

MICROMETRIC LTD GENERAL TERMS AND CONDITIONS OF PURCHASE FOR GOODS AND SERVICES

VALID FROM 12TH APRIL 2023

1. Scope

- 1.1. These terms shall apply when Micrometric Ltd purchases Goods or Services under a purchase order or any other commercial document that refers to these Terms and Conditions.
- 1.2. Any order placed under this Agreement shall create an independent contractual relationship between Micrometric Ltd and the Supplier.

2. Definitions

- 2.1. "Agreement" shall mean these Terms and Conditions and any agreement between a company in the Micrometric Ltd and the Supplier related to the sale and purchase of any Goods or Services.
- 2.2. "Customer" shall mean Micrometric Ltd registered in England and Wales with company number 03667443.
- 2.3. "Defective Goods" shall mean Nonconforming Goods that are not in accordance with accepted industry standards, sample deliveries of Goods and technical and other specifications specified or otherwise established by Micrometric.
- 2.4. "Nonconformance" shall mean a failure of the Supplier and/or the Goods to (i) conform in all respects to the specifications, delivery terms, drawings, samples, Statements of Work, descriptions and requirements which have been provided or specified by Micrometric Ltd or (ii) comply with any of the requirements established in this Agreement, or (iii.) comply with any applicable law or regulation.
- 2.5. "Force Majeure Event" an event, circumstance or cause beyond the Parties reasonable control.
- 2.6. "Micrometric Code of Conduct for Suppliers" shall mean the document the specifies the principles in which Micrometric aim to carry out business and its expectations of Suppliers to do the same. This document can be found on www.micrometric.co.uk.
- 2.7. "Party" shall individually refer to Micrometric and Supplier and "Parties" shall jointly refer to both Micrometric and Supplier.
- 2.8. "Goods" shall mean any goods and service(s) purchased under the Agreement. Goods may also mean any parts supplied by Micrometric to which the supplier has applied the purchased service to and returned to Micrometric.
- 2.9. "Supplier" shall mean any company delivering goods to Micrometric under this Agreement.
- 2.10. "Terms and Conditions" shall mean these terms and conditions of purchase.

3. Compliance

- 3.1. The Supplier shall: (i) adopt the principles of the Micrometric Ltd Code of Conduct for Suppliers and ensure that all sub-contractors are legally bound by a similar compliance obligation; and (iii) comply with all relevant laws and regulations.
- 3.2. The Supplier shall without undue delay and at no cost, provide: (i) for all goods subject to export laws and regulations, applicable Export Control number(s)

- (ECN/ECCN); (ii) country of origin data (iii) any information relating to the source, toxicity, material content or nature of the Goods which is legally, or for compliance reasons, required by Micrometric, (iv) any documents and drawings that are reasonably necessary to carry out the operation of the Goods; (v) tax clearance certificates and (vi) proof of appropriate insurance coverage (as requested by Micrometric).
- 3.3. The Supplier warrants that Goods or Services supplied to Micrometric are new, unused and of original manufacture, and where third party components are incorporated the duty is upon the Supplier to satisfy itself of the authenticity of the components or raw materials, and of the accompanying Certificate of conformity or similar documents.
 - 3.4. The Supplier shall flow down these requirements through its own supply chain for any items that intended to be used in the supply of Goods or Services to Micrometric.
 - 3.5. The Supplier shall notify Micrometric as soon as it becomes aware of any counterfeit supplies or suspected counterfeit supplies which arise in relation to any of the Goods.
 - 3.6. If the Goods supplied against the order contain minerals Tin, Tantalum, Tungsten or Gold, then the Supplier shall warrant that any items or materials forming part of the Goods have been sourced from legitimate and responsible sources which are in compliance with United Nations resolutions and which are not in any way involved in funding conflict. If requested by Micrometric, the Supplier shall provide all relevant information and documentation showing the source of such items and materials. The Supplier undertakes to flow down this requirement to its suppliers.
 - 3.7. The Supplier shall be responsible for product safety by ensuring the Goods and/or Services supplied comply with UK regulations in force regarding health, safety and environmental including but not limited to RoHS, REACH, WEEE. Micrometric may request the Supplier to provide a statement confirming that Goods/Services are compliant.
 - 3.8. The Supplier shall upon request of Micrometric ensure that Goods or Services may not be supplied by Countries or Suppliers as specified by Micrometric.
 - 3.9. The Supplier shall upon request by Micrometric provide its plan to reduce its and its suppliers carbon footprint.

4. Ethics

- 4.1. The supplier shall ensure its suppliers and their supply chain operate to a high standard of quality and integrity in their relationship with their employees, suppliers and customers.
- 4.2. The Supplier shall demonstrate compliance with the minimum standard of business behaviours, health safety and environmental practices, applicable laws and regulations and act in a way that is ethical and corporate responsibility.
- 4.3. The Supplier undertakes that it will ensure that applicable anti-bribery and corruption laws are not breached.

