements Delta will assess the concession and advise if a charge will be levied for the tests or other costs that may be involved in validating the Goods are fit for purpose as defined by Delta.

12.3 Delta will advise the Supplier regarding the Inspection of the defective Goods at Delta's premises. Should Delta determine that due to the urgent nature of the P/O it may request that the Supplier attend Delta's facilities in order to complete the Inspection and rework of the Goods at the Supplier's exclusive cost. If the Supplier is unable or unwilling to attend within the timescale specified by Delta then Delta will inspect the Goods at the Supplier's expense.

12.4 The Supplier will be provided with Non-Conformance reports ("NCR") whenever Delta deems that the Supplier Goods do not meet the specified standards. This NCR should be sent to the Supplier within forty eight (48) hours of receipt. Goods are not deemed to be accepted until fully inspected by Delta. It is the Supplier's responsibility to fill in the corrective and preventive actions section of the Delta NCR and return the form to Delta within forty eight (48) hours starting from first receipt at Supplier for the corrective action and seven (7) Working Days starting from first receipt at Supplier for the preventative action, advising Delta on the actions being taken by the Supplier to resolve the issues concerned with the Goods on the P/O, and to inform Delta of the root cause of the defect and advise Delta of the actions being taken to prevent the reoccurrence of such issues for future Goods batches. Should the supply by the Supplier of defective parts cause Delta to be put at risk or delay the supply of Delta products to their customer(s) Delta will advise the Supplier and the Supplier will use best endeavours to replace or repair the defective parts in the most time effective manner and ship to Delta at the Supplier's cost to minimise the delay or disruption to Delta's business. Delta reserves the right to levy a

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fixed One Hundred Pounds Sterling (£100) charge for each NCR raised and apply Inspection and/or rework charges at the rate of Forty Five Pounds Sterling (£45) per hour.

12.5 The Supplier will keep Delta indemnified against any damage to Delta property (Including any materials, tools, documentation or patterns sent to the Supplier for any purpose) and against any claims for loss or injury to any person or to the property of any person by reason of the Supplier negligence or of any act or omission on the part of the Supplier employees, sub-contractors, assignees or agents arising out of the execution of the Delta P/O.

12.6 The rights and remedies of either Party in respect of this Agreement in entirety shall not be diminished, waived, or extinguished by the granting of any indulgence, forbearance or extension of time granted by such Party to the other or by any failure of, or delay by the said Party in ascertaining or exercising any such rights or remedies. Any waiver of any breach of this Agreement shall be by notice in writing. The waiver by either Party of any breach of this Agreement shall not prevent the subsequent enforcement of that provision and shall not be deemed to be a waiver of any subsequent breach of that or any other provision.

13. Publicity and non-disclosure

13.1 The Supplier use neither the P/O nor Delta's name or logo for advertising or publicity purposes without Delta prior written consent.

13.2 Protection of Proprietary Information. Each Party acknowledges that in the course of performing its obligations hereunder, it will receive information ("Proprietary Information") which is confidential or proprietary to the other. Each Party shall not use or disclose the other Party's Proprietary Information except as contemplated herein, and shall not disclose such Proprietary Information to any third-party except to employees who participate directly in the performance of the receiving Party's obligations hereunder and disclosures to such employees shall be subject to such employees being bound by written obligations of confidentiality and non-use with respect to the other Party's Proprietary Information that are at least as restrictive as the provisions of this Condition 13. And its sub Conditions. The Parties hereto hereby agree that they will not use or disclose the other Party's Proprietary Information in order to develop products or services that directly or indirectly compete with the disclosing Party's products or services. Each Party will protect and safeguard the Proprietary Information of the other Party using at least the same degree of care such Party uses to protect its own Confidential Information of like importance, which in any event shall be at least industry standard levels of protection as appropriate for the nature of the Proprietary Information.

