



PRYME GROUP – PURCHASE STANDARD TERMS & CONDITIONS

(Rev. 1 – Aug. 20, 2020)

(Rev. 2 – Jan. 14. 2021)

1. Definitions

“Affiliate” means any legal entity which controls, is controlled by, or is under common control with, another legal entity, as defined by the Buyer Act 2006.

“Buyer” means the Pryme Group’s legal entity issuing the Purchase Order to the Supplier and shall include their successors in title and permitted assigns.

“Client” means any third party with whom the Buyer has a contractual obligation to provide work which includes the Work and/or is the end user of such Work.

“Consequential Loss” means any and all special, indirect, incidental or consequential losses and damages. As well as for any and all loss of use, loss of revenue, loss of production or product, loss of profits, loss of or interruption to business, facilities downtime, loss of use of property or wasted overheads sustained by the indemnifying party in connection with or arising out of this Contract, howsoever the same may arise, whether under Contract, tort (including negligence of any form such as sole, concurrent, joint, sole, active passive) gross negligence, willful misconduct, strict liability or otherwise.

“Contract” means the contract entered into between Buyer and Supplier in accordance with Clause 3 below (as may be amended or updated from time to time by way of Variation).

“Customs Duties” means all existing or future duties, payments, fees, charges, levies, taxes, or contributions payable to or imposed by any authority as a result of import or export, whether permanent or temporary of any personnel, plant, procured items, goods, tools or equipment.

“Standard Terms and Conditions” means these Purchase Standard Terms and Conditions.

“Goods” means any and all goods being purchased by Buyer from Supplier as part of the Work including all components and materials to be incorporated therein or ancillary thereto and all articles, materials, supplies, drawings, data, documentation specified or required and carried out with respect to the Contract.

“Intellectual Property” means any invention, patent or application for a patent, design (registered or unregistered), trademark (registered or unregistered), name, copyright, circuit layout, design drawing and other technical information (including software), trade secret, know-how, proprietary information or other right in respect of any information, process, work, material or method.

“Party” means each of the Buyer and Supplier as appropriate, and **“Parties”** means both the Buyer and Supplier.

“Proposal” means any proposal, quotation, tender or similar documentation issued by Supplier to Buyer in contemplation of or forming part of the performance of the Work.

“Purchase Order” means the body of any purchase Order, service Purchase Order, contract note, form of agreement, letter, work release or other similar document instructing or outlining the Work which incorporate these General Terms and Conditions by reference thereto.

"Sales Tax" means any transfer tax, gross receipts tax, compensating use tax, use taxes, sales tax, value added tax, goods and services taxes, business tax, consumption tax or other similar transactional taxes arising or payable as a result of the performance of the Work.

"Supplier" means the entity named on the Purchase Order as performing the Work.

"Services" means any and all services to be performed by Supplier for Buyer as part or forming the whole of the Work.

"Special Condition" means any agreed amendment(s) to these General Terms and Conditions as set out in a Purchase Purchase Order or subsequent Variation.

"Sub-Contractor" means any party (other than Supplier) to a sub-contract entered into by Supplier for the performance of any part of the Work in accordance with Clause 7.2

"Variation" means an instruction or direction from Buyer or any other circumstance or event which results in an increase, decrease or change to the scope, schedule, specification, design, nature, extent, delivery, quantities or quality of the Work or any change in law, rule or regulation and/or safety requirements which have a direct impact on the Work.

"Work" means all work, including the provision of Goods, Services, which the Supplier is required to perform for Buyer under the Contract including manufacture, modification, delivery, installation, testing and commissioning as required by Buyer.

2. General

- 2.1. All documentation relating to the Contract shall be in the English language.
- 2.2. All instructions, notices, agreements, authorisations, approvals and acknowledgements relating to the Contract shall be in writing.
- 2.3. Unless the context otherwise requires, words importing the singular shall include the plural and vice versa.
- 2.4. Any reference to a statute, statutory instrument or statutory provision shall include any re-enactment or amendment thereof for the time being in force.

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- 2.5. The words “include(s)” or “including” are to be construed without limitation.
- 2.6. Any headings used in these Standard Terms and Conditions are for convenience and shall not be used for the purposes of construction or interpretation.
- 2.7. An obligation of any Party to indemnify any person against a liability is to be construed as including an obligation to indemnify and hold harmless and keep that person indemnified on demand and in full from and against each liability incurred as a result of suffering, defending and settling a claim alleging that liability.
- 2.8. An obligation on the Supplier to do, or refrain from doing, any act or thing shall include an obligation on the Supplier to procure that its personnel (and those of its sub-contractors, to the extent they are engaged in the supply of the Goods) also do, or refrain from doing, such act or thing and the Supplier shall be liable for all acts and omissions of its personnel and its sub-contractors as if they were its own acts or omissions.

