

**COBHAM SATCOM  
GENERALTERMS AND CONDITIONS  
FOR THE PURCHASE OF WORKS**

**PART A General**

**1. Agreement**

1.1 These terms and conditions (these “**Terms**”), including any Special Conditions (together these “**Conditions**”), are incorporated by reference into any Order to form a Contract between Buyer and Supplier. These Conditions are the only terms and conditions on which Buyer will purchase Works from Supplier and will apply to the exclusion of all other terms or conditions, including any which Supplier purports to apply under any quotation, Order acknowledgement, acceptance or confirmation of Order, delivery note, invoice or similar document (whether or not such document is referred to in the Contract) and any terms or conditions which may otherwise be implied by trade, custom, practice or course of dealing, and each of the forgoing are hereby rejected unless expressly accepted in writing by Buyer with reference to the superseded terms of the Order or these Conditions. Supplier will provide the Works to Buyer pursuant to Orders which will be subject to these Conditions. Each Order incorporating these Conditions will constitute a Contract separate from all other Orders. In the event of any conflict within these Conditions the following order of precedence will apply:

- 1.1.1 Any Special Conditions; then
- 1.1.2 Parts A and B of these Terms; then
- 1.1.3 The Specification; and lastly
- 1.1.4 any other appendices or programme schedules agreed by the Parties.

1.2 Each Contract together with the Specification (if any) contains all the terms which Supplier and Buyer have agreed in relation to the Works and supersedes any prior written or oral agreements, representations or understandings between the Parties relating to such Works. Supplier acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of Buyer which is not set out in the Contract or the Specification.

**2. Ordering Process**

2.1 Each Order will be deemed to be accepted by Supplier upon: (i) Supplier’s execution and return of an acknowledgement copy of the Order, (ii) Supplier’s failure to respond to the Order within five days after receipt thereof, or (iii) execution or commencement of performance or delivery of the Deliverables or Works, as applicable, pursuant to the Order.

2.2 Each Order will contain the following information (if applicable):

- 2.2.1 a description of the Works by part number and quantity required (other than blanket Orders);
- 2.2.2 the required Delivery date(s);
- 2.2.3 the required Delivery location and any relevant transportation instructions;
- 2.2.4 price, including unit and total Order price;
- 2.2.5 any other terms or requirements including any Special Conditions and any Specification.

2.3 Supplier will comply with the Delivery dates in each accepted Order.

2.4 Supplier will procure all components necessary to fulfil Orders issued by Buyer and will ensure sufficient

capacity is available to achieve the quantities and Delivery dates specified in such Orders. Any forecast supplied by Buyer is for planning purposes only and does not create a commitment on the part of Buyer to place any Orders.

2.5 Buyer may at any time request in writing changes relating to an Order, including changes in the drawings or specifications, method of shipment, quantities, packing or time or place of Delivery. If the changes result in an increase in cost of, or time required for, performance of the Order, an equitable adjustment will be made to the price, Delivery schedule or both including on the basis that:

- 2.5.1 any increase in price should be at the same profit margin as the original Order;
- 2.5.2 only the elements of the Order which are changing will be repriced;
- 2.5.3 Supplier will provide Buyer with open book pricing and will, whenever requested by Buyer, provide Buyer with details and supporting evidence of all Supplier’s costs in meeting any requested change to an Order;
- 2.5.4 any changes to the Delivery date (other than as requested by Buyer) will be solely due to the change requested by Buyer;

and any such claim or adjustment arising from Buyer’s request must be approved by Buyer in writing. Where the Parties have not agreed on the price impact of the change requested, Buyer is entitled to instruct Supplier to continue to perform the Order.

**3. Miscellaneous**

3.1 Supplier is responsible for all tasks and activities necessary for the proper performance of its obligations under each Contract, whether the tasks or activities are expressly set out in the Contract or not.

3.2 Time is of the essence for the performance of all obligations of Supplier under each Contract.

3.3 Supplier will promptly notify Buyer if it becomes aware of any matters which may affect the performance of its obligations under the Contract.

3.4 Any notice in relation to any Order or Contract will be in writing and if sent to Buyer will be sent to Buyer’s General Manager/Company Secretary at its principal place of business or registered address or sent to the e-mail address stated on Buyer’s Order and if sent to Supplier to its registered office or principal place of business or to the email address provided by Supplier in accordance with clause 3.6 (or such other address or email address as will have been notified to the other Party in writing in accordance with this clause 3), and will be delivered or sent by email, by registered mail or by courier.

3.5 Such notice will be deemed to have been given, if sent by email, on the first normal business day in the country of receipt following the date of sending, 5 Business Days after posting or when it is delivered to the appropriate address, evidenced by signature, if delivered by courier.

3.6 The relationship of Buyer and Supplier under the Contract is that of independent contractors and neither Party will act or represent or hold itself out as having authority to act as an agent or partner of the other Party

- or to bind or commit the other Party to any obligations.
- 3.7 Each Affiliate of Buyer is entitled to enforce all the rights of Buyer under these Conditions, but the Parties may vary these Conditions without seeking the consent of any of Buyer's Affiliates. Except as set forth in this clause 3.8, the Parties do not intend that these Conditions are enforceable by any person other than the Parties and Buyer's Affiliates.
- 3.8 If any part of the Contract is found by any court or tribunal of competent jurisdiction to be illegal, invalid or unenforceable then that provision will be severed from the Contract but this will not affect any other provisions of the Contract which will remain in full force and effect.
- 3.9 A Party's failure to enforce any of the provisions of the Contract or any rights with respect thereto or failure to exercise any election provided for herein shall in no way be considered a waiver of such provisions, rights or elections or in any way affect the validity of these Conditions.
- 3.10 Buyer may assign, delegate, license, hold on trust or subcontract all or any of its rights or obligations under the Contract.
- 3.11 Supplier will not assign, delegate, license, hold on trust or subcontract all or any of its rights or obligations under the Contract without Buyer's prior written consent. Supplier remains liable for the acts and omissions of its sub-contractors.
- 3.12 Supplier will not use any alternative supplier of any part or component of any Works, once those Works have been qualified for use by Buyer or Buyer's customer, without the prior written consent of Buyer.
- 3.13 Supplier will not make any announcement or press release relating to any Order or Contract without Buyer's prior written consent.
- 3.14 Clauses 3.9, 3.10, 3.14, 4, 5, 6, 7, 9, 10, 12, 13, 14, 16, 18, 20, 21, 22, 23, 24, and 27, Parts B and C (if any) will survive termination or expiry of the Contract.

#### 4. Disputes and Governing Law

- 4.1 The intent of the Parties is to identify and resolve any Dispute promptly. Each Party agrees to notify the other Party of any Dispute in reasonable detail in writing as soon as possible after it arises and to seek to resolve the Dispute as quickly as possible. Supplier will continue to perform its obligations under the Contract despite any Dispute.
- 4.2 If a Dispute is not resolved within 30 days of notification by one Party to the other under clause 4.1, the Dispute will be settled and finally resolved by the Court of Copenhagen ("Retten i København").
- 4.3 The Contract between the Parties including these Terms shall be construed and governed in accordance with Danish Law (rules on choice of law shall not apply) and excluding in full the United Nations' Convention on the International Sales of Goods.