13.3 Proprietary Information defined. For the purposes of this Agreement, Proprietary Information includes any information and data which is, or should be reasonably understood to be, confidential or proprietary to the disclosing Party, which may include without limitation, information relating to proprietary technical, financial, personnel, marketing, pricing, sales, customer lists, and or commercial information with respect to the products and services of the Parties, as well as ideas, concepts, designs and inventions and all record bearing media containing or disclosing such Proprietary Information which are disclosed pursuant to this Agreement, provided however, oral disclosures of Proprietary Information will only be treated as such for purposes of this Agreement if; (i) at the time of the disclosure the information is identified as Proprietary Information; and (ii) the Proprietary Information is reduced to writing and provided to the receiving Party within seven (7) Working Days of initial disclosure, such writing to identify;

- (a) the nature of the Proprietary Information; and
- (b) the date and time of the disclosure; and
- (c) the parties present at the time of the disclosure.

13.4 Permitted disclosure: Nothing in this Agreement herein will prohibit the receiving Party from disclosing Proprietary Information of the disclosing Party if legally required to do so by judicial or governmental order or in a judicial or governmental proceeding ("Required Disclosure"); provided that the receiving Party will: (i) give the disclosing Party reasonable notice of such required disclosure prior to disclosure; and (ii) cooperate with the disclosing Party in the event that it elects to contest such disclosure or seek a protective order with respect thereto; and

(iii) in any event only disclose the exact Proprietary Information, or portion thereof, specifically requested by the Required Disclosure.

14.0 Health and safety

14.1 Should one Party be required to visit the other Party's place of business such as but no limited to offices, manufacture sites, assembly sites or test sites, both Parties will mutually agree herein to this Agreement to provide a working environment which at a minimum conforms to local and national legal stipulations regarding health, safety and hygiene. Further, both Parties will ensure that either Party can work in an environment and under conditions that pose no risk and no danger to personal safety. Where an element of danger or risk is present due to the nature of a Party's business then this will be communicated in good time to the other Party before their arrival. Further, the same Party must ensure that all manner of risk and danger mitigation is correctly deployed and correctly functioning before arrival of the visiting Party. The receiving Party takes full and total responsibility for the health, safety and wellbeing of the visiting Party whilst on premises.

14.2 Where Delta requires the presence of a sub-contractor on any Delta site then the following will apply at any and all times; (i) The sub-contractor will observe and comply in all respects with;

- (a) UK Health and Safety at Work Act 1974, and any legislation repealing, replacing or re-enacting such Act any regulations made thereunder;
- (b) all statutory rules and regulations in respect of safety, health, welfare, employment, machinery, electricity, et cetera which may be in force or be introduced during the course of the sub-contract work; and
- (c) Delta's rules, regulations and requirements on matters affecting the safe conduct of work on the site and the subcontract works which include but are not limited to competency levels, training and medical therein; and
- (d) security arrangements which may be laid down and introduced to the site from time to time.

(ii) The sub-contract company will;

- (a) demonstrate to Delta before any commencement of works the necessary relevant and up to date qualifications of all sub-contractor personnel who will perform said works for Delta or other Delta approved sub-contractors; and
- (b) ensure all their employees are fit for work; and
- (c) prior to the commencement of each subcontract submit to Delta for approval method statement(s) showing how the subcontract works are to be carried out in a safe manner and indicating which personnel shall be responsible for ensuring that safe working practices are adhered to. Approval by Delta of the sub-contractor's method statement shall not in any way relieve the sub-contractor of any of these obligations at Common Law or under the conditions of the sub-contract order; and
- (d) provide Delta with a copy of all safety procedures, instructions, rules and regulations issued by the sub-contractor to its employees, servants and agents.
- (e) obey a verbal instruction given by the emergency services following an Incident.
- (f) allow sub-contractor personnel to attend safety training which may be arranged by Delta from time to time during the currency of the subcontract works. All costs of whatsoever nature incurred by the sub-contractor in attending any such safety training shall be borne by the sub-contractor

(iii) The sub-contractor shall comply with all Acts of Parliament, ordinances, regulations, by-laws and statutory instruments of any Minister of the Crown, Government department or local or other authority, which may be in force from time to time, and shall furnish proof of so doing to Delta as and when requested. In addition the sub-contractor shall indemnify Delta whether or not there is criminal liability from and against all penalties, fines and losses, damages, costs and expenses whatsoever and howsoever arising from the sub-contractor's failure to so comply.

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15. Law of contract

15.1 The P/O and this Agreement will be construed in all respects in accordance with English Law. Nothing in these Agreement Conditions will prejudice any condition or warranty (expressed or implied) or right or remedy to which Delta are entitled in relation to the material or Goods ordered by virtue of statute or common law.