3. Basis of Contract

- 3.1. The Standard Terms and Conditions are the only terms and conditions upon which the Buyer is prepared to deal with the Supplier and apply to the exclusion of any other terms or conditions that the Supplier seeks to impose or incorporate, or which are implied by trade custom, practice or course of dealing. No other terms and conditions endorsed upon, delivered with or contained in the Supplier’s quotation, acknowledgement or acceptance of Purchase Order, specification or similar document will form part of the Contract and the Supplier waives any right it otherwise might have to rely on such terms and conditions.
- 3.2. Each Purchase Order constitutes an offer by the Buyer to purchase the Work in accordance with the Standard Terms and Conditions and the specifications as detailed in the Purchase Order.
- 3.3. The Purchase Order shall be deemed to be accepted on the earlier of: (i) the Supplier issuing a written acceptance of the Purchase Order and (ii) the Supplier doing any act consistent with fulfilling the Purchase Order.
- 3.4. Each Purchase Order shall constitute a separate Contract between Buyer and Supplier.
- 3.5. Any variation to these Standard Terms and Condition shall be inapplicable unless agreed in writing by the Buyer.
- 3.6. The Purchase Order shall not be modified by or interpreted by reference to any course of dealing or usage of trade and shall not be modified by any course of performance. No modification of the Purchase Order shall be effective unless in writing and signed by an authorized representative of both Buyer and Supplier.
- 3.7. The Contract Effective Date is the date at which the Purchase Order is accepted. The Purchase Order shall be deemed to be accepted on the earlier of the Supplier issuing written acceptance of the Purchase Order, or any act by the Supplier which is consistent with fulfilling the Purchase Order.
- 3.3. Subject to other termination conditions, Contract and Purchase Order will automatically terminate on completion of the Work.
- 3.4. The execution of the Contract by the Parties shall not be construed as an obligation of Buyer to Purchase Order any future Work in any manner from Supplier whatsoever. Buyer gives no guarantee as to a minimum workload for the Supplier.

4. Purchase Order of Precedence

In the event of any ambiguity or contradiction between any documents issued or forming part of the Contract, they shall be given priority in the following Purchase Order:

- (i) Variation
- (ii) Special Condition
- (iii) Purchase Order
- (iv) Standard Terms and Conditions
- (v) Proposals, schedules, appendices and other documentation issued in accordance with and forming part of the Contract the later in time taking precedence over the earlier.

5. Supplier’s General Obligations

- 5.1. The Supplier shall carry out all of its obligations under the Contract and shall execute the Work with all due care and diligence and with the skill to be expected of a reputable supplier experienced in the types of work to be carried out under the Contract.

- 5.2. Materials and equipment or parts thereof provided by the Supplier for which there is no detailed specification included in the Contract shall be new or, subject to Buyer's approval, as new, of good quality and workmanship and fit for the intended purpose where a purpose is defined in the Contract or, where no such purpose is defined, fit for its ordinary purpose.
- 5.3. The Supplier shall always maintain all licenses, permissions, authorizations, consents and permits that they need to carry out its obligations in respect of the Goods.
- 5.4. The Supplier must Implement and maintain a quality management system, the system must control any Non-Conforming process, products or services and obtain approval for their disposition. The supplier must also notify and flow down to its external providers applicable requirements including any Customer requirements needed or special process requirements. This shall be monitored by a performance indicator by the organization and documented for review.
- 5.5. Retain all documented information, ie, disposition requirements, retention periods.
- 5.6. The Supplier shall not deliver counterfeit work or suspect Counterfeit Work to Pryme, the supplier shall immediately notify Pryme if they become aware that it has delivered Counterfeit work or suspect Counterfeit work.
- 5.7. The supplier must notify any change to its external providers on change of products or processes, change of location of manufacture and obtain approval if required.
- 5.8. The Supplier shall provide access to any documented information for its supply chain at any level inclusive of regulatory authorities to the applicable areas of the facilities.

6. Supplier to inform itself

- 6.1. The Supplier shall be deemed to have satisfied itself, before entering into the Contract, as to the extent and nature of the Work including but not limited to the services, personnel, materials and equipment, plant, consumables and facilities required for the Work, the correctness and sufficiency of the rates and prices agreed to in the Purchase Order general and local conditions, and all other matters which could affect progress or performance of the Work.
- 6.2. Any failure by the Supplier to take account of matters which affect the Work will not relieve the Supplier from its obligations under the Contract.

7. Assignment and Sub-contracting

7.1. Assignment

- 7.1.1. The Buyer is entitled to assign the Contract or any part of it or any benefit or interest in or under it to any Affiliate of the Buyer and to its Client. In addition, the Buyer may make any such assignment to any other third party but only with the prior agreement of the Supplier which shall not unreasonably be withheld or delayed.
- 7.1.2. The Buyer undertakes that, in the event of any assignment described above, it will execute without delay a formal assignment of interest in the Contract to the relevant party, to be effective upon the written assumption by the assignee of all obligations of the Buyer under the Contract.
- 7.1.3. The Supplier shall assign neither the Contract nor any part of it nor any benefit or interest in or under it without the prior approval of the Buyer which shall not unreasonably be withheld or delayed.

7.2. Subcontracting

- 7.2.1. The Supplier shall not subcontract the whole of the Work. The Supplier shall not subcontract any part of the Work without the prior approval of the Buyer which approval shall not unreasonably be withheld or delayed.
- 7.2.2. No Subcontract shall bind or purport to bind the Buyer. Nevertheless, the Supplier shall ensure that any Subcontract shall be bound by and observe the provisions of the Contract in so far as they apply to the Subcontract.
- 7.2.3. Each Subcontract shall expressly provide for the Supplier's unconditional right of assignment of the Subcontract to the Buyer if the Buyer terminates the Contract or the Work.
- 7.2.4. The Supplier shall be responsible for all work, acts, omissions and defaults of any Subcontractor as fully as if they were work, acts, omissions or defaults of the Supplier.

