

PURCHASE ORDER

TERMS AND CONDITIONS

1. DEFINITIONS

- I. The term "Buyer" shall mean SIGA (Electronics) Ltd.
- II. The term "Seller" shall mean the Person, Firm or Company to whom the Purchase Order is issued.
- III. The word "goods" includes all goods covered by the Purchase Order whether raw materials, processes, materials or fabricated products.
- IV. The term "Purchase Order" shall mean Buyer's Purchase Order which specifies that these conditions apply to it.
- V. 'The Contract' shall mean the Contract between Buyer and Seller consisting of the Purchase Order, these conditions and any other documents (or parts thereof) specified in the Purchase Order.

2. GENERAL CONDITIONS

No conditions submitted or referred to by Seller when quoting for or acknowledging the order shall form part of the Contract unless otherwise agreed to in writing by Buyer.

3. ACKNOWLEDGEMENT

The seller will send an electronic / written acceptance of the order to the Buyer within 5 days of receipt.

4. PURCHASE ORDER DOCUMENTS

- a) The Buyer will not be liable in respect of any Purchase Order(s) or delivery instructions other than those issued or confirmed on its official, duly signed Purchase Order Documents.
- b) Terms and Conditions specified on the Purchase Order may not be varied except upon the written authorisation of the Purchasing Manager or his nominee.

5. PRICE

Unless otherwise stated the price is to include free delivery to the address stated on the order and no variation on the price will be accepted by the Buyer unless agreed in writing.

6. TERMS OF PAYMENT

Unless otherwise stated in the order the terms of payment are net cash by the end of the month following the month of delivery. The Buyer reserves the right to set off any sums in respect of which the Seller may be in default to the Buyer.

7. PROPERTY AND RISK

The property and risk in the goods shall remain in the Seller until the goods are received at the point of delivery stated in the order, and shall revert to the Buyer on acceptance of goods as evidenced by a qualified signature.

8. DELIVERY

This order is placed on the understanding that deliveries will be maintained strictly in accordance with the Buyer's requirements as stated in the order or in any agreed delivery schedule. The Buyer reserves the right to refuse acceptance of goods supplied in excess of such requirements and accepts no liability for such goods which may be returned at the Seller's risk and expense.

9. QUANTITY, QUALITY AND DESCRIPTION

- a) The goods shall conform as to quantity, description and specification with the particulars specified by the Buyer and shall be of sound materials and workmanship.
- b) The Seller further warrants that the design, construction and quality of the goods shall comply in all respects with all relevant requirements of any statute, statutory requirement of regulation in force at the date of delivery and that the goods will conform to any trade description applied to them by the Seller.
- c) The goods supplied must comply in all respects with the specification(s), drawing(s), samples(s) and pattern(s), or any modification(s) thereof that may be agreed in writing. Notwithstanding the aforementioned Goods supplied will comply in all respects with the express and implied warranties contained within the Supply of Goods Act 1979, any related Statutes and any statutory re-enactment(s) or modification(s) thereof.
- d) Without prejudice to his other rights the Buyer reserves the right to reject any goods supplied which fail on inspection or in use to comply with the foregoing conditions. Upon notification of rejection by the Buyer rejected goods shall be returned to the Seller at the Seller's risk and expense and the Seller shall within a time acceptable to the Buyer replace such rejected goods by goods which are in all respects in accordance with the contract.

10. INSPECTION

The Buyer will have the right to inspect the Goods during manufacture and before despatch and to carry out such tests as may be called for in the Purchase Order or any attached specification(s) and the Seller will allow facilities to the Buyer's Representatives or third parties nominated by the Buyer for such inspection and will notify the Buyer in writing when the Goods are ready for inspection and testing.

11. SUB-CONTRACTING

No part of this order is to be sub-contracted by the Seller without the Buyer's previous consent in writing.

