

	<b>FARSOUND TERMS &amp; CONDITIONS</b>	<b>Doc No:</b> TC-006
<b>Title: STANDARD TERMS &amp; CONDITIONS OF PURCHASE STANDARD TERMS &amp; CONDITIONS OF PURCHASE</b>		<b>ISSUE:</b> 1

**FARSOUND AVIATION LIMITED'S  
TERMS AND CONDITIONS OF PURCHASE**

**1. INTERPRETATION**

1.1 **Definitions:** Capitalized terms that are used in these Conditions and not otherwise defined herein shall have the respective meanings ascribed to such terms in this Section 1.1:

<b>Quality System</b>	means any of the following; AS9100, AS9120, FAR21, EASA Part 21 and ASA-100 (in each case as revised from time to time)
<b>Business Hours</b>	means 8 a.m. Central Time – 5 p.m. Central Time on a Business Day.
<b>Business Day</b>	a day other than a Saturday, Sunday or other day on which commercial banks in San Antonio, Texas are authorized or required to close.
<b>Buyer</b>	means the Customer's customer, to whom the Customer is supplying the Goods, after purchase from the Supplier.
<b>Conditions</b>	the terms and conditions set out in this document as amended from time to time in accordance with clause 22.5.
<b>Contract</b>	collectively, this contract between the Customer and the Supplier for the sale and purchase of the Goods in accordance with these Conditions and the Order.
<b>Customer</b>	Farsound Aviation Inc., a Texas corporation.

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<b>Delivery Date</b>	the date specified in the Order, or, if none is specified, within the delivery time period specified or agreed by the Customer in writing in relation to the Goods ( <b>Delivery Lead Time</b> ).
<b>Delivery Location</b>	the address for delivery of the Goods as set out in the Order, at the specific point in such location that is specified by the Customer.
<b>Dispute</b>	means a dispute or claim that arises out of or in connection with the Contract, including in relation to its existence, performance, validity, termination or enforceability.
<b>Force Majeure Event</b>	means an event or circumstances outside of a party's reasonable control, including: <ul style="list-style-type: none"> <li>(a) acts of God, flood, drought, earthquake or other natural disaster;</li> <li>(b) epidemic or pandemic;</li> <li>(c) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;</li> <li>(d) nuclear, chemical or biological contamination or sonic boom;</li> <li>(e) subject to clause 18.2, any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition; or</li> </ul>

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(f) collapse of buildings, fire, explosion or accident.

**Goods** the goods (or any part of them) set out in the Order.

**Safety Data Sheet (referred to as SDS)**

means a technical document which provides detailed information on a controlled product, related to specific characteristics, namely:

- (a) health effects of exposure to the product;
- (b) hazard evaluation related to the product's handling, storage or use;
- (c) measure to protect workers at risk of exposure; and
- (d) emergency procedures.

The data sheet may be written, printed or otherwise expressed and must meet the availability, design and content requirements of applicable law, including the U.S. Occupational Safety and Health Administration (**OSHA**).

**OECD** means the Organization for Economic Co-operation and Development.

**Order** the Customer's order for the Goods (whether electronic or in hard copy), as set out in the Customer's purchase order form.

**Quality Management System** means ISO 9001

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<b>Specification(s)</b>	any specification for the Goods (including the packaging and labelling), which includes any related plans and drawings, that is agreed in writing by the Customer and the Supplier, which, for the avoidance of doubt, shall include any technical or performance requirements.
<b>Supplier</b>	the person or firm from whom the Customer purchases the Goods.

1.2 **Interpretation:**

- 1.2.1 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.2.2 A reference to a party includes its personal representatives, successors and permitted assigns.
- 1.2.3 A reference to legislation or a legislative provision is a reference to it as amended or re-enacted. A reference to legislation or a legislative provision includes all subordinate legislation made under that legislation or legislative provision.
- 1.2.4 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

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1.2.5 A reference to **writing** or **written** includes emails.

**2. BASIS OF CONTRACT**

2.1 These Conditions apply to this Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing.

2.2 The Order constitutes an offer by the Customer to purchase the Goods in accordance with such Order and these Conditions.

2.3 The Order shall be accepted when the Supplier issues a written acceptance of the Order. Unless otherwise agreed by the Customer in writing, the Supplier shall either accept or reject each Order within 5 Business Days of the Order being submitted to it. If Supplier does not issue a written acceptance of an Order within such 5 Business Day time period, then Supplier shall be deemed to have rejected such Order. When an Order is accepted in accordance with this clause, this Contract shall come into existence. For the avoidance of doubt:

2.3.1 the Customer shall not be bound by any Order unless it is accepted by the Supplier by way of written acceptance in accordance with clause 2.3; and

2.3.2 the Customer may withdraw any Order that has not as of such time been accepted by the Supplier by way of written acceptance in accordance with clause 2.3, without any liability to the Customer.

2.4 Subject to clause 2.3:

2.4.1 the Customer may at any time prior to dispatch of the Goods cancel an Order by written notice to the Supplier. If the Customer cancels an Order, its liability to the Supplier shall be limited to payment to the Supplier of all costs reasonably incurred by the Supplier in fulfilling the Order up until the date of receipt of the notice of cancellation. Upon request, the Supplier shall provide the Customer with any documentation reasonably requested by the Customer to verify the costs reasonably incurred by the Supplier before the Order was cancelled under this clause. For the avoidance of doubt, the parties agree that costs under this clause shall

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not exceed the price of the Order had it not been cancelled; or

2.4.2 the Customer may, at any time prior to dispatch of the Goods, request in writing to the Supplier that an Order be amended (**Requested Change**). The Requested Change shall set out the changes the Customer would like to make to an Order. If the Customer makes a Requested Change the Supplier shall inform the Customer in writing, within [2] Business Days thereafter, about any changes to the price of the Goods, the timing of supply and any other consequences of the Requested Change, and ask the Customer whether it wishes to go ahead with the Requested Change (**Change Consequences**). If the Customer agrees to the Change Consequences in writing, the Order shall be varied accordingly. For the avoidance of doubt, the Supplier shall act reasonably and in good faith when calculating any revisions to the price, the timing of supply and any other Change Consequences.