8. Specifications

- 8.1. Supplier shall comply with all specifications stated in the Purchase Order and contained in Supplier's sales literature or proposal to the extent consistent with this Purchase Order.
- 8.2. All Work shall conform to the quantity, quality and description specified in the Contract or the Purchase Order.
- 8.3. The quantities specified for delivery on this Purchase Order are the only quantities required by the Buyer. Therefore, if Supplier delivers quantities in excess of those specified in this Purchase Order, the Buyer shall not be required to make any payment for the excess goods and, at the Buyer's election, may keep or return the excess goods at Supplier's risk and expense.

9. Delivery

- 9.1. Supplier's timely performance is critical to the success of this Purchase Order.
- 9.2. Supplier shall deliver the Work at such place(s), time(s), and dates as specified in the Contract
- 9.3. If the Supplier suspects or determines that deliveries will not be made on time, the Supplier will advise Buyer of the possible delay, the cause, and the proposed recovery schedule as soon as possible, and shall continue to notify Buyer of any material change in the situation.
- 9.4. In the event of such notification or of an actual failure by Supplier to comply with the delivery or completion schedules, Buyer may, in addition to all other remedies, require Supplier, at Supplier's expense, to expedite routing to avoid or minimize delay. Buyer reserves the right, at its sole discretion, to return, or delay payment, for any Goods which are received earlier than the terms of the Purchase Order.
- 9.5. Unless otherwise indicated in the Contract, any Goods supplied as part of the Work shall be:
 - 9.5.1. DDP (as defined in INCOTERMS 2010) at the Buyer's premises on the delivery date(s);
 - 9.5.2. Properly packed and secured in such manner as to enable them to reach their destination in good condition and in accordance with any applicable legislation;
 - 9.5.3. Accompanied by a delivery note which shows the Purchase Order number, the type and quantity of the Goods, special storage instructions (if any) and, if the Goods are being delivered by instalments pursuant to clause 9.5.6 (below), the Supplier shall specify the outstanding balance of Goods remaining to be delivered along with their estimated delivery date; and
 - 9.5.4. Marked for any requirement to return any packaging material clearly on a delivery note. Any such packaging material shall be returned to the Supplier at the expense of the Supplier;
 - 9.5.5. If the Supplier delivers more than the quantity of Goods Purchase Ordered Buyer shall not be obliged to pay for any quantities in excess of those stated on the Purchase Order. Any such excess shall be and shall remain at the Suppliers risk and expense and shall be returnable at the Suppliers risk and expense;
 - 9.5.6. The Supplier shall not deliver the Work in instalments without prior written consent of the Buyer. Where it is agreed that the Work is to be delivered by instalments, the Contract shall be construed as a single contract in respect of each instalment and the Work may be invoiced and paid for separately. Nevertheless, failure by Supplier to deliver any one instalment shall entitle the Buyer, at its option, to treat all the Contracts in respect of the instalments as repudiated.
- 9.6. As Buyer considers time to be of the essence and unless otherwise agreed between the Parties, Buyer reserves the right to apply liquidated damages for late delivery of the Work at the rate specified in the Contract. Where no such rate is specified in the Contract the rate of one percent (1%) of the Contract price for each day or part thereof for which the Work is delayed shall apply. Where liquidated damages are payable these shall be deemed to be a genuine pre-estimate of the Buyer's losses as a result of such delay and as shall not be construed as penalties.
- 9.7. Subject always to the Buyer's right to terminate the Contract, the payment of liquidated damages shall not relieve Supplier from its obligations to diligently perform the Work or from any other obligation and liability under the Contract.

10. Laws and Regulations

- 10.1. The Supplier shall comply with all applicable laws, rules and regulations of any governmental or regulatory body having jurisdiction over the Work.

- 10.2. The Supplier shall obtain all licences, permits, temporary permits and authorisations required by the applicable laws, rules and regulations for the performance of the Work.

11. Inspection, Testing and Warranty

11.1. Inspection and Testing

In Purchase Order to confirm that the requirements of the Purchase Order are met the Buyer shall have the right, but not the obligation, at all times during the performance of the Work to inspect the Work, and all documentation relating thereto, and to reject any item which does not comply with all the requirements of the Purchase Order.

Neither failure on the part of the Buyer or others to inspect the Work or witness or test or to discover defects nor failure to reject work performed by the Supplier which is not in accordance with the Purchase Order shall relieve the Supplier from any liability or obligation under the Purchase Order.

11.2. Warranty

- 11.2.1. Supplier warrants that, for a period of twenty-four (24) months from acceptance, all items furnished under this Purchase Order will conform to all specifications and requirements of this Purchase Order, be free from defects in materials and workmanship and be free from all liens and encumbrances. To the extent items are not manufactured pursuant to detailed designs and specifications furnished by Buyer, the items will be free from design and specification defects. This warranty will survive inspection, test, acceptance and payment for the items, will run to Buyer and its successors, assigns and customers and will begin after Buyer's acceptance of the items.
- 11.2.2. Buyer may, at its option, either: (i) return the items for credit or refund, or (ii) require prompt correction or replacement of the defective or non-conforming items.
- 11.2.3. The return to Supplier of defective or nonconforming items and redelivery to Buyer of corrected or replaced items will be at Supplier's expense.
- 11.2.4. Regardless of whether the parties disagree about the existence of a breach of this warranty, Supplier will promptly comply with Buyer's direction to: (i) repair, rework or replace the items, or (ii) furnish any materials, parts and instructions required for Buyer to successfully correct the defect or nonconformance or have it corrected at Supplier's expense.
- 11.2.5. If Buyer later determines that Supplier did not breach this warranty, future payments will be adjusted for actual costs incurred by Supplier.