16. Arbitration

16.1 All disputes arising in connection with this Agreement (including but not limited to the breach termination or validity thereof) will be finally settled by arbitration. By one arbitrator appointed by Delta in accordance with the said rules and the venue for such arbitration will be London.

17. Rights of third parties

17.1 A person who is not a Party to this Agreement will have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this will not affect any right or remedy of a third-party which exists or is otherwise available apart from that Act.
17.2 The Parties rights to alter the terms of this Agreement are not subject to the consent of any person who is not a Party to this Agreement.

18. Notice

18.1 Except as otherwise expressly provided in this Agreement, all notices or demands shall be in writing, and shall be sent; (i) by courier or in person with signed receipt, or (ii) by nationally recognised overnight delivery service, prepaid, with signature required or (iii) by email (with confirmation of transmission), and in each case shall be sent to the other Party at its address set forth in this Agreement or to such other address or email address designated from time to time in accordance with this Condition 18.1. Notices are deemed received upon actual receipt or refusal of delivery.

19. Survival

19.1 Conditions and sub Conditions 1, 3, 10, 8, 10, 11, 12, 13, 15, 16, 17, 21, 22 of the present Agreement shall survive for an indefinite period of time following termination of this Agreement notwithstanding the cause of termination. The Parties hereby acknowledge that the survival of these provisions represent an essential consideration to enter into the present Agreement.

20. Authority

20.1 Each of the Parties represents and warrants to the other that the execution and delivery of this Agreement and the performance obligations under this Agreement have been duly authorised by all requisite action of the governing body of the Party, if any, and that the person executing this Agreement is fully authorised to bind that Party.

21.0 Order of Precedence and entire agreement

21.1 The Delta P/O; any specific agreement between Delta and the Supplier including all addenda; this Agreement; are incorporated by reference and constitute the entire Agreement between Delta and the Supplier. In the event of a conflict between the documents listed in this paragraph, the controlling document must be this Agreement and the order of precedence will be; the Delta P/O, any existing agreement between Delta and the Supplier; this Agreement. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions must be deemed to have superseded earlier provisions.

21.2 Each Party acknowledges that this Agreement has been entered into without reliance in whole or in part on any warranty, statement, promise or representation by or on behalf of the other Party other than as expressly set out in this Agreement.

21.3 Subject to Condition 21. any document referred to in this Agreement will not form part of this Agreement unless otherwise stated.

22. Force Majeure

22.1 The Agreement shall be suspended, without liability, in the event and to the extent that its performance is delayed or prevented due to any circumstance beyond the reasonable control of the effected Party, including Act of God, pandemic, war, labour trouble, strike, lockout, injunction (be it physical or digital), armed conflict, terrorist attack, riot, civil unrest, fire, flood, crime, epidemic, lockout, fire, explosion, sabotage, government decisions or actions (which includes prohibition of exports, re-exports, failure to grant appropriate export or import licenses and imports), or accident.

22.2 Supplier will have no obligation to supply any Goods unless and until it has received any necessary licences or authorisations or has qualified for general licences or licence exceptions under applicable export and or import laws and regulations, as they may be amended from time to time including those from the jurisdiction in which Supplier is established or from which the Goods are supplied.

22.3 With regard to Tooling and all Delta property including software (collectively "Delta Property") which may be at the time within the Suppliers control and responsibility (including any Delta Property which may be in transit to the Supplier at the time), all such Delta Property is to be preserved, protected and all harm prevented to the highest possible standard. The Supplier is to advise Delta in writing as soon as is reasonable as to the availability of the Delta Property for Delta to organise recovery at Supplier cost.

22.4 Should the Supplier's status change to any of those in Condition 4.3(x) of this Agreement as a direct consequence of a valid Force Majeure event then Delta may apply the rights and remedies as per Condition 4.3.

22.5 As far as is reasonable under the circumstances and at Delta option only, the Supplier will assist Delta in re-locating the P/O to an alternate supplier of Delta choosing.

