

## STANDARD TERMS & CONDITIONS OF PURCHASE

### RECITALS

The following Standard Terms and Conditions of Purchase (Terms and Conditions), shall, unless on any occasions expressly varied in writing, apply to all transactions entered into with PWR Performance Products (PWR) as part of the Contract between the Supplier specified in the PWR Purchase Order (Supplier) and PWR. A link to our Standard Terms and Conditions is located at: <https://www.pwr.com.au/terms-and-conditions/> Every Supplier having dealings with PWR must read these Terms and Conditions. If the Supplier neglects to read them and shall be deemed to have read them and shall be bound by these Terms and Conditions in the same manner as if they had read them. These Terms and Conditions supersede all Terms and Conditions issued earlier by/to either party.

### 1. TERM

The term of these Terms and Conditions is as specified in the PWR Purchase Order.

### 2. PERFORMANCE

The Supplier agrees to provide parts, goods, equipment and materials ("Goods") to PWR and/or carry out works and services on PWR supplied equipment ("Services") in accordance with these Terms and Conditions.

The Supplier agrees to adhere to 90% on time delivery (OTD) of supplying parts, goods, equipment and materials. This will be measured on a monthly basis. If three consecutive months of OTD are below 90%, a non-conformance will be issued to the Supplier related to OTD. PWR will expect corrective actions to return the OTD to 90% or above.

The Supplier agrees to adhere to a 98% Quality expectation. Incoming inspection is completed after materials arrive onsite at PWR. A score is assigned based on the inspection. If three consecutive months of Quality are below 98%, a non-conformance will be issued to the Supplier related to Quality. PWR will expect corrective actions to return the Quality to 98% or above.

### 3. PRICE AND PAYMENT

The price payable for Goods and/or Services is specified in the PWR Purchase Order. The Supplier may invoice PWR for the Goods and/or Services in accordance with these Terms and Conditions on or after delivery (but not

before) of the Goods and/or Services, by issuing an invoice to the PWR officer specified in The PWR Purchase Order. Unless otherwise specified in these Terms and Conditions, all prices shall be F.O.B. delivery location specified in the relevant agreement, and all Taxes in respect of Goods and/or Services shall be separately itemised on the Supplier's invoice. PWR will make payments for the Goods and/or Services at the price specified in the PWR Purchase Order, and within 45 days of receipt of a valid invoice issued to the person specified in the relevant agreement with the Supplier.

### 4. AERONAUTICAL PRODUCT

All Product for use on an aircraft provided by the Supplier must be accompanied by any documentation required by any applicable aviation authority. If alternate Product are supplied to those specified in these Terms and Conditions, the documentation provided by the Supplier must be endorsed to the effect that such Product supersede or are completely interchangeable with the Product ordered, and such documentation must be acceptable to PWR, acting reasonably.

All chemical, fluid, or similar goods supplied by the Supplier must have the manufacturer's original label(s) attached to the container/s. Where product containers are over-labelled by a distributor, a statement of the content of the original label/s and the reason for the overlay must be provided by the Supplier. A statement of conformance to the original manufacturer's label specifications must be also supplied for items decanted from bulk containers.

### 5. PACKING

All Goods and/or Services provided or performed under these Terms and Conditions shall be suitably packed and marked to secure the lowest reasonably available transportation costs and in accordance with the requirements of common carriers. The use of Styrofoam peanuts as packaging dunnage is prohibited. No additional charge will be allowed for packaging, boxing, crating or storage. If PWR discovers damage to any Goods and/or Services which it considers, in its reasonable opinion, was not packed to ensure proper protection of such Goods and/or Services, PWR may at its discretion accept or reject the Goods and/or Services. If such Goods and/or Services are accepted by PWR, notwithstanding damage caused to those Goods and/or Services, all subsequent rectification costs will be paid

by the Supplier. PWR's count will be accepted as first and conclusive on all shipments not accompanied by packing lists.

## 6. PROVISION OF GOODS AND PERFORMANCE OF SERVICES

All Goods provided and Services performed and materials used in connection therewith shall be at the risk and expense of the Supplier and shall be replaced by the Supplier in the event of any damage or destruction thereof prior to delivery to and acceptance by PWR.