12. Free-Issue Items and Buyer- Funded Items

- 12.1. All materials, tooling, equipment, and parts that Buyer furnishes to Supplier under the provisions of the Purchase Order (hereinafter "Free-Issue Items") shall be delivered in sufficient time to enable Supplier to meet its delivery schedule. Buyer shall have no liability to Supplier by reason of any delay in delivery of, or failure to deliver, such Free-Issue Items. If such Free-Issue Items are not delivered to Supplier in sufficient time, the resultant delay of Supplier in delivering to Buyer shall be excusable in accordance with the "Force Majeure" clause.
- 12.2. Title to any Free-Issue Items shall remain with Buyer or Buyer's customer as the case may be.
- 12.3. Title to all tooling, equipment and material identified as a separate line item under this Purchase Order and fabricated or acquired by Supplier under this Purchase Order shall vest in Buyer upon any payment for such items (hereinafter "Buyer-Funded Items").
- 12.4. Any Buyer-Issued Items and any Buyer-Funded Items shall be used only for and in the performance of this Purchase Order unless otherwise directed by Buyer in writing.
- 12.5. Upon completion or termination of this Purchase Order, any Free-Issue Items and any Buyer-Funded Items shall be dispositioned in accordance with instructions from Buyer.
- 12.6. Supplier agrees, as a condition of this Purchase Order, that it will: (i) properly mark/label, identify and segregate any and all Free-Issue Items and Buyer-Funded Items in connection with this Purchase Order in such fashion as to clearly identify such items as being the property of Buyer or Buyer's customer as the case may be, at all stages

- of its possession by Supplier; (ii) assume responsibility for risk of loss or damage with respect to any Free-Issue Items and Buyer-Funded Items at all times while it is in the custody, care, or control of Supplier, including Supplier's sub-tiers, and while in the hands of carriers with responsibility for such materials; and (iii) shall be responsible to provide confirmation of the foregoing as requested by Buyer.
- 12.7. Supplier will maintain a policy or policies of insurance covering all property on Supplier's premises owned by Buyer against loss or damage. A certificate verifying such insurance will be submitted by Supplier to Buyer on request.
- 12.8. Supplier, upon request, will provide a schedule of all quantities on hand of Free-Issue Items and Buyer-Funded Items. Supplier will be accountable for all quantities provided and financially liable for all damages or unaccounted Free Items and Buyer-Funded Items, unless specifically agreed upon in writing by the Buyer and provided for in this Purchase Order.
- 12.9. When Buyer provides Free-Issue Items for the performance of the service or work, Supplier shall not substitute material from any other source nor shall Supplier or its subcontractors alter the Free-Issue Item's physical or chemical properties except in accordance with applicable Buyer specifications or with Buyer's written approval.
- 12.10. Supplier agrees not to copy or duplicate any Buyer-Funded Items for any purpose other than performance of this or other Purchase Orders for Buyer. Supplier warrants and affirms that it has not used, transferred to any person, firm or corporation, copies or duplicated any such Buyer-Funded Items for any purpose other than performance of Purchase Orders for Buyer.
- 12.11. Buyer shall have the right to audit all pertinent books and records of Supplier, and to make reasonable inspection of Supplier's premises, in Purchase Order to verify compliance hereof. Buyer shall be entitled to commence such audit no later than five (5) days after Buyer notifies Supplier.

13. Title, Risk and Liens

- 13.1. Except as otherwise provided for in the Contract, risk of damage to or loss of the Work, including for the purpose of the mutual indemnifications and liabilities provided for herein, shall pass to Buyer upon delivery.
- 13.2. Except as otherwise provided for in the Contract, title in the Work shall pass to the Buyer upon said materials being identified as being required for the Work or in proportion to the payments made or delivery to the Worksites, whichever is the earlier.
- 13.3. Supplier agrees that it shall not allow any liens to attach to the Work or any property of the Buyer and that it shall furnish, upon request, receipts and releases with respect to the Work showing that all related costs and expenses have been paid (and thus, that no third party claims, liens, or rights of liens exist against the Buyer or its property or the Work). Supplier shall be responsible for and shall save, indemnify, defend and hold harmless Buyer Group against any such lien or attachment.

14. Price

- 14.1. In consideration of the satisfactory performance and completion of the Work in accordance with the Contract, Buyer shall pay or cause to be paid to Supplier undisputed amounts provided for in the Contract at the times and in the manner specified in the Contract. Unless otherwise agreed, the Contract price shall be the full compensation for all costs whatsoever for complete performance of the Work.
- 14.2. Except where it is expressly provided that the Buyer shall carry out an obligation under the Contract at its own cost, the Contract price shall be fixed and unless otherwise agreed in writing between the Parties shall encompass all costs associated with the performance of the Work including but not limited to materials, labour packaging, inspections, tests, certificates and transportation.
- 14.3. Special Tooling
- 14.4. Unless otherwise specified in this Contract, the price includes the cost of any item or special tooling that may be manufactured or acquired by Supplier for use in the manufacture, fabrication, or assembly of the goods called for herein, and unless otherwise specified herein, title to such special tooling will remain in Supplier.
- 14.5. All prices quoted are exclusive of Sales Tax and, unless otherwise stated in the Contract, are deemed to be in Pounds Sterling (GBP).
- 14.6. Within ninety (90) days after receipt by Buyer of Supplier's correctly prepared and adequately supported invoice

to the address stated in the Contract, Buyer shall effect payment of the invoice to a bank account nominated by Supplier.