#### 5. Import/Export

- 5.1 Supplier will provide Buyer with the control list classification relevant to the Works ordered by Buyer by the earlier of (i) 14 calendar days from its receipt of Buyer's Order and (ii) prior to Delivery. If Supplier fails to do so, (a) Supplier will be liable for any claims or delay Buyer may suffer or incur and Supplier will not be excused from liability, and (b) it will be deemed a material breach which is not capable of remedy.
- 5.2 Supplier will promptly notify Buyer in writing of any export, re-export, import or sanctions laws and regulations that may apply to the Works supplied under the Order which will include those laws and regulations administered and enforced by the following governments or supranational unions and their relevant departments and agencies:
- 5.2.1 the U.S.;

5.2.2 the EU and its Member States;

5.2.3 the UK; and

5.2.4 any country from which Supplier exports, (collectively "**Export/Import Laws**"). Supplier represents and warrants that it will comply with all applicable Export/Import Laws. Supplier will obtain, in a timely manner and at its own expense, any export or import authorisations, consents or permits applicable to the Works supplied under the Order, to avoid delay in Delivery, and any failure to do so will not excuse delay. Without limiting the foregoing, Supplier will (i) obtain all required authorisations, consents or permits from the U.S. Government and (ii) provide written notice to Buyer, prior to transferring or releasing Technical Data or Technology (as such terms are defined in 22 C.F.R. §120.10 and 15 C.F.R. § 772, respectively) related to the Contract to any Foreign Person (as such term is used or defined in 22 C.F.R. §120.16 and 15 C.F.R. §772). Supplier agrees to bear sole responsibility for all record keeping requirements associated with the use of any authorisations, consents or permits or its reliance on any exceptions or exemptions from the requirement to obtain any authorisations, consents or permits.

5.3 Buyer may deem Supplier's failure to comply with the requirements of clause 5.1 a material breach of Contract which is not capable of remedy and which is subject to the termination provisions of clause 13.1.

#### 6. Federal Acquisition Regulation ("FAR")/Defense Federal Acquisition Regulation Supplement ("DFARS")/Defence Contract Conditions ("DEFCONs")

6.1 The FAR/DFARS/DEFCON clauses listed or referred to in the Order are incorporated in the Contract by reference with the same force and effect as if they were included in full text. Unless otherwise expressly noted in this clause 6.1, where necessary to make the DEFCON, FAR and DFARS clauses applicable to the Order and to protect Buyer's interest, the words "Government," "Authority," "DOD," "MOD," "Representative" and "Contracting Officer" each will mean "Buyer" or (when appropriate) "Buyer and the Authority/Representative/Contracting Officer," the words "Contractor" or "Offeror" will mean "Supplier," and the words "Contract" and "Schedule" will refer to the Contract or the applicable Order. The definitions outlined above are intended to create legal relationships between Buyer and Supplier identical to, but not dependent on, the relationship that the FAR and DFARS intend to establish between the "Government" and a "Contractor". It is not the intent of Buyer that any such substitution will result in the disclosure of a Party's proprietary or confidential cost or pricing data except that if Buyer is obliged to disclose such data in accordance with the US Truthful Cost or Pricing Data Act, this will not be a breach of such intent and any confidentiality agreement or provision between the Parties will not prevent compliance with this statute.

#### 7. The Works

- Supplier represents and warrants that:
- 7.1.1 it will provide the Works to Buyer precisely in accordance with the Contract;
- 7.1.2 it will use all best skill and care and will perform its obligations in accordance with the Contract;
- 7.1.3 title to the Works under a Contract will transfer free from any security interest, lien or other encumbrance;
- 7.1.4 it has the rights to grant the licence rights set out in each Contract;
- 7.1.5 the Works are of good quality, workmanship and material in accordance with best industry

- practice;
- 7.1.6 the Works are and will be fit for their intended purpose and use, including any purpose and use made known to Supplier by Buyer;
- 7.1.7 the Works are free from defects in design, materials and workmanship and hazards to health;
- 7.1.8 the Works meet the Specification (if any);
- 7.1.9 the Works are new and not used, refurbished, repaired or reconditioned and not of an age that deteriorates or impairs their usefulness, safety or operation;
- 7.1.10 the Works and their use do not infringe the rights of any third party;
- 7.1.11 no Works or part, component or material supplied under the Contract are counterfeit and it has developed processes or procedures that are adequate to assure that none of the Works, or part, component or material supplied under the Contract will be counterfeit.
- 7.2 For a period of 3 years from Delivery of the Works, Supplier will at no additional fee or sum:
  - 7.2.1 provide the warranties and representations in clause 7.1; and
  - 7.2.2 correct or procure the correction promptly, and no later than 5 days from date of notification by Buyer to Supplier, of any failures of the Works to perform in accordance with the Contract. Any correction by Supplier will be deemed to be Works for the purposes of the Contract. Supplier will be responsible for all costs (including delivery and collection charges) and delays incurred by Supplier and Buyer in respect of any faulty Works or failure to meet Supplier's obligations under the Contract.
- 7.3 Supplier will at all times comply with all laws and regulations applicable (a) to Supplier; and (b) to the provision of the Works to Buyer; and (c) any other laws or regulations pertaining to compliance with the Contract.
- 7.4 Supplier will obtain and maintain all permits, registrations, consents, licences and approvals of governmental authorities or standard setting agencies that are necessary or advisable to provide the Works.

**8. Delivery & Acceptance**

- 8.1 Supplier will Deliver the Works to the delivery address stated in the Order.
- 8.2 Supplier will Deliver the Works at the time(s) and date(s) scheduled and specified in the Order or up to 7 days prior to the date(s) specified in the Order, provided that Supplier may only invoice on the later of the scheduled due date for invoicing set forth in the Order and the actual Delivery date.
- 8.3 Supplier may not Deliver the Works by separate instalments unless agreed in writing by Buyer.
- 8.4 Supplier agrees that title to the Works will pass to Buyer on Delivery unless otherwise agreed in writing.
- 8.5 Buyer may undertake Acceptance Tests in respect of any Works supplied by Supplier. Buyer's performance of any Acceptance Test does not remove or affect Supplier's obligations to comply with the terms of the Contract.