The Customer shall have no liability to the Supplier under clause 2.4.1 or 2.4.2 where the amendment or cancellation of an Order results from the Supplier's failure to comply with its obligations under this Contract.

2.5 The Supplier waives any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of the Supplier that is inconsistent with these Conditions.

2.6 The Supplier shall maintain records relating to each Order for a minimum of 10 years or as specified on the relevant Order, or as otherwise agreed in writing between the parties. These records will be made available to the Customer promptly on request.

2.6.1 [Records related to a Quality System] that pertain to non-conformances (**Quality Records**) will be retained and available for the life of the relevant aircraft program unless otherwise specified.

2.6.2 If the Supplier wishes to destroy any records after the relevant retention period set forth in this Section 2.6, Supplier must do so via a certified shredding company, that is capable of ensuring that sensitive and/or identifiable information and records remain confidential..

3. **CONFLICT**

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3.1 If there is any conflict or ambiguity between the terms set forth in any of the documents listed below, such documents shall be prioritized as follows: (a) first, a long-term supply agreement or other formal written contract entered into between the parties, which applies to the supply of the Goods; (b) second, the Order; and (c) third, these Conditions.

3.2 The Supplier will ensure that its employees, workers, consultants, independent contractors, and any sub-contractors appointed in accordance with the Contract, who are connected with the supply of the Goods, are aware of and comply with the Supplier's obligations under the Contract, and that all such personnel acting for or on behalf of Supplier are properly licensed, certified or accredited as required by applicable law and are suitably skilled, experienced and qualified to perform the obligations required of such individuals in connection with the supply of the Goods.

**4. THE GOODS**

4.1 The Supplier shall ensure that the Goods:

4.1.1 conform to their description, any applicable Specification(s), drawings, designs, and other requirements stated on the Order or as otherwise agreed between the parties in writing;

4.1.2 conform to any sample of the Goods;

4.1.3 are of satisfactory quality (as reasonably determined by Customer) and fit for their intended purpose and operate as intended;

4.1.4 are free from defects in design, material and workmanship and remain so for 24 months after delivery to Customer (unless a shorter time period has been agreed in writing by the parties);

4.1.5 have not been subjected to conditions of extreme stress, heat, cold, or general environmental or climatic conditions;

4.1.6 are provided with, but not limited to, either a certificate of conformity or authorized release certificate (in accordance with industry standard). Other applicable certification might include evidence of material, production, special processes and subcontracted processes;

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4.1.7      have not been previously installed on any airframe, engine or related sub system or component or other structure;

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- 4.1.8 comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods in force at the time of delivery of the Goods;
- 4.1.9 have at least 80% of their shelf life remaining at the time of delivery, unless otherwise agreed in advance of delivery and in writing by the Customer; and
- 4.1.10 be capable of being fully transferred (including title thereof) from the Supplier to the Customer;
- 4.1.11 not be subject to any charge, a lien, security interest, or other encumbrance;
- 4.1.12 be merchantable;
- 4.1.13 not infringe or misappropriate any third party's patent or other intellectual property rights.
- 4.2 Additional Supplier Obligations.
  - 4.2.1 If required by applicable law, Supplier must provide an SDS to the Customer's Quality Manager (or similar manager or officer) at least 5 Business Days prior to delivery of Goods, to enable Customer personnel to appropriately assess risk.
  - 4.2.2 Supplier shall notify Customer if any Goods or any component thereof, or product, processes and/or services related to the Goods, are identified as non-conforming. Should this happen, the Supplier shall communicate details of such nonconformance to Customer in writing as soon as practicable, and in any event within 5 Business Days following the date on which Supplier becomes aware of such nonconformance. Additionally, Seller shall seek written authorization from the Customer regarding the disposal of any inventory related to any Order.
- 4.3 The Supplier shall ensure that the Goods' labelling;
  - 4.3.1 conforms to the Specification(s) or is as otherwise agreed in writing between the parties;
  - 4.3.2 and any quality release documentation clearly states the Goods' cure

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date, cure group, date of manufacture and time expired, shelf-life or use by date; and

4.3.3 complies with any and all regulations imposed by applicable law with respect to classification, labeling, and packaging.

4.4 The Supplier shall:

4.4.1 [reserved];

4.4.2 ensure that at all times it has and maintains:

4.4.2.1 a Quality System (unless otherwise agreed in writing by the Customer, such as AS9100/ISO9001); and

4.4.2.2 all the licenses, regulatory approvals, permissions, accreditations, authorizations, consents and permits that are necessary to carry out its obligations under the Contract (**Authorizations**); and

4.4.2.3 only customer-specified or regulatory approved subcontractors or special processors are used in the production of the Goods; and

4.4.3 notify the Customer immediately if during the term of the Contract:

4.4.3.1 a Contract Authorization lapses, is terminated or revoked, or is otherwise no longer in full force and effect; and/or

4.4.3.2 if the Supplier no longer has a Quality System in place.

4.5 The Supplier acknowledges and accepts that if the Supplier does not have all Authorizations or, subject to clause 4.4.2.1, a Quality System, in place at any time during the term of the Contract, the Customer may terminate the Contract under clause 8.1.1, and in such event Customer shall have no liability to the Supplier.

4.6 Supplier shall promptly notify the Customer of any changes or modifications to either the Goods, any component thereof, or any product or proposed process definition relating to any Order, and shall otherwise keep Supplier informed with respect to the

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foregoing in accordance with standard industry practice. The Supplier must obtain the Customer’s written approval (which may be given or withheld in Customer’s sole discretion) prior to implementing any such change or modification described in the foregoing sentence. Such changes and modifications might include, but are not limited to, changes in the manufacturing process, the services provided, the sub-contractors utilized, and the location [where such Goods are manufactured].