- 14.7. All invoices for the Work must be submitted to Buyer within sixty (60) days of completion of the Work. If Supplier fails to submit invoices within the aforementioned period, Supplier rights to receive further payment from Buyer and Buyer's obligations to make further payments to Supplier shall be extinguished.
- 14.8. If Buyer disputes any item on an invoice, in whole or in part, or if the invoice is prepared or submitted incorrectly in any respect, Buyer shall notify Supplier of the reasons and request Supplier to issue a credit note for the unaccepted part or whole of the invoice as applicable, Upon receipt of such credit note the Buyer shall be obliged to pay the undisputed part of a disputed invoice.
- 14.9. If any dispute exists between the Parties, the Buyer may withhold or off-set from any money which becomes payable under this Contract the amount which is subject of dispute.
- 14.10. On settlement of any dispute, the Supplier shall submit an invoice for sums due and the Buyer shall make the appropriate payment in accordance with the provisions of Clause 14.6.
- 14.11. Neither the presentation nor payment or non-payment of an individual invoice shall constitute a settlement of a dispute, an accord and satisfaction, a remedy of account state, or otherwise waive or affect the rights of the Parties hereunder. In particular the Buyer may correct or modify any sum previously paid in any or all of the following circumstances:
 - 14.12. Any such sum was incorrect;
 - 14.13. Any such sum was not properly payable to the Supplier;
 - 14.14. Any work in respect of which payment has been made and which does not comply with the terms of the Contract.
- 14.15. If the Buyer at any time incurs costs which, under the provisions of the Contract, the Buyer is entitled to recover from the Supplier, the Buyer may invoice the Supplier for such costs, provided always that the Buyer may deduct the amount of such costs from any amount due, or that may become due to the Supplier under the Contract. Where Buyer invoices Supplier in respect of any such costs, Supplier shall pay such costs within thirty (30) days of receipt.
- 14.16. Supplier may be required by Buyer to provide a parent Supplier guarantee, bonds and/or other financial guarantees as part of the Contract.

15. Variations

- 15.1. All Variations must be agreed in writing in accordance with Clause 2.2 above.
- 15.2. The Parties shall use their best endeavours to agree to the existence and effects of a Variation prior to the commencement of any Work affected by that Variation, including the impact, if any, on the Contract price and/or delivery date(s).
- 15.3. If at any time the Parties do not agree as to the existence and/or effects of a Variation, such dispute shall be resolved in accordance with the Dispute Resolution Procedure set out in Clause 29 below
- 15.4. Supplier must notify Buyer immediately if it believes it is entitled to a Variation. Where Supplier believes such Variation would result in an increase to costs and/or change to the delivery dates/times then Supplier must submit to Buyer documentation in Purchase Order to justify such claim within seven (7) days of the event which gave rise to the Variation. If Supplier does not notify Buyer within the seven (7) days above Supplier shall not be entitled to a Variation.

16. Suspension

- 16.1. The Buyer shall have the right, by notice to the Supplier, to suspend the Work or any part thereof to the extent detailed in the notice, for any of the following reasons:
 - 16.1.1. subject only to Clause 16.3, in the event of some default on the part of the Buyer; or
 - 16.1.2. if suspension is necessary for the proper execution or safety of the Work, or persons; or to suit the convenience of the Buyer.
- 16.2. Upon receipt of any such notice, the Supplier shall, unless instructed otherwise:

- 16.2.1. discontinue the Work or the part of the Work detailed in the notice, on the date and to the extent specified, and
- 16.2.2. properly protect and secure the Work as required by the Buyer.
- 16.3. In the event of default on the part of the Supplier and before the issue by the Buyer of a notice to suspend the Work or any part thereof the Buyer shall give notice of default to the Supplier giving details of such default. If the Supplier, upon receipt of such notice, does not commence and thereafter continuously proceed with action satisfactory to the Buyer to remedy such default the Buyer may issue a notice of suspension in accordance with the provisions of Clause 16.1.
- 16.4. Unless the suspension arises as a result of default on the part of the Supplier, the Supplier shall be reimbursed for the work or services provided up to the point of suspension.
- 16.5. If suspension results from default on the part of the Supplier, any additional costs reasonably incurred by the Buyer as a direct result shall be recoverable by the Buyer from the Supplier.
- 16.6. The Buyer may, by further notice, instruct the Supplier to resume the Work to the extent specified.
- 16.7. In the event of any suspension, the Parties shall meet at not more than seven (7) day intervals with a view to agreeing a mutually acceptable course of action during the suspension.