**9. Intellectual Property Rights**

- 9.1 All Intellectual Property Rights vesting in either Party prior to the date of the Contract will remain vested in such Party notwithstanding any other provision of the Contract.
- 9.2 The Parties agree that all Intellectual Property Rights in

- Buyer Data are exclusively owned and vested in Buyer and Buyer's Group and that no member of Supplier's Group will gain any rights to any Buyer Data or any proprietary computer programs (or Modifications relating thereto) of any of Buyer's Group. Except to the extent expressly licensed for use by Supplier in the Contract, Supplier will have no rights to use or make any modification to any Buyer Data or proprietary computer programs.
- 9.3 All Intellectual Property Rights in any Developments and other materials such as designs, plans, specifications, models, documents, software (including source code) and other records or information created, developed or made by or on behalf of Supplier in the performance of any Contract or to enable the performance of the Contract will, as of the date of the Order or (if later) on creation of the rights, vest in and will be owned by Buyer. Supplier hereby assigns (by way of both present and, where necessary, future assignment) to Buyer all such Intellectual Property Rights.
- 9.4 Supplier grants and will procure the grant from each member of Supplier's Group and each third party, to each member of Buyer's Group, of a royalty-free, non-exclusive, perpetual, world-wide and irrevocable licence (with the right to grant sub-licences) to use, reproduce, distribute, perform, display, make, have made, sell, offer to sell, import, develop and make Modifications in respect of all other materials, such as designs, plans, specifications, models, documents, software including source codes and other records or information, in which the Intellectual Property Rights are owned by any member of Supplier's Group or third party, as at the date of the Order, that are necessary to enable the members of Buyer's Group to exercise the rights contemplated and undertake the actions specified in the Contract, including but not limited to the use of the Deliverables, their assembly with other goods and the marketing, sale and supply of the Deliverables and any product including the Works.
- 9.5 In the event Buyer provides the Supplier with any products and or information which contains any Buyer or Buyers Group Intellectual Property Rights Buyer will grant to Supplier a royalty-free, non-exclusive, non-transferable licence (with the right to sub-license only to a subcontractor approved by Buyer under clause 3.12) to use, develop and make Modifications in respect of any such Intellectual Property Rights vested in Buyer or a member of Buyer's Group solely to provide the Works and which are required to provide the Works.
- 9.6 Supplier agrees that it will promptly communicate any inventions, improvements, processes, programs, standards, techniques, developments, designs, know how or other original matters to Buyer whether capable of registration or not, associated with the Works which, at any time during the performance of the Contract, Supplier might devise or discover. Supplier further agrees that all Intellectual Property Rights which arise in relation to the Contract, including after the Contract has terminated, will vest in Buyer absolutely and Supplier hereby assigns and will procure the assignment to Buyer of all such Intellectual Property Rights.
- 9.7 Supplier warrants that the Works and any Developments, including any use thereof, do not and will not infringe any Intellectual Property Rights of any third parties.
- 9.8 Supplier will use all reasonable endeavours to ensure that any third party licences are assignable on identical terms to Buyer for Buyer to benefit from the rights detailed in this clause 9.
- 9.9 Supplier will immediately notify Buyer if any Works or

Intellectual Property Right or part thereof, infringes or breaches any law (or is reasonably anticipated to infringe or breach any law) and (without prejudice to Buyer's other rights) as soon as reasonably practicable Supplier will provide to Buyer and Buyer's customers (will at no additional cost to Buyer):

- 9.9.1 the right to continue to use the Works or Intellectual Property Rights; or
  - 9.9.2 provide replacement Works or Intellectual Property Rights which will perform in a manner identical in all material respects to such Works or Intellectual Property Right as it was prior to such replacement.
- 9.10 Supplier undertakes not to:
- 9.10.1 copy Buyer's Intellectual Property Rights or products (other than as authorised under the Contract or where strictly necessary to provide the Works in accordance with the Contract) nor otherwise reproduce the same;
  - 9.10.2 utilise, customise, modify or create derivative works of, translate, adapt or vary Buyer's Intellectual Property Rights and products except as expressly permitted in the Contract or where strictly necessary to provide the Works in accordance with the Contract;
  - 9.10.3 disassemble, decompile or reverse engineer Buyer's Intellectual Property Rights and products, except if and to the extent required by applicable law;
  - 9.10.4 license or sell any Buyer's Intellectual Property Rights or products, or any part thereof, to any third party; and
  - 9.10.5 do anything to affect the validity or any of the Intellectual Property Rights in the Developments at any time during or after termination or completion of the Contract and will render all assistance to Buyer to obtain and maintain such Intellectual Property Rights.
- 9.11 Supplier will, both during and after termination of each Contract for any reason whatsoever, at the request and reasonable expense of Buyer, do all acts and things necessary to obtain registration or other protection in respect of the Intellectual Property Rights in the Developments in any part of the world. Supplier will, at its own expense, procure that any third party will execute and deliver such documents and perform such acts as may be required for the purpose of giving full effect to the rights assigned by this clause 9. If Supplier's unavailability or any other factor prevents Buyer from pursuing or applying for any application for any registrations or applications covering the Intellectual Property Rights assigned to Buyer, then Supplier irrevocably designates and appoints Buyer as Supplier's agent and attorney-in-fact. Accordingly, Buyer may act for and on Supplier's behalf to execute and file any applications and to do all other lawfully permitted acts to further the prosecution and issuance of the registrations and applications with the same legal force and effect as if executed by Supplier. This power of attorney will be deemed coupled with an interest and is irrevocable

## 10. Quality and Inspection

- 10.1 Supplier's quality system will be compliant with the requirements of ISO9001 (for Goods for normal commercial supply) and AS9100 (for Goods for aerospace use) and in addition with any quality requirements set out in the Special Conditions.
- 10.2 Supplier will maintain detailed quality control and manufacturing sub-assembly and component Traceability records for a period of at least 12 years from the date of last supply of the Works or such extended period as is set out in the Special Conditions.

Supplier will then either agree to continue holding the records or will offer Buyer, at no charge, the option to transfer them for archiving or provide electronic copies to Buyer. No record will be destroyed without Buyer's written approval.

- 10.3 Buyer and its customers and their respective nominated representatives may at any time on 2 Business Days' notice inspect any premises and carry out an audit or check of any aspect of performance of the Contract by Supplier and will be permitted to observe work being performed by Supplier and its sub-contractors at any premises where Work is being carried out. Buyer may appoint a third party (which will not be a competitor of Supplier) to act as its nominated representative under this clause 10.3.
- 10.4 If as the result of any inspection Buyer is not satisfied that the Works comply or will comply in all respects with the Contract and Buyer so informs Supplier within 30 days of inspection, Supplier will take all necessary steps to ensure compliance. Without prejudice to any other rights of Buyer under the Contract, any failure of this obligation by Supplier will be a material breach which is not capable of remedy.
- 10.5 Supplier will and will ensure that each of its approved subcontractors will:
  - 10.5.1 comply with Buyer's supplier code of conduct, as updated from time to time, accessible on the Buyer's website;
  - 10.5.2 comply with all Buyer's policies relevant to the supply of the Works as may be communicated by Buyer to Supplier from time to time.
- 10.6 Without prejudice to Buyer's right to terminate under clause 13, where Supplier has failed to comply with an obligation under the Contract, Buyer may issue a Non-Conformance Report ("NCR"). Supplier will ensure it completes each remedial action in the NCR by the deadline specified in the NCR or if no deadline is specified, within a reasonable time.