- 4.7 The Supplier may not assign, delegate, transfer, or subcontract any of its obligations hereunder without the Customer’s prior written consent. Customer’s approval of any subcontractor shall not relieve Supplier of its obligations under this Agreement, and Supplier shall remain fully responsible for the performance of its subcontractors and its employees for their compliance with all of the terms and conditions of this Agreement as if they were Supplier’s own employees. Nothing contained in this Agreement shall create any contractual relationship between Customer and any subcontractor or supplier of Supplier. If requested by Customer, the Supplier shall use [parts, pieces, elements, units, and similar components] in the Goods and/or in connection with Supplier’s provision of the Goods, from specific sources that have been designated by Customer.
- 4.8 If Goods are or in any way contain “toxic substances” and/or “chemical hazards”, in each case as defined by OSHA, , the Supplier shall;
- 4.8.1 comply with all applicable environmental and health and safety legislation and regulations (as may be amended from time to time);
  - 4.8.2 warrant to Customer that the packaging and shipment of toxic substances and/or chemical hazards, or any Goods that contain toxic substances and/or chemical hazards will be made in accordance with all applicable laws;
  - 4.8.3 submit a copy of the SDS to the Customer’s Quality Manager (or similar manager or officer) at least 5 Business Days prior to delivery of any such material
  - 4.8.4 provide any information requested by the Customer related to the Goods or any product or component therein, to ensure the Customer’s compliance with applicable laws including but not limited to The OSH Act of 1970 and the Toxic Substances Control Act of 1976 (in each case as

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amended from time to time).

4.9 The Supplier shall not:

4.9.1 provide any Goods that are, or include components that are, unapproved or counterfeit, or suspected to be unapproved or counterfeit, including but not limited to Goods or components thereof that have any of the following qualities (**Counterfeit Qualities**):

4.9.1.1 are an unauthorized copy or substitute of parts that are issued by a design authority or an Original Equipment Manufacturer (**OEM**);

4.9.1.2 are not traceable to a design authority or OEM sufficient to validate authentic design and manufacture;

4.9.1.3 do not contain the materials or components that have been [specified by Customer];

4.9.1.4 contain materials or components that have not been subject to the manufacturing processes as required by any relevant design authority or OEM specification;

4.9.1.5 have been reworked, repaired or relabeled or in any other way modified from the design authority or OEM specification but not disclosed as such;

4.9.1.6 have not passed the relevant QA test requirements as set out by the design authority or OEM.

4.10 The Seller shall apply appropriate internal processes to ensure that Goods sold to the Buyer do not have, or contain components that have, Counterfeit Qualities, including but not limited to ensuring Goods, components, and materials are procured through authorized suppliers and ensuring that approved testing or inspection to determine authenticity of items occurs.

4.10.1 Any Goods that have or contain components that have Counterfeit Qualities shall be deemed to be non-conforming to the Order, and may be rejected by Customer in accordance with clause 8.1.

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- 4.10.2 The Supplier will ensure it carries out due diligence when sourcing all minerals for the Goods in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains (as amended) (**OECD Guidance**).
- 4.10.3 Subject to clause 4.10, no part of the Goods may contain any conflict minerals (which includes any minerals obtained illegally or from any conflict affected-areas or high-risk areas, as further described in the OECD Guidance) (**Conflict Minerals**).
- 4.10.4 Seller shall ensure that all parts of the Goods are procured directly from an original component manufacturer (**OCM**), OEM, or from an OCM or OEM-authorized distributor.
- 4.11 If the Supplier wishes to use any Conflict Minerals in the Goods, the Supplier shall:
  - 4.11.1 inform the Customer as soon as possible and shall promptly provide the Customer with any information it requires in relation to such Conflict Materials; and
  - 4.11.2 not use any Conflict Minerals in the Goods, unless agreed in advance and in writing by the Customer.
- 4.12 If the Supplier becomes aware at any time that any of the Goods or any component thereof contain any Conflict Minerals, whether during or after the termination or expiration of the Contract, Supplier shall inform the Customer of such fact, within 1 Business Day. The Supplier shall promptly provide the Customer with any information it requires in relation to such Conflict Minerals. This provision shall survive termination or expiration of the Contract indefinitely.
- 4.13 The Supplier shall permit the Customer and any of Customer’s auditors, accountants, legal counsel, or other advisors, or any regulatory authority, to enter and inspect the Supplier’s premises, systems and records as may be reasonably required by the Customer, advisor, or regulatory authority to verify Supplier’s compliance with clause 4.4 and clause 4.9, or other compliance with applicable law or regulation, or Supplier shall otherwise provide such information to Customer (at Customer’s election). The Supplier shall permit the Customer or regulatory authority to take copies of the

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Supplier's records that are reviewed by the Customer or regulatory authority under this clause.

- 4.14 The Supplier shall inform the Customer as soon as it becomes aware of any reason why the Goods do not or will not comply with clauses 4.1 through 4.9 (inclusive). Unless otherwise requested by the Customer in writing, the Supplier shall promptly take such remedial action as is necessary to ensure compliance of the Goods with all standards set forth herein, and all applicable laws.
- 4.15 Regardless as to whether clause 4.13 applies, the Supplier acknowledges and agrees that the Customer, any Buyer or regulatory authority has right of entry and may inspect and/or test the Goods at any time before delivery if requested by the Customer and/or the relevant regulatory authority in writing. If requested under this clause, the Supplier shall:
- 4.15.1 send a sample of the Goods to the Customer, Buyer or regulatory authority at the Supplier's risk and expense so that the Customer, Buyer or regulatory authority can inspect and/or test the Goods; or
  - 4.15.2 grant access to its premises to the Customer, Buyer or regulatory authority so that the Customer, Buyer, or regulatory authority can inspect and/or test the Goods. Such inspection, if taking place at the Supplier's premises, shall take place during Business Hours.