12. CONFIDENTIALITY

Any order placed by the Buyer shall be treated as confidential and in particular the Seller shall not make use of the Purchaser's name or the name of any of the Buyer's customers for publicity purposes without the prior written consent of the Buyer. Furthermore, all design, drawings, specifications and information supplied in connection with this order are confidential and must only be used for the purpose of this order, the particulars contained therein and in other matter issued in connection therewith must not be disclosed to anyone other than the Seller's employees without the Buyer's written consent. They must be used solely for the purpose of manufacturing the articles

or parts thereof deliverable under this order and no similar articles or parts may be made for any other purpose except with our previous consent in writing. All such design, drawings, specifications and information and all copies thereof must be returned to the Buyer on completion of the order.

13. SELLER'S NAME AND TRADE MARKS

Neither the Seller's name nor their trademark is to appear on goods which are made to our specification without our prior permission in writing.

14. SUSPENSION

In the event of any complete or partial stoppage of the Buyer's work, for which the Products or work which is the subject matter of this order are required, for reasons beyond our control, such as but not limited to: tempest, floods, Acts of God, actions of any Governments, strikes, lockouts, fires, explosions or accident, then the completion of such work and payment therefore may be suspended or postponed at our option until circumstances preventing or hindering the use of such goods or work has ceased.

15. TERMINATION

a) In the event of any breach of the conditions of the order, including a failure to deliver by the due date, then the Buyer without prejudice to any other rights, may terminate this order and may return any products previously supplied under this order for full credit by the Seller.

b) For Liquidation or Reconstruction. This order may be terminated as follows:

i) by the Buyer with immediate effect if the Seller goes into liquidation other than for the purposes of reconstruction, becomes insolvent or makes any arrangement with creditors or has any form of execution levied against his goods or commits any act of bankruptcy.

ii) by the Buyer in the event of the ownership or control of the Seller being materially altered, whether by a change in the ownership or stock or otherwise.

c) For convenience. This order may be terminated at any time by the Buyer giving notice in writing. On receipt of such notice, the Seller will cease production of the order. In full settlement the Buyer shall pay a fair and reasonable price for all work delivered or in a deliverable state at the date when such notice is given.

16. INDEMNITY

In addition to and without prejudice to the generality of these Conditions, the Seller undertakes to keep the Buyer indemnified against any damage to the Buyer's property and against any claims for loss or injury to any person or to the property of any person by reason of his negligence or any act of omission on the part of employers, sub-contractors or agents arising out of the execution of this order and to adequately insure this liability.

17. WARRANTY

Without prejudice to any other rights whether implied by statute or otherwise which the Buyer may have, the Seller undertakes at the Buyer's option either to repair or replace or refund the cost of the goods which fail within a period of twelve months from the date of delivery or within such longer period as may be specified by the Buyer.

18. FREE ISSUE MATERIAL

When material is issued on a free issue basis the Seller undertakes to replace at their own expense any such material scrapped in excess of any scrap allowance given. All free issue material shall remain the Buyer's property and all work done shall immediately vest in the Buyer.

19. CARRIAGE

All materials or goods supplied against this order must be packed and delivered carriage paid at the Seller's risk in accordance with the Buyer's instructions. All despatches must bear the Buyer's order number and contain a Packing/Advice note. Where an order calls for a Release Note or a Certificate of Conformance, copies of this are to accompany the Packing / Advice Note. Without prejudice to the Buyer's option to cancel goods which are not despatched in the time to reach the Buyer by the dates specified in this order will be delivered at the Seller's expense by Express Means at the Buyer's option.

20. PACKING

The Seller shall provide suitable containers and/or packing materials for the safe delivery and reasonable storage of the goods. Packages and containers of all kinds are supplied free and non-returnable unless otherwise clearly stated in the first instance on quotations and subsequently on all packages and containers, advice notes and delivery notes.

21. DRAWINGS, ARTWORK, TEMPLATES, SPECIFICATIONS, PROCESS INFORMATION, TOOLS ETC.

All drawings, plans and artwork etc., submitted by the Buyer will remain the Buyer's property and must be regarded as "confidential" and are returnable on demand.