## 11. Offset Credit and Cooperation

- 11.1 All offset or counter trade credit value resulting from the Contract will accrue solely to the benefit of Buyer. Buyer will, to the exclusion of all others, be entitled to all domestic and foreign offset credits, or other similar benefits, which may result from the Contract (including subcontracts relating to the Works). Supplier will not use these credits/benefits towards any other entities than Buyer. Buyer has the exclusive right to apply the value of foreign content in the Works or any deliverables to the offset program of its choice.
- 11.2 Supplier will also support Buyer, in any manner reasonably requested by Buyer, and at no additional cost to Buyer, in meeting Buyer's offset requirements in the amounts and in the countries specified by Buyer. Supplier will furnish upon request any certificates or other documents reasonably required by Buyer in fulfilment of Buyer's offset obligations, including any documents transferring title to the offset credits to Buyer, any documents perfecting any rights granted to Buyer in this clause 11, and take such other action as Buyer deems appropriate in order to protect Buyer's interests in offset credits.

## 12. Liability and Indemnity

- 12.1 Supplier will be liable to Buyer for all loss, liability, damages, costs, expenses and any other sums incurred or charged that Buyer may suffer or incur in connection with any acts or omissions of Supplier under the Contract.
- 12.2 Supplier will indemnify, keep indemnified and hold harmless Buyer from and against any claims by third parties which are caused by or arise out of or in connection with:

- 12.2.1 any act or omission of Buyer carried out pursuant to instructions of Supplier; or
  - 12.2.2 any breach by Supplier of any terms of the Contract.
  - 12.3 Neither Party limits its liability for:
    - 12.3.1 death or personal injury arising as a result of its negligence or the negligence of its employees; or
    - 12.3.2 fraud or fraudulent misrepresentation; or
    - 12.3.3 liability arising pursuant to any breach of clause 9; or
    - 12.3.4 gross negligence; or
    - 12.3.5 wilful misconduct; or
    - 12.3.6 any matter for which the relevant Party is not permitted by law to exclude or limit its liability.
  - 12.4 Subject to clause 12.3, Buyer's aggregate Liability under each Contract is limited to 100% of the total price under that Contract.
  - 12.5 Except as provided in clause 12.3, Buyer will have no Liability under or in connection with the Contract in respect of:
    - 12.5.1 loss of profits, loss of business, loss of revenue, loss of contracts, loss of goodwill, loss of anticipated earnings or savings; or
    - 12.5.2 loss of use or value or damage of any data or equipment (including software), wasted management, operation or other time; or
    - 12.5.3 any special, indirect, punitive, incidental or consequential loss;
 in each case howsoever arising.
  - 12.6 Supplier will, and will ensure all its sub-contractors, maintain at all times insurance cover in respect of the Works and its liabilities under the Contract, including public and products liability, all risks to property and where the Works include advisory, consultancy or professional services, professional indemnity insurance and any other insurance required by law. Satisfactory evidence of such insurance will be provided to Buyer on request. Supplier's public and product liability insurance will have a limit of at least US\$50,000,000 per event or series of related events and all other insurances will have a limit of at least US\$10,000,000.
- 13. Termination**
- 13.1 Buyer may terminate the Contract by notice in writing to Supplier if:
    - 13.1.1 Supplier commits a material breach of the Contract which is not capable of remedy, or which if capable of remedy, Supplier fails to remedy within 30 days of a written notice setting out the breach and requiring it to be remedied; or
    - 13.1.2 there is a Change of Control of Supplier or any of the events in clause 13.3 apply; or
    - 13.1.3 Supplier fails to comply with an NCR in any material respect; or
    - 13.1.4 Supplier fails to pay any sum due and payable to Buyer.
  - 13.2 Either Party may terminate the Contract immediately by notice in writing if the other Party is Insolvent.
  - 13.3 Supplier will promptly notify Buyer in writing if Supplier or any of its Affiliates purchases, acquires or otherwise has any interest in a Direct Competitor of Buyer; or is purchased by or has any interest in it bought, acquired or otherwise transferred to a Direct Competitor of Buyer.
  - 13.4 A right of Buyer to terminate the Contract will immediately give rise to the right for Buyer to terminate any other order it has placed with Supplier or contract entered into with Supplier.
- 13.5 Supplier will provide or return, as applicable, to Buyer all Tooling, Developments, Buyer Data and any other records or materials belonging to Buyer within 30 days of the date the Contract terminates or performance is completed, whichever occurs first.
  - 13.6 Buyer is entitled to cancel the Order in whole or in part by giving written notice to Supplier at any time prior to delivery of the Works in which event Buyer's sole liability will be to pay to Supplier fair and reasonable compensation for work-in-progress at the time of cancellation but such compensation will not include loss of profits (whether direct or indirect and whether actual or anticipated) or any indirect or consequential loss.
- 14. Confidentiality Obligations**
- 14.1 Each Party will keep confidential any and all Confidential Information that it may acquire from the other Party and agrees that:
    - 14.1.1 it will only use such Confidential Information to perform its obligations and exercise its rights under these Conditions; and
    - 14.1.2 it will only disclose such Confidential Information to its employees, officers or representatives who need to know the information to perform its obligations and exercise its rights under these Conditions, and that it is responsible for any breach of this clause 14.1 by any of them.
  - 14.2 The obligations in clause 14.1 will not apply to any Confidential Information which is publicly available (other than due to a breach of confidentiality) or where disclosure is required to comply with an order of a court of competent jurisdiction, but only to the extent stated in such order.
  - 14.3 On termination or expiry of the Contract and at the request of a Party, the other Party will destroy all Confidential Information it has received or certify by notice that it has done so.
  - 14.4 Supplier will not make any public announcement, or permit any public announcement to be made, relating to the Order, Contract or Works, or make any use of Buyer's name, without in each case the prior written consent of Buyer, except and to the extent only as required by law or by any governmental or regulatory authority.
- 15. Price and Payment**
- 15.1 Supplier will invoice Buyer the charges for the Works as set out in the Order upon Buyer's written acceptance of the Works. Invoices will include: Order number, descriptions of the Works, sizes, quantities, prices and totals.
  - 15.2 Buyer will pay to Supplier the proper and valid invoiced price in the currency of payment as set out in the Order within 75 days of receipt of a correct invoice. All payments will be made to Supplier at the address shown in the Order. Buyer may make adjustments or withhold payment if Buyer reasonably deems that any invoices are not submitted in accordance with these Conditions, due to any shortages or failures, or for any failure to comply with the requirements of the Order.
  - 15.3 The price and any other sums payable by Buyer are gross amounts inclusive of:
    - 15.3.1 any value added tax and all other foreign, federal, local, sales or use taxes;
    - 15.3.2 all charges including licence fees, packaging material, packing, shipping, loading, carriage, insurance and delivery of the Works to Buyer's specified place of delivery; and
    - 15.3.3 any duties, tariffs, imposts and levies.
  - 15.4 Buyer will have the right to withhold any taxes required