The Supplier shall remain fully responsible for the Goods despite any such inspection or testing and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract.

- 4.16 If following such inspection or testing the Customer, Buyer, or regulatory authority determines that the Goods do not conform or are unlikely to comply with any of clauses 4.1 through 4.9, or otherwise with applicable law, the Customer shall inform the Supplier and the Supplier shall immediately repair or replace such Goods and pay for all related expenses, including but not limited to transportation charges for the return of the nonconforming Goods and delivery of the replacement Goods, and take any such other remedial action as is necessary to ensure compliance of the Goods. The Customer may conduct further inspections and tests with respect to the Goods after the Supplier has carried out remedial actions

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4.17 In order to satisfy requirements of Buyers, Customer may be obligated to ensure that Supplier, as the supplier of Goods, complies with certain conditions or requirements. In such event, Customer shall make Supplier aware of such conditions and requirements, and Supplier shall agree to be bound by such conditions and requirements.

4.18 Customer is not obligated to any minimum purchase or future purchase obligations under any Order.

## 5. DELIVERY

5.1 The Supplier shall ensure that:

5.1.1 the Goods are properly packed and secured in such manner as to enable them to reach their ultimate destination undamaged;

5.1.2 Goods packaged together shall not collectively exceed a total weight of 10kg, unless the Customer otherwise agrees in advance and in writing;

5.1.3 the Goods packaging conforms to the Specification(s), unless the Customer otherwise agrees in advance and in writing;

5.1.4 each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number (if any), the part number and quantity of the Goods (including the code number of the Goods, where applicable), special storage instructions (if any), a list of regulations that are applicable to the Goods (including regulations related to the classification, labeling, and packaging of Goods, and regulations related to chemicals and/or hazardous substances), and, if the Goods are being delivered by installments, the outstanding balance of Goods remaining to be delivered;

5.1.5 each delivery label uses a[ two-dimensional, GS1 DataMatrix barcode], or such other barcode as may be specified by Customer];

5.1.6 all quality release documents and advice notes relating to the Goods shall accompany the Goods and shall contain the Order number and comply with clause 4.3.2 (**Goods Documents**). One copy of the Goods Documents shall be secured to the outside of the container carrying the

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Goods, and a duplicate copy shall be placed inside the container with the Goods;

- 5.1.7 where the substance, material or preparation of the Goods is controlled under the OSH Act of 1970, the Toxic Substances Control Act of 1976, or other regulations (in each case as amended from time to time), a Safety Data Sheet must accompany each delivery of the relevant Goods; and
- 5.1.8 if the Supplier requires the Customer to return any packaging material to the Supplier, that fact is clearly stated on the delivery note. Any such packaging material shall be returned to the Supplier at the cost and risk of the Supplier;
- 5.1.9 if requested by Customer (which request will only be made in exceptional circumstances, as reasonably determined by Customer, and in writing), Supplier will deliver Goods directly to a Buyer. In such event, Supplier shall deliver a copy of all paperwork with respect to such Order to the Customer, prior to delivery being made to the Buyer.
- 5.2 The Supplier acknowledges and accepts that time is of the essence for delivery of the Goods.
- 5.3 Subject to clause 5.4 and 5.8, the Supplier shall deliver the Goods in full:
  - 5.3.1 on the Delivery Date or before the expiration of the Delivery Lead Time (being the end of Business Hours on the last Business Day of the Delivery Lead Time) if no Delivery Date is specified on the Order;
  - 5.3.2 at the Delivery Location; and
  - 5.3.3 during Business Hours, or as otherwise instructed by the Customer in writing.
- 5.4 If:
  - 5.4.1 due to act or omission of the Customer the Supplier is not able to comply with clauses 5.3.1 and 5.3.3, the Supplier shall let the Customer know as soon as possible. Acting reasonably, the Supplier shall inform the Customer in writing about any changes to the timing of supply due to such act or omission of Customer, and ask the Customer whether

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Customer agrees to such changes. If the Customer agrees to such changes in writing, the definitions of Delivery Date or Delivery Lead Time shall be varied accordingly; and if the Customer does not agree, the parties, acting reasonably, shall discuss and agree an alternative Delivery Date and Delivery Lead Time, which once agreed, shall vary the definitions accordingly. If the parties cannot agree, then Customer may cancel the Order[, provided that Customer shall in such event pay to Supplier an amount equal to Supplier’s reasonable actual out-of-pocket costs in connection with such Order, as evidenced by receipts and approved by Customer.

5.5 The Goods shall be considered to be “delivered”, and title and risk of loss shall transfer from Supplier to Customer, at such time as the Goods have been unloaded, and Customer has received them, at the Delivery Location (**Completion of Delivery**).

5.6 Subject to clause 6, if the Supplier fails to comply with:

5.6.1 clause 5.1.2 the Supplier acknowledges and accepts that:

5.6.1.1 the Customer may reject such Goods; or

5.6.1.2 the Customer may unpack the Goods and re-pack them to a maximum 10kg weight limit. If the Customer exercises its right under this clause, the Supplier shall pay the Customer a repacking fee equal to \$55.00 per repacked package of Goods.

5.7 If the Supplier:

5.7.1 delivers less than 100% of the quantity of Goods ordered, the Customer may reject the Goods; or

5.7.2 delivers more than 110% of the quantity of Goods ordered, the Customer may at its discretion reject the Goods or the excess Goods and any rejected Goods shall be returnable at the Supplier’s risk and expense and Customer shall not be charged or otherwise be responsible for payment of such returnable Goods.

If the Supplier delivers more or less than the quantity of Goods ordered, and the

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Customer accepts the delivery, a pro rata adjustment shall be made to the invoice for the Goods.