The Supplier is to notify PWR of any nonconforming products and must obtain PWR approval for any nonconforming product disposition. The Supplier must also notify PWR of any changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain PWR approval prior to supply of any affected parts and/or services.

If these Terms and Conditions require Services to be performed by the Supplier upon any PWR premises owned or controlled by PWR and/or PWR's customers, the Supplier will comply with all health and safety, privacy, security and other applicable requirements at the premises. Whenever any property belonging to PWR or its customer is in the possession of the Supplier or the Supplier's suppliers, the Supplier shall be deemed the insurer thereof and shall be responsible for its safe return to PWR.

For the avoidance of doubt, title to PWR supplied equipment will at all times remain in PWR and the Supplier shall ensure that the equipment carries PWR identification tags at all times. All goods and service providers shall ensure that their employees are aware of the following:

- their contribution to product or service conformity;
- their contribution to product safety;
- the importance of ethical behaviour.

## 7. CHANGES AND VARIATIONS

PWR may request a change to the Goods or Services required under these Terms and Conditions, by giving a written request to the Supplier (Change Order) in which case the Supplier must as soon as reasonably practicable, but in any event no later than seven (7) days after receipt of the Change Order, provide PWR with a notice setting out

a) whether or not it is able to comply with the Change Order,

b) any change to the price (specified in the PWR Purchase Order), and

c) any changes to the time for delivery of the Goods and or performance of the Services (Change Notice). Within seven (7) days after receipt of a Change Notice PWR shall either approve the Change Notice by signing and returning it to the Supplier, or notify the Supplier that it does not wish the Supplier to implement the Change Notice. If PWR approves the Change Notice, upon receipt of the signed Change Notice by the Supplier, the agreement will be deemed to be amended in accordance with the Standard Terms and Conditions of Purchase.

## 8. COUNTERFEIT WORK

a) The Supplier shall not deliver any Counterfeit Part to PWR under this Order. "Counterfeit Part" means an unlawful or unauthorized reproduction, substitution, or alteration that has been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used parts represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics.

b) The Supplier shall maintain counterfeit risk mitigation processes in accordance with industry recognized standards such as AS6174 and with any other specific requirements identified in this Order.

c) The Supplier shall immediately notify PWR with the pertinent facts if the Supplier becomes aware that it has delivered a Counterfeit Part to PWR. When requested by PWR, the Supplier shall provide Original Component Manufacturer (OCM) or Original Equipment Manufacturer (OEM) documentation that authenticates traceability of the affected parts to the applicable OCM/OEM. The Supplier, at its expense, shall provide reasonable cooperation to PWR in conducting any investigation regarding the delivery of a Counterfeit Part under this Order.

d) This clause applies in addition to and is not altered, changed, or superseded by any quality provision, specification, statement of work, regulatory flowdown, or other provision included in this Order addressing the authenticity of Products or parts delivered by the Supplier to PWR.

e) In the event that a Counterfeit Part has been delivered under this Order, PWR has the option to cancel the purchase order. In the event that the purchase order is not cancelled, the Supplier shall, at its expense, promptly replace such Counterfeit Part with genuine parts conforming to the requirements of this Order. Notwithstanding any other provision in this Order, the Supplier shall be liable for all costs relating to the removal and replacement of Counterfeit Parts, including without limitation PWR's costs of removing Counterfeit Part, of installing replacement parts and of any testing necessitated by the reinstallation of parts after a Counterfeit Part has been exchanged. The remedies contained in this paragraph are in addition to any remedies PWR may have at law, equity or under other provisions of this Order.

f) The Supplier shall include paragraphs (a) through (e) and this paragraph (f) of this clause or equivalent provisions in lower tier suppliers or subcontractors for the delivery of parts or components that will be included in or furnished as Products to PWR.

#### **9. RETENTION OF RECORDS**

Unless a longer period is specified in this Order or by law or regulation, the Supplier shall retain all records related to this Order for ten (10) years from the date of final payment received by the Supplier. Records related to this Order include, but are not limited to, financial, proposal, procurement, specifications, production, inspection, test, quality, shipping and export, and certification records. At no additional cost, the Supplier shall timely provide access to such records to PWR and to PWR's customer, including the Australian Government upon request.