- by applicable law to be withheld from amounts payable to Supplier.
- 15.5 Buyer may invoice Supplier in respect of any refund or over-payment in respect of the charges due pursuant to the Contract. Supplier will pay each correct invoice within 10 Business Days of receipt except to the extent that it disputes any or all of the amount shown on the invoice in which case Supplier will pay Buyer the amount that is not in dispute but Supplier need not pay the amount that is in dispute until the dispute has been resolved in accordance with clause 4.
- 15.6 In the event of any delay in payment by either Party of any undisputed amount owed for more than 30 days after the due date for payment, the other Party may charge interest at the rate of 2% per annum above the base rate from time to time of the Bank of England until payment in full.
- 16. Security**
- 16.1 Supplier's employees or representatives visiting or working at any of Buyer's premises will comply with the security, confidentiality, safety and conduct policies, including all on site regulations specified by Buyer for personnel working at Buyer's sites or accessing Buyer's IT systems, as are notified by or on behalf of Buyer to Supplier in writing from time to time. Supplier's employees and representatives will conduct themselves at all times in a professional manner.
- 17. No Transfer**
- 17.1 The Parties do not consider that the commencement, performance, termination or expiry of the Contract or of the provision of the Works pursuant to, or contemplated by, the Contract will operate to transfer the employment of any employee or other person whether under any TUPE Equivalent Legislation or otherwise ("**TUPE Event**").
- 17.2 Supplier will indemnify and keep indemnified each member of Buyer's Group and any Future Service Provider against all and any costs, expenses, liabilities, damages, and losses arising out of any claim, action, demand or proceeding which arises or is alleged to arise or be made against any member of Buyer's Group or any Future Service Provider by virtue of the operation of TUPE or any TUPE Equivalent Legislation where there is a TUPE Event.
- 18. Bribery Act and Corruption**
- 18.1 Supplier will at all times comply with all Anti-Bribery and Corruption Laws and will not, and will ensure that its officers, employees, agents, subcontractors and any other persons who perform services for or on behalf of Supplier in connection with the Contract will not, engage in any activity, practice or conduct which causes or could cause it or any member of its Group or Buyer or any member of Buyer's Group to breach or commit an offence under any Anti-Bribery and Corruption Laws.
- 18.2 Supplier will at all times comply, and will ensure that its officers, employees, agents, sub-contractors and any other persons who perform services for or on behalf of Supplier in connection with the Contract comply, with the Buyer's anti-bribery policy in force from time to time as provided to Supplier.
- 18.3 Supplier will ensure that any sub-contractor of Supplier involved in the performance of the Contract does so only on the basis of a written contract which imposes on that sub-contractor terms equivalent to those imposed on Supplier under this clause 18. Supplier is responsible for the observance by such sub-contractor of the terms of the written contract.
- 18.4 Supplier will promptly report to Buyer any request or demand for any improper financial or other advantage of any kind received by Supplier, or which Supplier gives or intends to give, in each case whether directly or indirectly, in connection with the performance of the Contract.
- 18.5 Supplier will promptly give Buyer written notice of any breach of this clause 18.
- 18.6 Breach of this clause 18 will be deemed a material breach of the Contract which is not capable of remedy and Buyer may exercise its rights to terminate the Contract under clause 13.1.
- 18.7 Supplier will indemnify each member of Buyer's Group from and against any and all losses, liability, damages, claims, demands, actions, costs, (including costs incurred in preventing, avoiding or mitigating loss), charges, interest, payment actions, proceedings, penalties, fines, adverse judgments, orders or other sanctions, expenses or liabilities (including lost opportunity costs, additional administrative and management time, loss of anticipated savings and costs and expenses of Buyer's Group and legal expenses calculated on a solicitor and client basis) suffered, incurred or arising as a result of any breach by Supplier of this clause 18 or by any sub-contractor of any equivalent provisions contained in the relevant subcontract.
- 19. Anti-Slavery**
- 19.1 Supplier will at all times:
- 19.1.1 comply with all applicable anti-slavery and human trafficking laws, statutes and regulations from time to time in force, including the Modern Slavery Act 2015 ("**Anti-Slavery Laws**");
- 19.1.2 comply with the relevant parts of Buyer's supplier code of conduct relating to modern slavery and human trafficking and will procure that its officers, employees, sub-contractors, agents and any other persons who perform services for or on behalf of it in connection with the Works will comply with the same;
- 19.1.3 have and maintain its own policies and procedures to ensure compliance with Anti-Slavery Laws ("**Anti-Slavery Policy**"), will comply with the Anti-Slavery Policy and will procure that its officers, employees, subcontractors, agents and any other persons who perform services for or on behalf of it in connection with the Works will comply with the same; and
- 19.1.4 not engage in any activity, practice or conduct that would constitute an offence under sections 1, 2 or 4 of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK ("**Modern Slavery Practice**").
- 19.2 Supplier will:
- 19.2.1 conduct proper and adequate checks on any agency or person used by Supplier to provide labour or contractors (whether temporary or permanent) or undertake tasks for Supplier to ensure that any such agency or person does not engage and has not in the past engaged in any Modern Slavery Practice;
- 19.2.2 provide Buyer with such assistance and information as Buyer may require from time to time to enable Buyer to:
- (a) perform any activity required by any government, regulatory entity or agency in any relevant jurisdiction for the purpose of compliance with any applicable Anti-Slavery Laws or as required by Buyer;
- (b) prepare a slavery and human trafficking statement as required by section 54 of the Modern Slavery Act and to include the matters referred to in section 54(5) of that Act;