5.8 The Supplier shall not deliver the Goods in installments without the Customer's prior written consent. Where it is agreed that the Goods are to be delivered in installments, Supplier will invoice Customer for such installments of Goods, and Customer will pay for such installments of Goods, separately. Without prejudice to any other rights and remedies of the Customer, the failure by the Supplier to deliver any one installment in a timely manner as provided in these Conditions, or at all, or any defect or non-conformity in an installment, shall entitle the Customer to the rights and remedies set out in clause 8.

**6. INTERNATIONAL DELIVERY**

6.1 Subject to clause 6.2, unless otherwise agreed in writing between the parties, all Goods with a Delivery Location outside of the United States shall be delivered Delivery Duty Paid to the Delivery Location in accordance with the Incoterms of the International Chamber of Commerce (ICC) as in force at the date of the relevant Order (**EXW Incoterm**).

6.2 If clause 6.1 applies:

6.2.1 and there is a conflict between these Conditions and the EXW Incoterm in force as at the date of the relevant Order, these Conditions shall prevail; and

6.2.2 the Customer shall be responsible for arranging carriage of the Goods from the Delivery Location to the destination determined by the Customer.

6.3 The Supplier warrants that the Goods will be fit for export out of the country of origin.

6.4 When requested by the Customer, the Supplier shall promptly provide any information requested by the Supplier in relation to the export of the Goods.

**7. EXPORT CONTROL AND SANCTIONS**

7.1 The Goods, and its components may be subject to export and/or sanctions laws and regulations, which may include, without limitation, U.S. export and/or sanctions laws and regulations and UK export and/or sanctions laws and regulations, and the Parties

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acknowledge that any diversion from such laws and regulations is prohibited.

7.2 The Supplier shall identify any Goods or component thereof that are subject to export laws and regulations prior to the issue of an Order. Subsequently;

7.2.1 in case of a change in such laws and regulations which applies only to Goods or components thereof to be supplied after such change in law or regulation, the Supplier shall provide the Customer with all information concerning such laws and regulations and will be responsible for ensuring compliance such applicable laws and regulations.

7.3 Whenever all or part of the Goods is subject to import or export laws, rules, and regulations, or other export licensing procedures, and without prejudice to its obligations under this Article, the Supplier shall be responsible for compliance with such laws, rules, and regulations, which shall include the following:

7.3.1 Supplier shall be responsible for obtaining, at no cost to the Customer, all relevant official approvals, licenses and authorizations required for the export and delivery of the Goods and any component thereof to the Customer (or other relevant recipient), including without limitation end-user(s), allowable under the applicable laws and regulations.

7.3.2 Supplier shall use reasonable best efforts to ensure that any export license or similar documentation that is required for delivery is issued by the relevant authorities in time to allow for timely delivery of the Goods to the Customer (or other relevant recipient) and that such deliver complies with all applicable such laws and regulations.

7.3.3 Supplier shall state on all and invoices and notices of delivery the relevant export control number according to the applicable laws and regulations.

In connection with the obligations set forth in this Section 7.3, the Customer shall provide the Supplier with reasonable assistance in order to enable Supplier to obtain all necessary approvals, licenses, and authorizations necessary for the export and delivery of the Goods.

**8. CUSTOMER REMEDIES**

8.1 If the Goods (or any installment thereof) are not delivered in accordance with clause

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5.3, the Goods or Supplier (as applicable) do not comply with the undertakings set out in these Conditions, including but not limited to clauses 4.1 - 4.4 (inclusive), 4.8, 4.9, 4.10.2, clauses 5.1.1 - 5.1.7 (inclusive), or if clause 4.5 or clause 16.2 applies, then, without limiting any of Customer's other rights and remedies, and whether or not Customer has accepted the Goods, the Customer may exercise any one or more of the following rights and remedies:

- 8.1.1 to [immediately] terminate this Contract, in which instance Customer shall not be responsible to pay Supplier for any improperly delivered or non-conforming Goods;
- 8.1.2 to reject the Goods (in whole or in part) and return them to the Supplier at the Supplier's own risk and expense;
- 8.1.3 to require the Supplier to repair or replace the rejected Goods, or to provide a full refund of the price of the rejected Goods (if already paid); and
- 8.1.4 to refuse to accept any delivery of the Goods which the Supplier attempts to make.

8.2 These Conditions shall apply to all Goods, including any repaired or replacement Goods, supplied by the Supplier.

8.3 The Supplier shall ensure that all employees, independent contractors, owners, managers, officers, directors, and other personnel of Supplier are aware of Supplier's obligations set forth in these Conditions, and:

- 8.3.1 Supplier's obligation to deliver Goods in accordance with the standards set forth in these Conditions,
- 8.3.2 Supplier's commitment to product safety,
- 8.3.3 and the importance of ethical behavior.

8.4 The Customer's rights and remedies under the Contract are in addition to its rights and remedies implied by statute and common law.

9. **[Reserved]**

10. **PRICE AND PAYMENT**

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- 10.1 The price of the Goods shall be the price set out in the Order, or, if no price is quoted, the price set out in the Supplier's published price list in force as at the date the of the Order.
- 10.2 The price of the Goods:
- 10.2.1 excludes amounts in respect of value added tax (**VAT**), which the Customer shall additionally be liable to pay to the Supplier at the prevailing rate, subject to the receipt of a valid VAT invoice; and
- 10.2.2 includes the costs of packaging, insurance and carriage and delivery of the Goods.
- 10.3 Customer shall not be responsible for any extra charges unless agreed in writing by Customer.
- 10.4 The Supplier may invoice the Customer for the price of the Goods plus VAT at the prevailing rate (if applicable) on or at any time after the Completion of Delivery. The Supplier shall ensure that the invoice includes the date of the Order, the invoice number, the Customer's order number, the Supplier's VAT registration number and any supporting documents that the Customer may reasonably require.
- 10.5 The Customer shall pay undisputed invoices within 60 days after the end of the month in which Completion of Delivery occurred for the relevant Goods. Payment shall be made by way of check, or by wire transfer of immediately available funds to the bank account designated in writing by the Supplier.
- 10.6 If a party fails to make any payment due to the other party hereunder by the relevant due date for such payment, then the party failing to make such payment shall pay interest on the overdue sum at the lesser of the rate of [1.5% per month] or the highest rate permissible under applicable law, from the due date until payment of the overdue sum is made, Where a payment is disputed in good faith, interest will only payable after the Dispute is resolved, on sums found or agreed to be due, from 5 days after the Dispute is resolved until payment.
- 10.7 The Customer may at any time, without prior notice to the Supplier, set off any liability of the Supplier to the Customer against any liability of the Customer to the Supplier  
Any exercise by the Customer of its rights under this clause shall not limit or affect any other rights or remedies available to it under the Contract or otherwise.