17. Termination

- 17.1. Buyer shall be entitled, by giving notice to Supplier, to terminate the Contract in whole or in part at any time prior to full delivery, acceptance and/or completion of the Work. Upon receipt of such notice, Supplier shall immediately cease performance of its obligations to the extent instructed in the notice and shall take all reasonable steps to mitigate liabilities arising from the termination.
- 17.2. If Buyer terminates the Contract out of convenience, Supplier shall be entitled to receive:
 - 17.2.1. Payment in full for all Work performed up to the date of termination; and
 - 17.2.2. Reimbursement of all documented, direct and reasonable charges incurred by Supplier prior to and/or incurred as a direct result of the termination;
- 17.3. If Buyer terminates the Contract due to Supplier's default or an insolvency event, Buyer shall only be liable to Supplier for payment of Work satisfactorily performed up to the date of termination together with any other justifiable costs where applicable.
- 17.4. If Buyer terminates the Contract due to Supplier's default, Buyer shall be entitled to recover from the Supplier all losses, damages, costs and expenses incurred by Buyer as a result of the supply of non-conforming Work caused by a breach of the Supplier of its obligations under the Purchase Order.

18. Force Majeure

- 18.1. Neither Party shall be responsible for any failure to fulfil any term or condition of the Contract if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence, as hereunder defined, which has been notified in accordance with Clause 18.3 and which is beyond the control and without the fault or negligence of the Party affected and which, by the exercise of reasonable diligence, the said Party is unable to provide against.
- 18.2. For the purposes of this Contract only the following occurrences shall be force majeure.
 - 18.2.1. Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power;
 - 18.2.2. Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - 18.2.3. Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;

- 18.2.4. Earthquake, flood, lightning, fire, explosion and/or other natural physical disaster, power outage resulting of circumstances out of the parties control, excluding weather conditions as such, regardless of severity;
 - 18.2.5. Strikes at a national or regional level or industrial disputes at a national or regional level, or strikes or industrial disputes by labour not employed by the affected Party its subcontractors or its suppliers and which affect a substantial or essential portion of the Work;
 - 18.2.6. Maritime or aviation disasters;
 - 18.2.7. Pandemic or epidemic; and
 - 18.2.8. Changes to any general or local Statute, Ordinance, Decree, or other Law, or any regulation or bye-law of any local or other duly constituted authority or the introduction of any such Statute, Ordinance, Decree, Law, regulation or bye-law.
- 18.3. In the event of a force majeure occurrence, the Party that is or may be delayed in performing the Contract shall notify the other Party without delay giving the full particulars thereof and shall use all reasonable endeavours to remedy the situation without delay.
 - 18.4. Save as otherwise expressly provided in the Purchase Order, no payments of whatever nature shall be made in respect of a force majeure occurrence.
 - 18.5. Following notification of a force majeure occurrence in accordance with Clause 16.3, the Parties shall meet without delay with a view to agreeing a mutually acceptable course of action to minimise any effects of such occurrence.

19. INDEMNITIES

- 19.1. The Supplier shall keep the Buyer indemnified against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by the Buyer as a result of or in connection with:
 - 19.1.1. any claim made against the Buyer for actual or alleged infringement of a third party's Intellectual Property Rights and Confidentiality arising out of or in connection with the supply or use of the Work, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;
 - 19.1.2. any claim made against the Buyer by a third party for death, personal injury or damage to property arising out of or in connection with defects in the Work, to the extent that the defects in the Work are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and
 - 19.1.3. any claim made against the Buyer by a third party arising out of or in connection with the supply of the Work, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors.
- 19.2. The indemnities given by the Parties under this Clause 19 are full and primary and shall apply irrespective of whether the indemnified Party has or does not have insurance in place relating to any claims, losses, damage or costs in respect of the subject matter of any indemnity given under these Standard Terms and Conditions.
- 19.3. All exclusions and indemnities given under this Clause 19 (save for those under Clause 19.1.2 and Clause 20) shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.
- 19.4. Each Party expressly agrees that the indemnities set out in this Clause 19 do not extend to criminal sanctions imposed upon it, arising from, relating to or in connection with the performance of the Contract.

20. Consequential Loss

Notwithstanding any other provision of the Contract to the contrary and except to the extent of any agreed liquidated damages under Clause 9.6 provided for in the Contract, Buyer shall save, indemnify, defend and hold harmless Supplier

from Buyer's own Consequential Loss and Supplier shall save, indemnify, defend and hold harmless Buyer from Supplier's own Consequential Loss arising from, relating to or in connection with the performance or non-performance of the Contract.

21. Cumulative Remedies

The rights and remedies herein reserved to Buyer shall be cumulative and additional to any other or further rights and remedies provided in law or equity.

22. Intellectual Property

To the extent any Intellectual Property is created or otherwise arise in connection with:

- a) developments by a Party which are based wholly on data, equipment, processes, substances and the like in the possession of the Party at the date of the Order or otherwise produced outside of the Order; or
- b) enhancements of or in the existing Intellectual Property rights of a Party,

such rights shall remain the property of said Party.

Unless otherwise agreed, Buyer shall be entitled to the sole benefit and exclusive ownership of all Intellectual Property arising out of or in connection with the Work and Supplier shall be responsible for and shall save, indemnify, defend and hold harmless Buyer against any infringement of any Intellectual Property arising out of or in connection with the performance of the obligations of Supplier under this Contract.

23. Confidentiality

Each Party shall protect from disclosure information of the other Party to which it receives access under the Contract which is marked as "Confidential" or which is confidential in nature (including pricing and trade secrets) and shall not disclose same to any third party without the prior written consent of the other Party.