22. HEALTH AND SAFETY AT WORK

The goods will meet the safety requirements of the UK Health and Safety at Work Act 1974- and no derogation under paragraph 8 of section 6 is acceptable. The Goods will also comply with any statutory re-enactments or modifications thereof relative to English Law or EEC Legislation.

23. HAZARDOUS GOODS

Hazardous goods must have prominent and suitable warnings on all containers, packages and documents and such markings shall comply with statutory requirements.

24. JIGS & TOOLS

Any tools, jigs, dies or other equipment, the full cost of which has been borne directly or indirectly by the Buyer shall be the property of the Buyer and must only be used for the purpose of fulfilling orders for the Buyer. In cases where part of the cost has been borne by the Buyer, or where a tool has been made to the Buyer's special requirements, then the Buyer shall have the right to purchase the tool at a fair and reasonable price.

25. SAFE CUSTODY

The safe custody of all jigs, tools, patterns, dies and the like used in the performance of this order, and of all free issue material, vested material and work done on each whilst in the Seller's possession, custody or control is the Seller's absolute responsibility and the Seller will adequately insure all such material and items and work done thereon, against loss or damage.

26. MANUFACTURING CHANGES

The Buyer must be advised of all proposed changes in the Specification or method of construction of products supplied. In the event of the Buyer accepting the change, written approval will be sent to the Seller.

27. PATENT INDEMNITY

The Seller shall indemnify the Buyer against any claim of infringement of Patents, Registered Design or other rights which arises as a result of the sale or use of the items supplied by the Seller. This indemnity shall extend to all expenses, costs or damages which the Buyer may incur as a result of such action. This indemnity shall not extend to cases in which the Product concerned has been supplied to the design of the Buyer.

28. DISPUTES

Contracts will be governed by English Law and all disputes which may arise, relating to or arising out of the order, will be submitted to arbitration and the provisions of the **Arbitration Act 1950** and any statutory re-enactment(s) or modification(s) thereof will apply.

29. PRECEDENCE

In the absence of the Buyer's written agreement other items or conditions on any order form or other document issued by the Seller shall only take effect to such extent that such terms and conditions are not inconsistent with the provision of these conditions.

30. CONCESSIONS

In respect of any deviation from the requirements of the relevant drawings and specifications and other instructions stated on the order, the Seller shall apply to the Buyer's Quality Assurance Department for a concession or Production Permit prior to delivery and the relevant document number shall be quoted on all delivery documentation.

INSPECTION CLAUSES

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32. A Certificate of Conformance will accompany each delivery and will be signed by a senior member of your Quality Assurance Department, stating their position within your organisation. The Certificate will detail our order no, drawing no, issue no, description of goods, quantity, your batch no and either state that the goods conform in all aspects to SIGA purchase order requirements or detail deviations and concessions granted to ensure full traceability of all goods supplied.

34. A Certificate of Conformance will accompany each delivery and will be signed by a senior member of your Quality Assurance Department, stating their position within your organisation. The Certificate will detail our order no, your delivery note no, drawing no, issue no, description of goods, quantity, your batch no and either state that the goods conform in all aspects to SIGA purchase order requirements or detail deviations and concessions granted to ensure full traceability of all goods supplied. This Purchase Order should comply with **Safran Requirements for Quality Supplier Assurance PS-06-10**.

36. A Certificate of Conformance will accompany each delivery and will be signed by a senior member of your Quality Assurance Department, stating their position within your organisation. The Certificate will detail our order no, drawing no, issue no, description of goods, quantity, your batch no, and either state that the goods conform in all aspects to SIGA purchase order requirements or detail deviations and concessions granted to ensure full traceability of all goods supplied. **All deliveries will have UL Batch Labels attached to each item.**

38. A Certificate of Conformance will accompany each delivery and will be signed by a senior member of your Quality Assurance Department, stating their position within your organisation. The Certificate will detail our order no, your delivery note no, drawing no, issue no, description of goods, quantity, your batch no and either state that the goods conform in all aspects to SIGA purchase order requirements or detail deviations and concessions granted to ensure full traceability of all goods supplied. This Purchase Order should comply with **Meggitt Group Supplier Quality Requirements PRC_10**.