11. **INDEMNITY**

**Approved**

**May 1, 2025**

**Uncontrolled when Printed**

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11.1 The Supplier shall indemnify the Customer 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 Customer as a result of or in connection with:

11.1.1 any claim or alleged claim (whether the subject of legal proceedings or otherwise):

11.1.1.1 made against the Customer for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the manufacture, supply or use of the Goods; or

11.1.1.2 made against the Customer by a third party arising out of or in connection with the Goods, any defects or any non-conformity in the Goods (including but not limited to any death, personal injury or damage to property resulting from defects in the Goods), or Supplier's (or its employees', agents', or subcontractors') negligence, willful misconduct, or breach of the Order;

11.1.2 procuring and implementing replacements for, or alternatives to, Goods not provided in accordance with the Contract;

11.1.3 any Conflict Minerals being included in the Goods, that the Customer did not consent to under clause 4.10.2; and

11.1.4 the Customer terminating the Contract under clause 8.1.

11.2 The indemnities in clause 11 shall not apply to any losses suffered or incurred by the Customer, to the extent that such losses are caused by Customer's gross negligence, willful misconduct, fraud, or breach of the Contract.

11.3 This clause 11 shall survive termination or expiration of the Contract.

**12. CUSTOMER MATERIALS**

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12.1 The Supplier acknowledges that all tools supplied by the Customer to the Supplier (**Customer Materials**) and all rights in the Customer Materials are and shall remain the exclusive property of the Customer or its licensors. The Supplier shall keep the Customer Materials in safe custody at its own risk, maintain them in good condition until returned to the Customer and shall not dispose or use them other than in accordance with the Customer's written instructions or authorization.

13. **INSURANCE**

13.1 During the term of the Contract and for a period of 3 years thereafter, the Supplier shall maintain in force, with a reputable insurance company: (i) professional liability insurance; (ii) product liability insurance; and (iii) commercial general liability insurance; and (iv) such other policies as are typically held by companies providing goods and services similar to those provided by Supplier, to cover the liabilities that may arise under or in connection with the Contract, and shall, at the Customer's request, provide Customer with copies of all certificates of insurance with respect to such policies, and the receipt and payment evidence for the current year's premium in respect of each such policy.

14. **[RESERVED]**

15. **CONFIDENTIALITY**

15.1 All non-public, confidential, or proprietary information of the Customer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by Customer to Supplier, whether disclosed orally or disclosed or accessed in written, electronic, or other form or medium, and whether or not marked, designated, or otherwise identified as "confidential," in connection with the Order, (**Confidential Information**), is confidential, may only be used for the purpose of performing the Order and may not be disclosed unless authorized by Buyer in writing, except as permitted by clause 15.2. Upon Customer's request, Supplier shall promptly return all documents and other materials received from Customer. Customer

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shall be entitled to injunctive relief for any violation of this clause 15.

15.2 Supplier may only disclose Confidential Information:

15.2.1 to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising Supplier's rights or carrying out its obligations under the Contract. Supplier shall ensure that its employees, officers, representatives, contractors, sub-contractors or advisers to whom it discloses Confidential Information comply with this clause 15;

15.2.2 as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority; and

15.2.3 in accordance with clause 22.1.1.

## 16. COMPLIANCE WITH RELEVANT LAWS AND POLICIES

16.1 In performing its obligations under the Contract, the Supplier shall:

16.1.1 comply with all applicable laws, statutes, regulations, codes, and ordinances from time to time in force, and shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under the Contract; and

16.1.2 comply with all export and import laws of all countries involved in the sale of the Goods under the Contract. For the avoidance of doubt, Supplier assumes all responsibility for shipments of Goods requiring any government import clearance. Customer may terminate the Contract if any governmental authority imposes antidumping or countervailing duties or any other penalties on Goods.

16.2 The Customer may, pursuant to clause 8.1.1, immediately terminate the Contract for any breach of clause 16.

## 17. TERMINATION

17.1 Excluding where:

17.1.1 clause 17.2 applies; or

17.1.2 the Customer terminates the Contract under clause 8.1.1,;

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and without limiting its rights or remedies, the Customer may terminate the Contract or any Order in whole or in part at any time before delivery of the Goods with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. The Customer shall pay the Supplier fair and reasonable compensation for any work in progress on the Goods at the time of termination (as evidenced by documentation by Supplier), but such compensation shall not include loss of anticipated profits or any consequential loss. For the avoidance of doubt, in the event Customer terminates the Contract pursuant to this clause 17.1, Supplier's sole and exclusive remedy is payment for the Goods received and accepted by Customer prior to the termination.