Supplier shall be responsible for and shall save, indemnify, defend and hold harmless Buyer against any violation of Confidentiality arising out of or in connection with the performance of the obligations of Supplier under this Contract.

24. Non-Solicitation

- 24.1. During the term of the Contract and for a period of twelve (12) months thereafter, the Supplier agrees not to solicit, recruit or induce, directly or indirectly through third parties, any of the Buyer's employees, consultants or representatives involved in the performance of the Contract to leave, terminate or otherwise end his/her association with the Buyer in Purchase Order to become an employee, consultant or representative of the Supplier.
- 24.2. In the event of a breach of Clause 24.1 above, Buyer shall, in addition to any other rights or remedies available to it under Contract or at law, be entitled to claim from Supplier a sum equivalent to the annual salary of each affected employee, consultant or representative as compensation for such breach.

25. Non-Endorsement Policy

- 25.1. Neither Buyer's purchase of Goods nor procurement of Services from Supplier shall be deemed in any way to constitute or authorize Buyer's endorsement of Supplier or of Supplier's Goods and/or

Services. Accordingly, any release, advertisement, or publication of information, (whether oral or written, in whatsoever format, and regardless of medium) relating to the Purchase Order or Contract and/or relating to Buyer's obtaining Goods and/or Services from Supplier shall require the advance written permission of Buyer, which Buyer may, in its sole discretion, elect to withhold for any reason or for no reason.

- 25.2. This provision shall extend to, but shall not be limited to, the following: news bulletins, press releases articles, brochures, advertisements, marketing material, promotional material, and speeches.
- 25.3. Further, Supplier shall not use any Buyer trademarks or trade names for any purpose, unless otherwise expressly authorized by Buyer in writing, which such authorization shall be at Buyer's sole discretion.
- 25.4. The Supplier further agrees to include this provision in any subcontract awarded as a result of any Purchase Order.
- 25.5. In the event of Supplier's breach of this provision, Buyer shall, in addition to other available remedies, have the right to terminate this Contract in accordance with the provisions of Article 17 of this Contract.

26. Data Protection

In this Clause, the following expressions shall have the following meanings:

- (a) "Personal Data" means information defined as such in the Data Protection Act 1998 or information treated as personal data under any other law or regulation applicable to the information and subsequent enactment.
- (b) "Applicable Data Protection Law" means the EU Data Protection Directive (95/46/EC) or other applicable law or regulation as they may be amended from time to time and subsequent enactment.

- 26.1. The Parties acknowledge that in providing the Work, the Supplier may process Personal Data, and/or disclose it to third parties. The Supplier shall have in place adequate technical and organisational security measures so that the confidentiality of this processing complies with Applicable Data Protection Law.

27. Audit and Storage of Documents

- 27.1. During the course of the Work and for a period ending seven (7) years thereafter, the Buyer or its duly authorised representative shall have the right to audit at all reasonable times and, upon request, take copies of all of the Supplier's records (howsoever stored), books, personnel records, accounts, correspondence, memoranda, receipts, vouchers and other papers of every kind relating to;
- (a) all invoiced charges made by the Supplier on the Buyer; and
 - (b) any provision of these Standard Terms and Conditions under which the Supplier has obligations the performance of which is capable of being verified by audit.

In this respect the Buyer shall not be entitled to investigate the make-up of rates and lump sums included in the Contract except to the extent necessary for the proper evaluation of any Variations.

- 27.2. The Supplier shall co-operate fully with the Buyer and/or its representatives in the carrying out of any audit required by the Buyer. The Buyer will conduct any audit in a manner which will keep to a reasonable minimum any inconvenience to the Supplier.
- 27.3. The Supplier shall obtain equivalent rights of audit to those specified above from all Subcontractors

and will cause such rights to extend to the Buyer.

- 27.4. The Parties shall keep all documents and data (howsoever stored) related to this Contract for a period of six (6) years after the date of completion of the Work.

28. THIRD PARTY RIGHTS

- 28.1.1. No person other than a Party and its permitted assignees shall have any right to enforce any of its terms.

29. Dispute Resolution

- 29.1.1. If a dispute arises out of or in connection with this agreement or the performance, validity or enforceability of it (Dispute), then the parties shall follow the procedure set out in this clause:
- 29.1.2. **Negotiation**
Either party shall give to the other written notice of the Dispute, setting out its nature and full particulars (Dispute Notice), together with relevant supporting documents. On service of the Dispute Notice, the Representative of the Supplier and Representative of the Buyer shall attempt in good faith to resolve the Dispute.
- 29.1.3. If the Representative of the Supplier and the Representative of the Buyer are for any reason unable to resolve the Dispute within 30 days of service of the Dispute Notice, the Dispute shall be referred to a Senior Manager of the Supplier and a Senior Manager of the Buyer who shall attempt in good faith to resolve it.
- 29.1.4. **Mediation**
If the Senior Manager of the Supplier and the Senior Manager of the Buyer are for any reason unable to resolve the Dispute within 30 days of it being referred to them, the parties agree to enter into mediation in good faith to settle the Dispute in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties within [14] days of service of the Dispute Notice, the mediator shall be nominated by CEDR. To initiate the mediation, a party must serve notice in writing (ADR notice) to the other party to the Dispute, referring the dispute to mediation. A copy of the ADR notice should be sent to CEDR. Unless otherwise agreed between the parties, the mediation will start not later than [14] days after the date of the ADR notice.
- 29.1.5. No party may commence any court proceedings under clause 29 of these Standard Terms and Conditions in relation to the whole or part of the Dispute until 60 days after service of the ADR notice, provided that the right to issue proceedings is not prejudiced by a delay.
- 29.1.6. If the Dispute is not resolved within 30 days after service of the ADR notice, or either party fails to participate or ceases to participate in the mediation before the expiry of that 30 day period, or the mediation terminates before the expiry of the agreed period, the Dispute shall be finally resolved by the courts of England and Wales in accordance with clause 29 of these Standard Terms and Conditions.