- (c) identify any non-compliance with the Anti-Slavery Policy or Buyer’s supplier code of conduct relating to modern slavery and human trafficking;
  - (d) conduct due diligence and measure the effectiveness of steps Buyer is taking or wishes to take to ensure that Modern Slavery Practices are not taking place in its business or supply chains; and
- 19.2.3 permit Buyer and any of its nominated representatives to have such access on demand to Buyer’s premises, personnel, systems, books and records as Buyer may require to verify compliance.
- 19.3 Supplier will immediately give written notice to Buyer upon the occurrence of a breach or suspected breach of any of its obligations referred to in this clause 19.
- 19.4 Any breach of this clause 19 by Supplier will be a material breach of the Contract which is not capable of remedy and Buyer may terminate the Contract under clause 13.1.
- 19.5 Buyer will be entitled, by giving written notice to that effect to Supplier, to require Supplier to take such action as Buyer requires to ensure Supplier fully complies with Anti-Slavery Laws and the Anti-Slavery Policy.
- 20. Traceability**
- 20.1 Supplier will have and operate a process to ensure that the origin of all Works, sub-assemblies and the components contained therein supplied to Buyer are fully Traceable to the original manufacturer.
- 20.2 Supplier will, unless directed otherwise by Buyer in writing, procure components from the manufacturer of the components, or through franchised distributors or direct component suppliers.
- 20.3 Supplier agrees to indemnify and hold Buyer harmless from and against all costs and expenses for the removal, repair or replacement of counterfeit components incorporated into the Works sold by Supplier to Buyer including where the counterfeit component was procured by Supplier from a person or entity other than a franchised distributor or direct component supplier or other person or entity pre-approved by Buyer in writing.
- 20.4 Supplier will:
- 20.4.1 require that its suppliers provide a Certificate of Conformance with each component shipment;
  - 20.4.2 perform incoming inspections of components and paperwork to ensure conformity to Specification; and
  - 20.4.3 maintain and document incoming inspection specifications used for each component used in manufacturing the Works;
- but these obligations will not apply to components consigned or sold to Supplier from Buyer.
- 20.5 If components are not purchased in accordance with clause 20.2 or are purchased without full Traceability and manufacturers’ certificates, Supplier will ensure that prior written approval has been obtained from Buyer before using such components and that the approving permit number will be cross-referenced on Supplier’s release certification. To obtain Buyer’s approval Supplier may have to, at Buyer’s sole option and at Supplier’s cost, perform the following:
- 20.5.1 check with the manufacturer that the date and batch codes identified on the Certificate of Conformity are genuine; and
  - 20.5.2 complete or arrange for actual component testing on a representative sample of the components to verify their conformance to specification.
- 20.6 For components purchased from Buyer, Supplier will maintain the Traceability back to the paperwork provided by Buyer as part of the components transfer.
- 21. NRE Items, Tooling & Buyer’s Property**
- 21.1 Any Tools, Tooling or NRE Items will become the property of Buyer, whilst risk remains with the Supplier. All right, title and interest in and to any part of Tooling or NRE Items will pass to Buyer as soon as it is acquired or fabricated by the Supplier.
- 21.2 Supplier will be responsible for the maintenance, storage, repair, usage, replacement and calibration of all Buyer Property, Tooling and NRE Items whilst in the Supplier’s possession and Supplier will transfer to Buyer any third party transferable warranties on Tooling and NRE Items.
- 21.3 If the contract is terminated (other than for reasons of Supplier default or becoming Insolvent) and the cost of Tooling or NRE items has been identified in the Order as being amortised over a number of deliveries, which have not been completed as a result of the termination, Buyer will remain liable to pay the balance of the outstanding Tooling or NRE Item cost upon delivery to Buyer.
- 21.4 Buyer’s Property provided to Supplier remains the exclusive property of Buyer but risk in it passes to Supplier.
- 21.5 Buyer may demand possession of Buyer’s Property, Tooling or NRE Items at any time without notice. When Buyer so requests the return of possession of Buyer’s Property, Tooling or NRE Items, the Supplier will promptly deliver such items to Buyer in good condition (subject to fair wear and tear) as requested. If the return to Buyer of any Buyers Property, Tooling or NRE Items affects Supplier’s cost of performing the Contract on which Buyer’s Property is or was to be used, or affects Supplier’s ability to meet any delivery dates under such Contract, then Supplier is entitled to an equitable adjustment in price or equitable relief to the Delivery schedule or both in accordance with clause 2.5.
- 21.6 Subject to clause 23.10 below Buyer will reimburse the Supplier for any specialist repair or maintenance required to Buyer Property which has been identified in the Order as the responsibility of Buyer (excluding anything caused by Supplier’s act or omissions) provided that Buyer approves such cost in writing in advance.
- 21.7 Supplier will keep Buyer’s Property, Tools and Tooling and NRE Items separate and apart from its own property and that of other persons and will clearly mark them as being Buyer’s property.
- 21.8 Supplier warrants that Buyer’s Property, Tools, Tooling and NRE Items will not be used by Supplier for any purpose other than for the supply of the Works to Buyer.
- 21.9 Supplier will compile and submit reports on the status of Buyer’s Property, Tools, Tooling and NRE Items as reasonably requested by Buyer including details on any repairs and maintenance necessary to maintain supply of the Works to specification.
- 21.10 Supplier will be liable to Buyer for any loss of or damage to Buyer’s Property, Tools, Tooling and NRE Items during the time they are in Supplier’s possession, custody or control. During such time Supplier will insure Buyer’s Property, Tools and Tooling and NRE Items at full replacement value in the name of and for the benefit of Buyer at Supplier’s expense with a reputable insurance provider.
- 21.11 Supplier waives any lien which it might otherwise have

at any time on any of Buyer's Property, Tooling and NRE Items.

- 21.1.2 Supplier will promptly pay Buyer on demand the full replacement value of any of Buyer's Property, Tools, Tooling and NRE Items which are not returned or provided to Buyer in accordance with clause 21.5.

## **22. Continuity of supply**

- 22.1 Whilst any Contract is in force, Supplier will ensure that its organisation is capable of satisfying all its obligations and Buyer's requirements as set out in such Contract, including ensuring the continuity of supply to provide product support, spares and repairs services, technical data and technical support and training, as may be required.
- 22.2 Supplier may not discontinue the general supply to its customers of goods and services of the type constituting the Works (or any part thereof) during the term of any Order including any warranty period or support service period.
- 22.3 Supplier will immediately notify Buyer of any known or anticipated occurrence which threatens the continuity of supply of the Works.
- 22.4 Subject to clauses 22.1 & 22.2, Supplier may provide notice of not less than 24 months of the discontinuance of the supply of parts or components in the Works and during this notice period Supplier will, at Buyer's sole discretion, either:
- 22.4.1 provide a form, fit and function replacement at no additional cost to Buyer;
- 22.4.2 procure such reasonable last time quantity as directed by Buyer for such parts or components. Unless otherwise agreed between the Parties, Supplier will procure and store such parts or components at no additional charge to Buyer.
- 22.5 If:
- 22.5.1 Buyer receives notification from Seller under clause 22.3 or 22.4; or
- 22.5.2 Buyer has reason to believe there is a risk to the continuity of supply under the Contract and notifies Supplier of such grounds;
- then in order that Buyer can take all such preventative measures as Buyer may in its sole discretion determine in order to preserve continuity of supply, immediately upon request by Buyer, Supplier will deliver to Buyer copies of all technical data, drawings, and details of any additional tooling used by the Supplier in the production of the Works and information, including manufacturing data and processes (including technical data, drawings and information of Supplier's sub-contractors and suppliers) required for the Works to be manufactured (in the case of goods) ("**Goods**") and performed (in the case of services) ("**Services**").

## **23. Software Delivery**

- 23.1 When delivering Works that contain software to Buyer, Supplier will deliver all of the following:
- 23.1.1 any password and encryption details necessary to access the software or its source code; and
- 23.1.2 full details of the software, including full name and version details, design information including module names and functionality, the type of media on which the software is provided, details of any commands required to install and make a backup copy of the software, any compression used in packaging the software, and details of operating systems on which the software runs.