22.6 If either Party is delayed or prevented from performance of its obligations by reason of this Condition 22. for more than ninety (90) consecutive calendar days, either Party may terminate the then unperformed portion of the Agreement by notice per this Agreement in writing given to the other Party, without liability provided that Delta shall be obliged to pay the reasonable cost and expense of any work in progress and to pay for all Goods delivered as at the date of termination.

23. Compliance with Laws and regulations

23.1 Safety and Environmental Regulations RoHS, REACH. Supplier represents, warrants and covenants to comply with all legal regulations regarding the environment, health, and striving to avoid all negative effects on humans and environment through an adequate organisation and realisation of environmental protection in the company. For this, the implementation and further development of an environmental and occupational safety management systems is desirable. Supplier is obligated to fulfil the requirements of the Restriction of Hazardous Substances (RoHS) and the EU and UK Registration, Evaluation, Authorisation and restriction of Chemicals (REACH) regulation. The Supplier represents, warrants, and covenants that it will conform to the most current RoHS and REACH conditions and standards. If the Supplier's products are manufactured from within the EU then EU environmental laws apply, else the UK's environmental laws take precedence. If there is an exception for these requirements it must be clearly communicated to Delta in writing before shipment to Delta for every single case without exception.

23.2 MSDS. The Supplier will inform Delta in reasonable time prior to or on delivery of any health or safety hazards relating to the Goods and of any precautions that should be taken in connection with their handling or use. Where applicable Material Safety Data Sheets (MSDS) should be supplied for and or with Goods and prepared in the official language of each country of destination and in accordance with applicable legislation in those countries. Delta will not grant approval to procure without Supplier's agreement to comply with this Condition 23.2. Further, it is the SUPLIERS sole responsibility to advise Delta of the existence of said documents should they not be asked for by Delta. Herein, it will be the

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Supplier's sole responsibility to provide Delta upon Delta P/O acknowledgement copies of all said documentation at the latest issue per this Condition 23.2. In the event the said documents pursuant to this Condition 23.2 are not received and acknowledged by Delta in good time in advance of any delivery, Delta reserves the exclusive option to refuse delivery and the Supplier fully indemnify Delta for any and all direct and indirect costs in full relating to managing alternative handling and storage requirements until such time as the Supplier rectifies the missing documentation. Should the said documents not be forthcoming within two (2) Working Days from receipt of supply Delta reserves the exclusive option to return the delinquent delivery and or cancel the P/O to the Supplier at the Supplier's sole cost with no further obligation and no consideration due from Delta

23.3 Compliance with EU WEEE Directive. Regarding any product that is in current commercial distribution in the EU and UK the Supplier complies with the requirements set forth by the latest directives from both the UK and EU on waste electrical and electronic equipment.

23.4 Anti-Corruption. Each Party acknowledges that it is aware of, understands and has complied and will comply with, all applicable U.K. Bribery Act of 2010, and similarly applicable anti-corruption and anti-bribery laws ("Anti-Corruption Laws"). Each Party agrees that no one acting on its behalf will give, offer, agree or promise to give, or authorise the giving directly or indirectly, of any money or other asset or thing of value, including travel, entertainment, or gifts, to anyone as an unlawful inducement or reward for non-favourable action or forbearance from action; (i) to any governmental official or employee (including employees of government-owned and government-controlled entities, corporations or agencies or public international organisations); and (ii) to any political party, official of a political party, or candidate thereof; and (iii) to an intermediary for payment to any one or more of the foregoing; or (iv) to any other person or entity in a corrupt or improper effort to obtain, retain business or deny business to others or any commercial advantage, such as receiving a license, or directing business to any person. Improper payments, kickbacks, provisions, bribes, influencing payments, or other unlawful provisions to any person are strictly prohibited under this Agreement.

23.5 Conflict minerals. Supplier represents, warrants and covenants that to the best of the Supplier's knowledge after reasonable and demonstrable investigation, the Goods (where the Goods are not services) are, and upon delivery will be Democratic Republic of the Congo (DRC) Conflict Free (as such term is defined in the US Securities Exchange Act 1934, as amended by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the related rules and regulations of the US Securities and Exchange Commission). Supplier will promptly notify Delta in writing in the event that the Supplier is or becomes aware of any reason to believe that the Goods are not DRC Conflict Free. To the extent that the Supplier procures gold, tin, tantalum and or tungsten from a smelter, refiner or any other mineral intermediary supply chain source for incorporation into the Goods. Supplier represents, warrants, and covenants that such materials will be procured solely from one or more of the smelters, refiners or other mineral intermediary supply chain sources appearing on the applicable smelter and refiner list.

