

Terms and Conditions of Purchase for Goods and Services

2nd September 2024
TCPGS_01

1. General

Under these conditions “the Company” means Solstrand Industries Limited and “the Supplier” means the person with whom the contract is made and the “Goods” are the product (or service) sold to the Company by the Supplier pursuant to this contract. These conditions shall supersede any of the Supplier’s conditions unless otherwise expressly agreed in writing. The acceptance by the Supplier of this Order for the supply of any Goods or services to this Order shall constitute acceptance by the Supplier of this Order and of all its terms and conditions.

The Supplier agrees to comply with the Company’s Supplier Quality Management Procedure (SQMP), which is incorporated by reference into these terms and conditions. A copy of the SQMP has been provided to the Supplier, and failure to adhere to its provisions will be deemed a breach of these terms. In case of any conflict between the SQMP and these conditions, the stricter requirement shall apply.

2. Quality

The Supplier shall provide Goods which:

- a) In every respect conform to the order description.
- b) Have obtained Company approval for any changes in product and/or process.
- c) Are of merchantable quality as that term is defined in the Sales of Goods Act 1979.
- d) Shall be entirely fit for their intended purpose, including any specific purpose communicated by the Company to the Supplier, whether explicitly stated in the order or reasonably foreseeable by the Supplier. The Supplier warrants that they are fully aware of the Company’s requirements and have ensured that the Goods meet those requirements without the need for further clarification.
- e) Are accompanied by a certificate of conformity, approval certificate or release certificate whichever is appropriate, and which declares the inspection status of the item supplied.

Failure to comply with any of the above requirements will entitle the Company to reject the Goods, in whole or in part, at the Supplier's expense. Rejected Goods will be returned or disposed of at the Supplier's risk and cost, and the Company reserves the right to withhold payment or seek a refund for any payments already made for nonconforming Goods.

3. Contract review

The Supplier agrees that acceptance of this order is conditional upon conducting a contract review in accordance with the requirements set out in the Company's Supplier Quality Management Procedure (SQMP). This review must confirm the Supplier's capability to meet all specifications and requirements of the purchase order prior to accepting the order.

4. Prices and Delivery

No price increase will be accepted by the Company without its prior agreement. Any agreed date of delivery is to be the essence of the contract.

5. Carriage

Unless delivery ex works is expressly stated on this Order form all Goods are to be delivered carriage paid, at the place of delivery specified on this order form. Packing and cases are to be free. Cases can be returned at the Supplier's expense and risk, provided a written request for their return is received on or before delivery.

6. Delivery Notes and Invoicing

All Goods delivered to the Company must be accompanied by a Delivery Note clearly displaying the Order Number. If the Goods are dispatched by courier, a copy of the Delivery Note, including dispatch details, must either be included with the Goods or sent to the Company via first class post or email on the day of dispatch. Failure to provide this notice will release the Company from any responsibility for loss arising from the lack of such notification. A separate invoice, quoting the Order Number, must also be sent to the Company. No invoice will be processed for payment unless the corresponding Delivery Note has been received.

7. Payment Terms

Unless otherwise expressly stated in the Order, payment for all Goods shall be made within 30 days following the date of delivery of the Goods to the Company, provided that the Goods have been delivered in accordance with the terms of the Contract and accompanied by all required documentation. All Goods shall be delivered carriage paid to the delivery location specified in the Order. Any variation in payment terms must be agreed in writing by the Company.

8. Non-Conforming Products

The Supplier must immediately notify the Company of any nonconforming or potentially nonconforming Goods, and obtain written approval from the Company regarding its disposition

prior to delivery. All Goods are subject to the Company's inspection and approval upon receipt. The Company reserves the right to reject any Goods that fail to meet the required specifications or standards, or are found to be defective. Rejected Goods will be returned or disposed of at the Supplier's risk and expense, and will remain the Supplier's responsibility from the point of rejection. The Supplier is strictly prohibited from delivering counterfeit Goods under this Contract, and must ensure the authenticity and quality of all materials supplied.

9. Indemnity

The Supplier shall indemnify the Company against all claims, costs and expenses resulting from any letter patent, Registered Trade Mark, Registered Design, Branch of Copyright or abuse of confidentiality, of any passing-off action, in any part of the World and will assist in the defence of any action brought against it. The Supplier shall not be liable under this Clause if any such infringement is due solely to manufacture of Goods strictly in accordance with any design, plans or specifications supplied by the Company.