## **24. Open source software**

- 24.1 Supplier will give Buyer at least 30 days' written notice if it proposes to incorporate into the Works or use the Works in combination with any open-source software, whereupon Buyer may require that Supplier, as soon

as practicable and in good faith:

- 24.1.1 provides and discusses with Buyer all reasonable additional information concerning the open-source software including (except for conditions of confidentiality) the type, proposed use and licence terms;
- 24.1.2 discusses with Buyer any negative potential effects upon the Intellectual Property Rights or the exploitation of Buyer's products; and
- 24.1.3 takes such action as may be reasonably instructed by Buyer to minimize any such negative effects or to remove and replace the open-source software. Irrespective of the above, Supplier will not use open-source software for any reason whatsoever, if Buyer notifies Supplier in writing of its objection to such use.

## **25. Viruses**

- 25.1 Supplier will not introduce into any of Buyer's or any member of Buyer's Group's computer systems anything, including any computer program code, virus, authorisation key, licence control utility or software lock, which is intended by any person to, is likely to, or may:
- 25.1.1 impair the operation of the Works or any other computer systems or programs in the possession of Buyer or any member of Buyer Group or impair the receipt of the benefit of the Works; or
- 25.1.2 cause loss of, or corruption or damage to, any program or data held on any computer systems or other systems.

## **26. Data Protection**

- 26.1 Each Party undertakes to comply with all applicable Data Protection Laws in connection with the performance of its obligations under the Contract.
- 26.2 If Agreement Personal Data are disclosed by a Party subject to European Data Protection Laws, and the recipient Party is established in a country outside of the European Union (as it is made up from time to time), the Parties will either:
- 26.2.1 comply with their respective obligations under the EU Model Controller to Controller Clauses and in such circumstances the Parties hereby agree that the EU Model Controller to Controller Clauses will be incorporated by reference with the consequence that no separate signature will be required to make them binding between the respective Parties; or
- 26.2.2 with the prior consent of the disclosing Party, put in place an alternative agreed transfer mechanism that is approved by the European Commission.

## **PART B Definitions**

In these Conditions:

"**Agreement Personal Data**" means the Personal Data (as defined under Data Protection Laws) processed pursuant to or in connection with the terms of a Contract.

"**Anti-Bribery and Corruption Laws**" means any and all laws including statutes, statutory instruments, bye-laws, orders, regulations, directives, treaties, decrees, any judgment order or decision of any court, regulator or tribunal which relate to anti-bribery or anti-corruption, including the United Kingdom Bribery Act 2010, the United States Foreign Corrupt Practices Act 1977 (15 U.S.C. Section 78dd-1, et. seq.), as amended.



**"Acceptance Tests"** means such acceptance tests as proposed by or on behalf of Buyer acting reasonably and issued prior to any such acceptance tests being undertaken to determine whether the Works (both individually and collectively with other works) are in accordance with its specifications and otherwise meet Buyer's requirements as contemplated by the Contract.

**"Base Price"** means a specific list of prices (or if not agreed the initial prices) established and agreed by the Parties in writing for the supply of the Works.

**"Business Days"** means any day except a Saturday, Sunday or public/bank holidays on which the banks in Denmark are open for business.

**"Buyer"** means Thrane & Thrane A/S or Seatel., Inc. which places an Order with Supplier for Works.

**"Buyer Data"** means any of: (i) the data supplied or otherwise made available by or on behalf of any member of Buyer's Group to Supplier's Group or any of Supplier's sub-contractors, (ii) the data generated by or stored in the computer systems and telecommunications networks owned or operated by or on behalf of or for the benefit of Buyer to which Supplier or its sub-contractors gain access in connection with the provision of any Works, and (iii) together with any Modifications thereto from time to time made by or on behalf of any person.

**"Buyer's Property"** means any dies, tools, patterns, plates, artwork, designs, drawings, specifications, free issue materials or other documents or items in the possession or under the control of Supplier which have been supplied by Buyer to Supplier.

**"Certificate of Conformance"** means a certificate produced by the Supplier certifying the whole of the supplies detailed thereon has been produced in accordance with the Company's ISO 9001, AS9100 or Buyer specific accreditation requirements and conforms in all respects with the requirements of the applicable Contract. The document must be signed either physically or electronically on behalf of the Supplier by a suitably authorised person.

**"Change of Control"** means for any entity, any change in the: (a) ownership or control (directly or indirectly) of more than 25% of the voting capital of the entity; or (b) ability (directly or indirectly) to direct the casting of more than 25% of the votes exercisable at general meetings of the entity; or (c) the right (directly or indirectly) to appoint or remove directors of the entity holding a majority of voting rights at meetings of the board of directors of the entity.

**"Confidential Information"** means all information in respect of the business of a Party including any ideas, business methods, prices, business, financial, marketing, development or manpower plans, customer lists or details, computer systems and software, products or services, including know-how or other matters connected with the products or services manufactured, marketed, provided or obtained by Buyer and information concerning Buyer's relationships with actual or potential clients, customers or suppliers and the needs and requirements of Buyer and of such persons and any other information which, if disclosed, will be liable to cause harm to Buyer.

**"Contract"** means any contract between Buyer and the Supplier for its sale and purchase of the Works, formed in accordance with clause 2.1 and incorporating the terms of the

Order, including the information referenced in clauses 2.2.1 to 2.2.5, these Conditions, any Special Conditions set out in Part C and any Specification.

**"Contract Quality Plan"** means any quality control manual supplied by Buyer to Supplier from time to time.

**"Data Protection Laws"** means any laws in force from time to time that relate to data protection, the processing of personal data and privacy, including without limitation:

- (a) the UK Data Protection Act 2018;
- (b) the General Data Protection Regulation (EU) 2016/679;
- (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003; and
- (d) the California Consumer Privacy Act of 2018.

**"Delivery"** means delivery in accordance with CIP Incoterms 2020 unless specified otherwise in the relevant Order and "Deliver" will be construed accordingly.

**"Developments"** means any Works, development documentation, information, materials, plans, drawings, reports or the like created under or for the purposes of a Contract during the course of the performance of a Contract.

**"Direct Competitor"** means any third party in the satellite communications market selling products in competition with Buyer.

**"Dispute"** means any dispute, claim, difference or controversy arising out of or in connection with any Contract, including any dispute as to its existence, validity, interpretation, performance, breach or termination and any dispute relating to any non-contractual obligations arising out of or in connection with it.

**"EU Model Controller to Controller Clauses"** are the transfer agreements incorporating the standard contractual clauses for data controllers established in third countries pursuant to the EU Commission decision (2004/915/EC) of 27 December 2004 under EU Directive (95/46/EC), or such other Commission decision as may replace it from time to time.

**"Future Service Provider"** means any third party provider of the Works who replaces Supplier.

**"Group"** means in relation to a company, that company, any direct or indirect parent or subsidiary from time to time of that company, and any subsidiary from time to time of any parent (direct or indirect) of that company (each an "Affiliate") and "member of the Group" will be construed accordingly.