23.6 References to any statute or statutory provision or other legislation shall include; (i) any provision which it has modified or re-enacted (whether with or without modification); and; (ii) any subordinate legislation made under it; (iii) any provision which subsequently supersedes it or re-enacts it (whether with or without modification(s)) whether made before or after the date of this Agreement.

24. Liquidated damages

24.1 The Supplier recognises that time is of the essence of this Agreement and that Delta will suffer financial loss if the Agreement is not completed within the agreed times specified therein, plus any extensions allowed in accordance with the Agreement documents. The Supplier also recognises the delays, expense and difficulties involved in proving the actual loss suffered by Delta if the Agreement is not completed on time. Accordingly, instead of requiring any such proof, the Parties agree that as liquidated damages for delay (but not as a penalty) Supplier shall pay Delta Five Hundred Pounds Sterling (£500.00) for each day that expires after the time specified therein for Supplier delinquent performance of the Agreement

until such performance completes all the requirements of the P/O. Delta may recover liquidated damages in lieu of any other monetary remedies under the Agreement or applicable law including withholding liquidated damages from any monies payable on account of Goods performed by the Supplier.

25. Miscellaneous

25.1 The Supplier acknowledges the Supplier has read, understands, and agrees to be bound by this Agreement and further agrees it is complete and exclusive statement of agreement between both Delta and Supplier which supersedes all proposals, oral or written, relating to the subject matter of this Agreement.

25.2 The substantially prevailing Party in any action arising out of or related to this Agreement is entitled to reimbursement of its reasonable legal fees and expenses resulting from the action.

25.3 The Condition headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

25.4 Pursuant to this Agreement, any words expressed in the singular shall include the plural and vice versa. The masculine includes the feminine and vice versa and words importing the neuter includes the masculine and feminine.

25.5 Where the context requires, the word "or" shall not operate to denote an alternative but shall mean "and/or".

25.6 Wherever in this Agreement provision is made for a communication to be "written" or "in writing" this means any handwritten, typewritten or printed communication, including telex, e-mail, cable and facsimile transmission.

25.7 Wherever in this Agreement provision is made for the giving of order, instruction, notice, notification or approval by any person, such order, instruction, notice, notification or approval shall be in writing. The respective verbs shall be interpreted suitably.

25.8 Provisions granting or acknowledging one or more rights, entitlement or remedy of a Party shall be construed as being without prejudice to any other right, entitlement or remedy of that Party unless otherwise stated.

25.9 If any provision of this Agreement is held to be invalid, illegal, or unenforceable to any extent of the Law then: (i) such provision(s) will (only to the limited extent it is invalid, illegal or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement; and (ii) the Parties shall use all reasonable endeavours to substitute the invalid, illegal or unenforceable provision(s) by a valid, legal and enforceable substitute provision the effect of which will be as close as possible to the original intended effect of the invalid, illegal or unenforceable provision(s).

25.10 The Supplier hereby irrevocably warrants to Delta that: (i) it has the authority and absolute uncontested and uncompromised power to enter into and to freely and exclusively exercise its rights to perform its obligations under this Agreement; (ii) it is properly, professionally and wholly constituted and incorporated under the Supplier's national laws and has the unhindered and exclusive corporate power to own its entire assets and to carry on its business functions; (iii) all necessary action to authorise without duress or hindrance the execution of and the performance of its obligations in full under this Agreement has been completed; (iv) the obligations expressed to be assumed by it under this Agreement are valid, legal, binding and fully enforceable to the maximum extent permitted by Law; (v) the execution, delivery and performance by it of this Agreement does not contravene any such provision of:

- (a) its memorandum and articles of association;
- (b) any existing legislation either in force, or enacted but not yet in force, which is or will become wholly binding upon it;
- (c) any order or decree of any competent court or recognised arbitrator; or
- (d) any obligation which is actively binding upon it (or will be binding upon it) or upon any of its assets or revenues.

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For and on behalf of _____
(Supplier)

Name _____

Position _____

Signature _____

Date _____