30. Health, Safety and Environment

The Buyer places prime importance on health, safety and environment and requires that the Supplier subscribes to and actively pursues the highest standards of HS&E performance.

31. Business Ethics

- 31.1. Both Parties shall uphold the highest standards of business ethics in the performance of the Contract. Honesty, fairness and integrity shall be paramount principles in the dealings between the Parties.
- 31.2. Neither Party shall knowingly involve itself in any business in connection with, or use information arising from, the Contract, in any manner which conflicts with the interests of the other Party.

32. Anti-Bribery, Corruption and Conflict Minerals

- 32.1. Both Parties shall uphold the highest standards of business ethics in the performance of the Contract and warrants that it shall have in place and maintain for the duration of the Contract adequate anti-bribery and corruption policies and procedures of which the other Party in turn warrants it shall comply.
- 32.2. In the event of a breach of this Clause 32.1 above and/or any applicable anti-bribery legislation to which either Party is subject, including the UK Bribery Act 2010 and US Foreign Corrupt Practices Act 1977, the non-defaulting Party shall be entitled to suspend and/or terminate the Contract in whole or in part with immediate effect. The Parties shall meet within seven (7) days of such suspension or termination to agree the effects of such suspension or termination
- 32.3. Supplier shall certify and ensure that the Supplier does not procure and the Work is not containing tin, tantalum and tungsten or gold ("Conflict Minerals") originated in conflict affected and high risk areas. Supplier shall take all measures that are necessary to comply with the UK and European Regulations as they may be amended over time.

33. MODERN SLAVERY ACT

Modern Slavery Act 2015 states that slavery is a crime and a violation of fundamental human rights. Buyer operates a zero-tolerance policy to all forms of slavery, forced labour, and human trafficking. This applies to our own business, and anywhere in our supply chain. Should Seller not have a policy addressing Anti-Slavery and Human Trafficking, Buyer can make its own policy available upon request.

Our supply chain may be subject to initial and ongoing assessments to check their compliance to this act. If Buyer becomes aware of a supplier not in compliance with this act, Supplier will be removed from Buyer's approved vendor list.

34. GENERAL LEGAL PROVISIONS

- 34.1. **Waiver**
None of these Standard Terms and Conditions shall be considered to be waived by either Party unless a waiver is given in writing by one Party to the other. No failure on the part of either Party to enforce any of the terms and conditions of the Contract shall constitute a waiver of such terms.
- 34.2. **Retention of Rights**
Unless otherwise specifically stated in the Contract, both Parties shall retain all rights and remedies, both under the Contract and at law, which either may have against the other.
The Supplier shall not be relieved from any liability or obligation under the Contract by any review, approval, authorisation, acknowledgement or the like, by the Buyer.
- 34.3. **Supplier's Affiliates**
Any limitation of liability given by the Buyer to the Supplier under the Purchase Order shall include the Affiliates of the Supplier.
- 34.4. **Independence of the Supplier**
The Supplier shall act as an independent Supplier with respect to the Work and shall exercise control, supervision, management and direction as to the method and manner of obtaining the results required by the Buyer.
- 34.5. **Proper Law and Language**
The Contract, and any non-contractual rights and obligations arising out of or in connection with it and its subject matter, shall be governed and construed in accordance with English Law and shall be subject to the exclusive jurisdiction of the English Courts.

The ruling language of the Contract shall be the English Language.

34.6. Notices

All formal notices in respect of the Contract shall be given in writing and delivered by hand, by fax or by first class post to the relevant following addresses:

- [..... registered address of Pryme Group contracting legal entity ...]

Such notices shall be effective:

- (a) if delivered by hand, at the time of delivery.
- (b) if sent by first class post, forty-eight (48) hours after the time of posting.

Subject to any specific administrative instructions agreed between the Parties, any standard business correspondence associated with the Contract and/or the Work may be sent by either e-mail, fax or letter.

34.7. Entire Agreement

The Contract constitutes the entire agreement between the Parties hereto with respect to the Work and supersedes all prior negotiations, representations or agreements related to the Contract, either written or oral. No amendments to the Contract shall be effective unless evidenced in writing and signed by the Parties.

34.8. Mitigation of Loss

Both Parties shall take all reasonable steps to mitigate any loss resulting from any breach of Contract by the other Party.

34.9. Invalidity and Severability

If any provision of the Contract shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this Contract and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The Parties agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

34.10. Continuing Obligations

Termination of the Contract and/or Buyer's acceptance of Work, or any part thereof, shall not release the Parties from obligations, which expressly or by their nature survive the Contract or extend beyond Contract termination and any acceptance of the Work.