17.2 Without limiting its other rights or remedies, the Customer may terminate the Contract with immediate effect by giving written notice to the Supplier if:

17.2.1 the Supplier commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within 14 days of the Supplier being notified in writing to do so;

17.2.2 the Supplier becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors;

17.2.3 the Supplier suspends, threatens to suspend, ceases or threatens to cease to carry on all or a substantial part of its business; or

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- 17.2.4 the Supplier’s financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of the Contract is in jeopardy.
- 17.3 On termination or expiration of the Contract (howsoever caused), the Supplier shall:
  - 17.3.1 at the Customer’s option:
    - 17.3.1.1 continue to supply all Orders that are due to be delivered after termination or expiration; or
    - 17.3.1.2 subject to clause 17.1, refund the Customer for any Goods it has paid for but not received;
  - 17.3.2 promptly issue Customer with an invoice for any Goods that have been delivered to Customer as of such date and not rejected, that the Customer has not yet paid for and for which no invoice has yet been issued; and
  - 17.3.3 immediately return all Customer Materials and Confidential Information to Customer. If the Supplier fails to do so, then the Customer may enter the Supplier’s premises and take possession of the Customer Materials and Confidential Information. Until they have been returned or delivered, the Supplier shall be solely responsible for the safekeeping of such Customer Materials and Confidential Information and will not use them for any purpose not connected with the Contract.
- 17.4 Termination or expiration of the Contract, however arising, shall not affect any of the parties’ rights and remedies that have accrued as of the time of termination or expiration, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiration.
- 17.5 Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination or expiration of the Contract shall remain in full force and effect.
- 18. **FORCE MAJEURE**
  - 18.1 Neither party shall be in breach of the Contract nor liable for any delay in performing, or failure to perform, any of its obligations under the Contract to the extent such delay

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or failure results from a Force Majeure Event. In such circumstances the time for performance shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed by the Force Majeure Event, but not to exceed the amount of time such party would have had to perform had a Force Majeure Event not occurred.

If the period of delay or non-performance continues for 4 weeks or longer, the non-defaulting party may terminate the Contract by giving 14 days' prior written notice to the other party.

18.2 For the avoidance of doubt, a Force Majeure Event shall not include any of the following:

18.2.1 any labor or trade disputes, strikes, industrial action or lock outs;

18.2.2 non-performance of the Supplier's sub-contractors;

18.2.3 the failure of a government or regulatory authority to grant a necessary Authorization; or

18.2.4 if the Supplier, or any member of its supply chain, loses a relevant Authorization during the term of the Contract.

19. **DISPUTE RESOLUTION**

19.1 If

a Dispute arises, then the parties shall follow the procedure set out in clause 19.3. If the Dispute is not resolved under clause 19.3, then the parties shall resolve the Dispute in accordance with clause 20.

19.2 [Reserved]

19.3 **Procedure:**

19.3.1 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 receipt by the other party of the Dispute Notice (**Receipt**), the Procurement Director or other designated officer of the Customer (**Customer's Representative**) and a Director or other designated officer of the Supplier (**Supplier's Representative**) shall

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attempt in good faith to resolve the Dispute;

19.3.2 If the Customer's Representative and Supplier's Representative are for any reason unable to resolve the Dispute within 30 days of Receipt, the Dispute shall be referred to the President or CEO of the Customer (**Customer's Senior Representative**) and President or CEO (or equivalent) of the Supplier (**Supplier's Senior Representative**) who shall attempt in good faith to resolve it; and

19.3.3 If the Customer's Senior Representative and Supplier's Senior Representative are for any reason unable to resolve the Dispute within 30 days of it being referred to them, then resolution of the Dispute shall be progressed in accordance with clause 20

19.4 No party may commence any court or arbitration proceedings in relation to the whole or part of the Dispute until the time period specified in clause 19.3.3 has expired.

## 20. **ARBITRATION**

20.1 If clause 19.1 applies, the Dispute shall be finally resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and Mediation Procedures in force as of the relevant date. It is agreed that:

20.1.1 subject to clause 20.1.2.3, the tribunal shall consist of one arbitrator;

20.1.2 if the Dispute relates to:

20.1.2.1 a technical issue, the arbitrator shall have at least Master's Degree in Aeronautical Engineering and accreditation to the Royal Aeronautical Society (RAeS) or other society or group of similar prestige within the aeronautical industry (**Technical Arbitrator**);

20.1.2.2 a legal issue, the arbitrator shall have at least 10 years of

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experience as a licensed attorney, a judge, or an arbitrator (**Legal Arbitrator**); or

20.1.2.3 both a technical issue and a legal issue, or if the parties cannot agree on whether the Dispute relates to a technical issue or a legal issue, the number of arbitrators shall be three, with at least one being a Technical Arbitrator and at least one being a Legal Arbitrator.

20.1.3 If the parties cannot agree as to the arbitrator(s), then the arbitrator(s) shall be selected as described in the Commercial Arbitration Rules and Mediation Procedures;

20.1.4 the arbitration shall take place in San Antonio, Texas;

20.1.5 the governing law shall be as set out in clause 22.10; and

20.1.6 the language of the arbitration shall be English.

21. **[RESERVED]**

21.1.1 .

22. **GENERAL**

22.1 **Announcement**

22.1.1 No party shall make, or permit any person to make, any public announcement concerning the existence, subject matter or terms of the Contract, the wider transactions contemplated by it, or the relationship between the parties, without the prior written consent of the other party, except as required by law, any governmental or regulatory authority (including, without limitation, any relevant securities exchange), or any court or other authority of competent jurisdiction.

22.2 **Assignment and other dealings**

22.2.1 The Customer may at any time assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract.

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22.2.2 Subject to clause 22.3, the Supplier may not assign, transfer, mortgage, charge, delegate, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract without the prior written consent of the Customer.

22.3 **Subcontracting.** The Supplier may subcontract any its obligations under the Contract with prior written consent of Customer, provided that if the Supplier does so, the Supplier shall:

22.3.1 ensure that its subcontractors are subject to terms at least equivalent to those set out in the Contract; and

22.3.2 remain responsible for all the acts and omissions of its subcontractors as if they were its own.

22.4 **Entire agreement.** The documents specified in clause 3.1 constitute the entire agreement between the parties and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter.

22.5 **Amendments and Modification.** Except as expressly stated herein, these Terms and Conditions may only be amended or modified in a writing which is signed by the parties (or their authorized representatives) and specifically states that it amends these Terms and Conditions.