5. Quality and Delivery Requirements

- 5.1. The Supplier shall deliver to Micrometric the highest quality Goods or carry out the Service as specified in any order and shall at all times comply with the provisions of this Agreement. The Goods/Services shall be in accordance with technical and other specifications specified or otherwise established by Micrometric. All specifications will be considered to require that each Goods shall be new when delivered to Micrometric (unless the applicable specifications expressly permit the

- delivery of used, reconditioned or remanufactured Goods) and free of any liens, encumbrances or similar claims against title.
- 5.2. Micrometric may refuse to accept any Goods that do not conform to all applicable specifications, in which case the Goods will not be considered to have been delivered by the Supplier.
 - 5.3. Time and quantity are of the essence under the Agreement. Micrometric's production schedules and promised delivery to its customers will be based on the Supplier's delivery of the Goods by the dates and in the quantities specified by Micrometric. Neither Micrometric's acceptance nor approval of Goods shall affect the Supplier's liability under the Agreement.
 - 5.4. The Supplier shall as soon as possible notify Micrometric of any known or suspected Nonconformance and immediately institute countermeasures to prevent such Nonconformance from affecting Micrometric, its Affiliates, and/or its customers.
 - 5.5. Micrometric or its representatives from any regulatory or industry body may access and inspect any of the Supplier's premises in order to inspect the goods being manufactured by the Supplier. Micrometric will provide at least 1 Business Days written notice of any intention to conduct an inspection under agreed terms unless such inspection is required in relation to a suspected breach or emergency in which event no notice is required.
 - 5.6. Micrometric shall notify the Supplier of any Defective Goods within three (3) months after the Defective Goods have been detected and confirmed by Micrometric.
 - 5.7. The Supplier warrants that the Goods shall be free from Nonconformances for a period of one year after the complete delivery to Micrometric. The time limitations in this clause shall not affect the Supplier's product liability.

6. Delivery Terms

- 6.1. Delivery clauses shall be construed in accordance with the version of "INCOTERMS" in force when the Agreement is entered into. Title shall pass to Micrometric at the time and place of delivery.
- 6.2. If Micrometric has agreed to manage logistics, the delivery shall be "FCA". The delivery shall be "DDP" for Goods where delivery is provided by the Supplier.

7. Payments and Prices

- 7.1. The Parties will jointly pursue activities to reduce Micrometric's total cost of ownership associated with the Goods.
- 7.2. Payment shall be made in accordance with the payment terms on the purchase order, or if no payment terms are listed in accordance with Micrometric's standard terms..
- 7.3. Micrometric's payment of any invoice shall not affect Micrometric's rights under the Agreement.
- 7.4. The Supplier may not charge any additional charges, such as service fees, late payment fees or invoicing charges.
- 7.5. Changes
- 7.6. Micrometric may request to modify any term in the Agreement relating to the Goods/Services. Any change in price resulting from the modification shall be mutually agreed in writing.
- 7.7. Micrometric objects to and is not bound by any conditions that differ from, add to, or modify these terms and conditions including, but not limited to, any terms and conditions proposed by the Supplier whether, contained in any forms, acknowledgments, or Supplier's website.

8. Confidentiality

- 8.1. Designs, samples, tools, drawings, plans, data, programs or other information provided by one Party to the other Party, whether marked or not, is to be considered "Confidential Information".
- 8.2. Confidential Information must not be used by the receiving Party for any other purpose than the fulfilment of the Agreement.
- 8.3. Each Party shall use at least the same standard of care in the protection of Confidential Information of the other Party as it uses to protect its own confidential information and shall ensure that the recipients of Confidential Information are bound by confidentiality obligations no less restrictive than what follows from this Agreement
- 8.4. When requested by the disclosing Party, the receiving Party shall return all documentation and computer readable data, copies included, as received from the disclosing Party. Copies made by either Party or on behalf of either Party shall be destroyed forthwith.