10. Confidential Information

All designs, drawings, memoranda and data provided by the Company remain its property and must be returned on request. All technical information is confidential and must not be disclosed to any unauthorised person. Copyright in any such matters shall remain with the Company.

11. Equipment Used in Manufacture

- a) Tools, dies, jigs, moulds and other equipment used in the manufacture of the Goods and fully paid for by the Company shall be its property and must be surrendered on demand.
- b) Tools, dies, jigs, moulds and other equipment used in the manufacture of the Goods and paid for by the Company on a part cost basis shall be maintained in good working condition by the Supplier at its expense and be used exclusively for manufacture of Goods for the Company.
- c) The Company shall if it so desires have the right to fully purchase tools, dies, jigs, moulds and other equipment, as specified in Clause 12b.

Such items shall not be used, destroyed or otherwise disposed of without the permission of the Company in writing.

12. Buyer's Property

Any material sent by the Company to be processed or for any other purpose is to be the Supplier's risk. Excess materials and scrap remain the property of the Company unless otherwise agreed.

13. Severability

If any provision under this Contract is or becomes unenforceable, such provision shall not take effect and shall be deemed to be severed from the remainder of the Contract to the extent that the

remainder of the Contract and the unaffected part of the provision shall continue to be fully enforceable.

14. Waiver

No delay or omission by the Purchaser in exercising any of its rights under the Contract shall constitute a waiver of that right and any partial exercise of any such right shall not prevent any future exercise of the right.

15. Law and jurisdiction

The Contract and any dispute arising under or in any way connected with the subject matter of the Contract (whether of a contractual or tortious nature or otherwise) shall be governed by and interpreted in accordance with English Law and the parties submit to the jurisdiction of the English courts.

Before initiating any litigation, the Company reserves the right to select an alternative dispute resolution (ADR) mechanism, such as mediation or arbitration, to resolve any dispute arising under this Contract. The Supplier agrees to participate in good faith in such ADR proceedings as selected by the Company. The ADR process must be initiated within 30 days of notice by the Company and conducted in accordance with the rules of the selected ADR mechanism. If the dispute is not resolved within 60 days of the commencement of ADR, either party may proceed with litigation.

Participation in ADR shall not prejudice either party's right to seek interim or injunctive relief in the courts if necessary. The costs of the ADR process shall be borne equally by both parties, unless otherwise agreed.

16. Force Majeure

Neither party shall be liable for any delay or failure to perform its obligations under this contract if such delay or failure results from events, circumstances, or causes beyond its reasonable control, including but not limited to acts of God, natural disasters, war, terrorism, civil unrest, strikes, lockouts, epidemics, pandemics, government restrictions, or failure of public or private utilities (a "Force Majeure Event"). The affected party shall notify the other party as soon as reasonably practicable of the occurrence of the Force Majeure Event and its likely impact on performance.

If the Force Majeure Event continues for a period of more than 30 days, either party may terminate the contract by giving written notice to the other. In such circumstances, neither party shall have any liability, except for obligations that were due prior to the occurrence of the Force Majeure Event.

The Supplier acknowledges that delays in delivery due to routine business risks, such as labour shortages or transportation delays, shall not be considered a Force Majeure Event.

17. Access and Information Flowdown

The Company must be notified of any changes in product and/or process, changes of suppliers, changes of manufacturing facility location and where required obtain Company approval.

The Supplier if requested by the Company shall give access to the Company or its agents to inspect and test the Goods during manufacture and post activity for any quality assurance requirements considered necessary but such inspection and testing shall not release the Supplier from its obligations nor shall it be deemed to be acceptance by the Company.

Suppliers placing orders on sub-tier suppliers on furtherance of this order must ensure that all the conditions pertaining to this order apply equally to their sub-tier order. Full document traceability is required for all orders and retention for a minimum of 7 years of pertaining quality records. The Supplier undertakes to ensure that full information regarding conditions of purchase records and access rights by the Company and its technical requirements are flowed down to any sub-tiers.

18. Personnel

The Company has the expectation that the Supplier shall ensure that persons doing work under the Supplier's control are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behaviour.