22.6 **Waiver.** Except for the waiver set forth in clause 2.5, no failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

22.7 **Severance.** If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of the Contract. If any provision of the Contract is deemed deleted under this clause 22.7 the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the

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intended commercial result of the original provision.

**22.8 Notices.**

22.8.1 Any notice given to a party under or in connection with the Contract shall be in writing and shall be:

22.8.1.1 delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case); or

22.8.1.2 sent by email to the email address for the relevant party specified on the Order.

22.8.2 Any notice shall be deemed to have been received:

22.8.2.1 if delivered by hand, at the time the notice is left at the proper address;

22.8.2.2 if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting;

22.8.2.3 if sent by pre-paid airmail at 9.00 a.m. on the fifth Business Day after posting; or

22.8.2.4 if sent by email (provided no bounce-back signaling non-delivery or the like is received), at the time of transmission to the correct email address, or, if this time falls outside Business Hours in the place of receipt, when Business Hours resume.

22.8.3 A party may change its notice address provided in clause 22.8.1 by giving notice written notice in accordance with this clause 21. Such change shall take effect for the party notified of the change at 9.00 am on the later of:

22.8.3.1 the date, if any, specified in the notice as the effective date for the change; or

22.8.3.2 the date two Business Days after deemed receipt of the notice.

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22.8.4 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

**22.9 Third party rights.**

22.9.1 Unless it expressly states otherwise, the Contract is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing here, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit, or remedy of any nature whatsoever or by reason of the Contract.

22.9.2 The rights of the parties to rescind or vary the Contract are not subject to the consent of any other person.

**22.10 Relationship of the Parties.** The relationship between the parties is that of independent contractors. Nothing contained in the Contract shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

**22.11 Governing law.** The Contract, and any Dispute (including non-contractual Disputes) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the laws of the State of Texas without giving effect to any conflict of laws provisions thereof that would result in the application of the laws of a different jurisdiction.

**22.12 Jurisdiction.** Subject to clause 19 and 20, any Dispute (including non-contractual Disputes) arising out of or related to the Contract, an Order, or their respective subject matters (including the Goods) or formation shall be instituted only in the state or federal or business courts of the State of Texas, and each party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts.

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**SCHEDULE 1**

**ANTI-SLAVERY AND HUMAN TRAFFICKING**

**1. DEFINITIONS**

1.1 In addition to the definitions and rules of interpretation stated in the Conditions, the following word(s) are defined as follows:

**Anti-slavery Policy** the Customer’s anti-slavery policy available via <https://www.farsound.com/assets/files/HandbookFactsheet24-ManagingtheRiskofSlaveryintheWorkplace.pdf>, as amended by notification to the Supplier from time to time.

**Modern Slavery Statement** The Customers Modern Slavery Statement is available via <https://farsoundaviation.com/assets/files/Modern%20Slavery%20Statement%20Jan%2022%20Signed%20KS.pdf>

**Due Diligence Procedures** means the steps taken to investigate the relevant subcontractors and suppliers, and the markets in which they operate, in order to ascertain the risk of modern slavery and human trafficking in that market, as well as the subcontractor’s or supplier’s reputation and history in relation to modern slavery and human trafficking.

**2. COMPLIANCE WITH ANTI-SLAVERY AND HUMAN TRAFFICKING LAWS AND POLICIES**

2.1 In performing its obligations under this Contract, the Supplier shall:

2.1.1 comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015;

2.1.2 comply with the Anti-slavery Policy, and have and maintain throughout the term of this Contract its own policies and procedures to ensure its compliance;

2.1.3 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; and

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2.1.4 require that each of its direct subcontractors and suppliers shall comply with the Anti- slavery Policy and with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force, including but not limited to, the Modern Slavery Act 2015 (**Relevant Terms**), and shall require that such direct subcontractors and suppliers include the Relevant Terms in their contracts with any subcontractors or supplies engaged by them.

### 3. DUE DILIGENCE

3.1 The Supplier represents and warrants that at the date of this agreement:

3.1.1 its responses to the Customer’s queries relating to slavery and human trafficking are complete and accurate; and

3.1.2 that neither the Supplier nor any of its officers, employees or direct subcontractors or suppliers:

3.1.2.1 has been convicted of any offence involving slavery and human trafficking; and

3.1.2.2 so far as it is aware, has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with slavery and human trafficking.

3.2 The Supplier shall implement Due Diligence Procedures for its direct subcontractors, and suppliers and other participants in its supply chains, and shall provide the Due Diligence Procedure and results of such due diligence to the Customer promptly upon request.

### 4. EXCLUDED COUNTRY

4.1 The Supplier undertakes not to purchase any Goods or part of the Goods (including minerals) that have been sourced from the Democratic Republic of the Congo.

### 5. REPORTS

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5.1 The Supplier shall notify the Customer as soon as it becomes aware of:

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5.1.1 any breach, or potential breach, of this Schedule 1 (including the Anti-slavery Policy); or

5.1.2 any actual or suspected slavery or human trafficking in a supply chain which has a connection with this Contract.

**6. RECORD KEEPING**

6.1 The Supplier shall maintain a complete set of records to trace the supply chain of all Goods provided to the Customer in connection with this Contract in accordance with clause 2.6 of the Conditions.

**7. TRAINING**

7.1 The Supplier shall implement a system of training for its employees to ensure compliance with this Schedule 1 (including the Anti-slavery Policy).

7.2 The Supplier shall keep a record of all training offered and completed by its employees to ensure compliance with this Schedule 1 (including the Anti-slavery Policy) and shall make a copy of the record available to the Customer on request.

**8. WARRANTIES**

8.1 The Supplier represents, warrants and undertakes that it conducts its business in a manner that is consistent with this Schedule (including the Anti-slavery Policy).

**9. TERMINATION**

10. The Customer may terminate this Contract with immediate effect by giving written notice to the Supplier if the Supplier commits a breach of this Schedule (including the Anti-slavery Policy)