9. Remedy

- 9.1. The Supplier shall compensate Micrometric for all reasonably foreseeable costs, damages and losses incurred by Micrometric as a result of a Nonconformance. Such foreseeable costs shall always include Micrometric's overhead and general and administrative expenses, damages, costs for transportation, expediting, removal, disassembly, failure analysis, fault isolation, assembly, reinstallation, re-inspection, retrofit, and any and all other corrective action costs incurred by Micrometric.
- 9.2. If on account of Defective Goods Micrometric deems it necessary to carry out an inspection of any or all Goods delivered, this shall be effectuated, after consultation with the Supplier, at the Supplier's expense.
- 9.3. The Supplier shall, immediately upon Micrometric's request, replace or rectify Defective Goods free of charge (including any freight charges) or, if Micrometric so wishes, compensate Micrometric for the value of such Defective Goods or for the costs of their rectification, return and/or replacement. In addition, the Supplier shall compensate Micrometric for all costs, damages and losses incurred by Micrometric as a result of the Defective Goods.
- 9.4. If Defective Goods have been incorporated into Micrometric goods that have been delivered to Micrometric customers, Micrometric shall have the right to recall the Micrometric goods concerned at the expense of the Supplier.
- 9.5. The Supplier shall indemnify Micrometric for any cost relating to any product liability claim based on the Goods provided by the Supplier.
- 9.6. When Defective Goods has been remedied, the Supplier shall be liable for Nonconformances in the replaced or repaired Goods under the same terms and conditions as those applicable to the original Goods. The length of warranty shall be extended for the time out of use.
- 9.7. Neither Party shall be responsible for consequential losses. This limitation does not apply to the Supplier's indemnification for third party claims or for the Supplier's breach of clauses related to intellectual property rights, confidentiality, or where a Party's breach of the Agreement has been made by gross negligence or wilful misconduct.

10. Termination

- 10.1. A Party may terminate the Agreement by written notice with immediate effect and without any liability for compensation if the other Party (i) becomes insolvent, (ii) has a receiver or administrator appointed for its assets, (iii) files a petition for bankruptcy, or (iv) is facing other bankruptcy proceedings.

- 10.2. When Goods are delivered after the agreed-upon delivery time or when Defective Goods are not rectified or replaced within reasonable time, without limitation of Micrometrics other rights, Micrometric has the right to terminate the Agreement in full or in part.
- 10.3. If the Supplier fails to fulfil their obligations under the Agreement, Micrometric shall have the right to terminate the Agreement with immediate effect.

11. Intellectual Property

- 11.1. The Supplier represents and warrants that the Goods do not infringe any Intellectual Property Right of any third party. The Supplier shall indemnify Micrometric for all costs arising out or relating to the Goods and/or the incorporation of the Goods in the final goods sold by Micrometric or by any customer of Micrometric, if such Goods infringe the Intellectual Property Right of a third party. The Supplier shall assist Micrometric and, if so requested by Micrometric, shall defend Micrometric, at the Supplier's expense, in disputes in which Micrometric is involved as a consequence of said infringement.
- 11.2. Designs, samples, drawings, plans and programs ordered by Micrometric and software developed for Micrometric are Micrometrics property.
- 11.3. In the event the Supplier prepares for Micrometric notes, reports, data, and any other information regardless of the media of expression (collectively, "Material"), these shall be deemed to be works for hire and shall belong exclusively to Micrometric. If by operation of law any of the Material is not work made for hire, then the Supplier hereby assigns to Micrometric the ownership of such Material including all copyrights thereto. The Supplier will not use any Material prepared for Micrometric without first obtaining the written consent of Micrometric.
- 11.4. In the event the Supplier makes an improvement to any Micrometric goods, Micrometric shall be entitled to full ownership of any such improvements conceived or first actually reduced to practice by Supplier during the performance of the order. The Supplier agrees to promptly disclose any such improvements and hereby assigns to Micrometric all intellectual property rights thereto. The Supplier further agrees to provide reasonable assistance to Micrometric, at Micrometrics expense, for securing all intellectual property rights pursuant to the above.

12. Force Majeure

- 12.1. A Party shall not be bound by any undertakings which it is prevented from fulfilling by force majeure such as industrial disputes, third party strikes and lockouts, riots, insurrection, fire, flood, war, confiscation, or if completion is prevented by governmental intervention or regulations or other external circumstances beyond the control of the Party and which the Party could not reasonably be expected to have anticipated at the time of the purchase, and the consequences of which the Party could not reasonably have avoided or overcome.
- 12.2. Either Party may terminate the effected part of the Agreement if the delivery delays, exceeds or is estimated to exceed six (6) months, without incurring any liability with respect to the other Party.
- 12.3. A Party invoking a force majeure event must notify the other Party as quickly as reasonably possible.

13. Assignment and Subcontracting

- 13.1. Supplier's use of a sub-contractor shall require Micrometrics prior written approval. Such use will not relieve Supplier from the responsibility of ensuring its sub-contractor(s) comply with all provisions of the Agreement.

13.2. The Supplier shall not be allowed to assign this Agreement without Micrometrics prior written consent. Such assignment will not relieve Supplier from the responsibility of ensuring its assignee(s) comply with all provisions of the Agreement.

14. Applicable Law

14.1. This agreement and any dispute or claim out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed in accordance with the laws of England and Wales.