**"Intellectual Property Rights"** means all intellectual and industrial property rights including patents, rights in know-how, registered trademarks, registered designs, utility models, applications for and rights to apply for any of the foregoing, unregistered design rights, unregistered trademarks, rights to prevent passing off for unfair competition and copyright, database rights, topography rights and any other rights in any invention, discovery or process, in all countries in the world and together with all renewals and extensions and any similar rights.

**"Insolvent"** means, in relation to a Party, that such Party is (i) unable to pay its debts, (ii) makes a proposal for a voluntary arrangement or convenes a meeting of its creditors to consider such a proposal, (iii) becomes subject to any voluntary arrangement, has a receiver, manager, or administrative receiver appointed over any of its assets, undertaking or income, passes a resolution for its winding-up (save for the

sole purpose of a solvent liquidation to effect a reconstruction or amalgamation previously approved in writing by the Party serving notice), is subject to a petition presented to any court for its winding-up, has a provisional liquidator appointed, has a proposal made for a compromise or arrangement under Part 26 Companies Act 2006 (save for the sole purpose of a solvent reconstruction or amalgamation previously approved in writing by the Party serving notice), has an administrator appointed in respect of it or is the subject of an application for administration filed at any court or a notice of appointment of an administrator filed at any court or a notice of intention to appoint an administrator filed at any court by any person or is the subject of a notice to strike off the register of companies maintained by the relevant authority in the country where that Party is incorporated or causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in the foregoing part of this definition.

**"Liability"** means any liability whether in contract (including negligent breach of contract), tort (including negligence), breach of statutory duty, restitution, under any indemnity or otherwise in respect of any loss or damage howsoever caused.

**"Modification"** means, with respect to any work of authorship, invention, process, or any other type of technology, all translations, adaptations, arrangements, derivative works, developments, enhancements, error corrections, fixes, versions, upgrades, updates, new releases and modifications of such work of authorship, invention, process, or any other type of technology, (and "Modified" will be construed accordingly).

**"Non-Conformance Report"** means a notice issued by Buyer to Supplier setting out remedial or corrective action to be undertaken by or on behalf of Supplier to ensure compliance with the obligations of Supplier under the Contract.

**"Non-Recurring Expense Items"** or "NRE Item(s)" means any jigs, fixtures, stencils, or other items utilized for the manufacture of Works that are separately priced in an Order for the Works, amortised in the Base Price of the Works or detailed in a separate NRE Items Order related to the Works.

**"Order"** means a purchase order or similar ordering document, signed by Buyer and incorporating these Conditions, for the procurement of Works from Supplier.

**"Parties"** means Supplier and Buyer and "Party" means either of them, as the context requires.

**"Special Conditions"** means any special conditions of Buyer on the face of the Order or in Part C or otherwise attached to or forming part of an Order.

**"Specification"** means in relation to Goods the technical requirements of the Goods provided by Buyer to Supplier, whether in the Order or any other document or in relation to Services Buyer's documents detailing the requirements of the Services.

**"Supplier"** means the corporate entity to which Buyer issues an order for Works.

**"Tools"** or **"Tooling"** means tools for use with or created pursuant to the Works.

**"Traceable"** means accompanied with original authentic certificates of conformity from the manufacturer of the original component or if not accompanying the component delivered to Buyer, are in the possession of Supplier as specified by Buyer's specification and "Traceability" will be construed accordingly.

**"TUPE"** means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended from time to time) (UK S/I number: 2006/246).

**"TUPE Equivalent Legislation"** means any legislation in any jurisdiction which is equivalent to or similar to TUPE or the Acquired Rights Directive (Council Directive 2001/23/EC) insofar as it relates to the transfer of employees.

**"Works"** mean the goods or services as specified in the Order or any part thereof.

**PART C Special Conditions**

Notwithstanding anything to the contrary:

(a) in order for a cause to be deemed to be a force majeure event, the cause must be unforeseeable and could not have been prevented or avoided by the exercise of due diligence or could not have been reasonably circumvented by Supplier through the use of alternate sources, workaround plans, business continuity plans, or other means;

(b) none of the following events will be deemed to be a force majeure event and will not excuse Supplier's performance: (1) inability or delay in obtaining supplies of adequate or suitable materials, labor, technology, or other components on commercially reasonable terms (including pricing) whether due to supply chain disruptions or otherwise; and (2) inadequate transportation or logistics services;

(c) Supplier may not: (1) modify the scheduled or requested delivery or shipment dates and/or the anticipated production volume required to fulfill Buyer's order unless otherwise agreed to by Buyer in writing; or (2) increase its prices, or the fees to be paid by Buyer, without Buyer's prior written consent; and

(d) Supplier will maintain sufficient inventory, and will allocate sufficient manufacturing capacity, resources, materials, and components, to ensure the fulfillment of Buyer's order in a timely manner. In the event of any shortage in Supplier's inventory or its manufacturing capacity, resources, materials, or components, in each case, which may affect Supplier's ability to perform its obligations, Supplier will fulfill Buyer's orders prior to fulfilling orders of other customers and will not divert any manufacturing capacity, resources, materials, or components that could otherwise be used to fulfill Buyer's order.

(e) Supplier warrants that the prices charged to Buyer for the Goods and Services shall be equal to or lower than the lowest price offered to any other third party for substantially similar and functionally equivalent products and/or scope of services as the Goods and Services which are purchased by the third party in substantially similar volumes on terms and conditions not materially different from those set forth in the Contract. If, at any time after the effective date of the Contract, Supplier enters into a contract with a third party for substantially similar and functionally equivalent products and/or scope of services as the Goods and Services provided to Buyer and in substantially similar volumes, but at a lower price than that charged to Buyer, Supplier shall notify Buyer and (i) reduce the prices charged to Buyer to match those offered to third party, retroactive to the date such lower prices became effective for the third party; and (ii) adjust pricing on a going-forward basis for all substantially similar and functionally equivalent Goods or Services to be provided by Supplier to Buyer, directly or indirectly.

(f) Buyer will pay to Supplier the proper and valid invoiced price in the currency of payment as set out in the Order within 90 days of receipt of a correct invoice. All payments will be made to Supplier at the address shown in the Order. Buyer may make adjustments or withhold payment if Buyer reasonably deems that any invoices are not submitted in accordance with these Conditions, due to any shortages or failures, or for any failure to comply with the requirements of the Order.

IN WITNESS WHEREOF, the Parties have caused these Conditions to be signed by their duly authorized representatives:

**THRANE & THRANE A/S dba COBHAM SATCOM**

By: \_\_\_\_\_

Name: \_\_\_\_\_

*(print)*

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Supplier name**

By: \_\_\_\_\_

Name: \_\_\_\_\_

*(print)*

Title: \_\_\_\_\_

Date: \_\_\_\_\_