#### **10. APPLICABLE LAWS**

This Order shall be governed by and construed according to the State of Queensland, Australia.

The Supplier, in the performance of this Order, shall comply with all applicable local, state, and federal laws, orders, rules, regulations, and ordinances. The Supplier shall procure all licenses/permits, pay all fees, and other required charges and shall comply with all applicable guidelines and directives of any local, state and/or federal governmental authority. The Supplier, at its expense, shall provide reasonable cooperation to PWR in conducting any investigation regarding the nature and scope of any failure by the Supplier or its personnel to comply with applicable local, state, and federal laws, orders, rules, regulations, import and export laws,

restrictions, national security controls, anti-slavery and human trafficking legislation and anti-corruption legislation.

#### **11. SLAVERY**

The Supplier must ensure when performing its obligations under the Contract that it complies with all applicable Anti-Slavery Laws and relevant Purchaser policies, procedures or statements relating to anti-slavery. The Supplier must provide, at its cost, all reasonable assistance (including the provision of information and access to documents, personnel, and contractors) that the Purchaser may require to enable the Purchaser to comply with its obligations under the Anti-Slavery Laws. The Supplier must immediately notify and provide full particulars to the Purchaser upon becoming aware the Supplier has or may have breached clause 11 or that it or any of its personnel or subcontractors have been found guilty by a court of, or have admitted guilt or accepted liability in relation to, a contravention of any Anti-Slavery Laws. The Supplier acknowledges that if it gives a notice to the Purchaser under clause 11 or the Purchaser becomes aware of any breach of this clause or any conduct which may give rise to a breach of this clause 11 (Anti-Slavery breach), the Purchaser may in its absolute discretion do one or more of the following:

- a) Request the Supplier provide all information the Purchaser reasonably requires in relation to the alleged Anti-slavery breach;
- b) Request the Supplier assist the Purchaser with any investigation the Purchaser wishes to conduct into the alleged Anti-slavery breach;
- c) Direct the Supplier to prepare, document and implement a corrective action plan to address any failure by the Supplier to comply with clause 11, or to mitigate the risk, damage or potential damage arising from the Anti-slavery breach, including the termination of any relationship between the Supplier and any person involve in the contravention of the Anti-Slavery Laws;
- d) Propose revised terms under which the Purchaser is prepared to continue the performance of the Contract and, if those terms are not agreed by the parties within the time specified in the Purchaser's proposal, terminal the Contract by five ten days' notice in writing to the Supplier; or
- e) Terminate the Contract.

## **12. WAIVERS, APPROVALS, AND REMEDIES**

Failure by either party to enforce any of the provisions of this Order or applicable law shall not constitute a waiver of the requirements of such provisions or law, or as a waiver of the right of a party thereafter to enforce such provision or law.

PWR's approval of documents shall not relieve the Supplier of its obligation to comply with the requirements of this Order.

The rights and remedies of either party in this Order are cumulative and in addition to any other rights and remedies provided by law or in equity.

## **13. WARRANTY**

The Supplier warrants that the Supplies are new, free from deficiencies in design, manufacture and workmanship and are fit for the purposes for which goods of a similar nature to the Supplies are commonly supplied and for any other purposes notified by PWR to the Supplier.

## **14. INTELLECTUAL PROPERTY**

a) The Supplier warrants that it has all Intellectual Property (IP) rights and moral rights necessary to provide the Supplies to PWR and licenses those rights to PWR to allow PWR to have the full benefit of the Supplies. Any Intellectual Property developed under this Contract shall vest in PWR on its creation.

b) The Supplier also warrants that the provision of the Supplies in accordance with this Contract will not infringe any third party's IP or moral rights.

## **15. DEFECTS**

Notwithstanding acceptance of the Supplies by PWR in accordance with clause 5, the Supplier must remedy at its cost any defects in the Supplies notified by PWR to the Supplier at any time within the period of 90 days or the Supplier's or manufacturer's standard warranty period (whichever is the longer) following acceptance of the Supplies by PWR. The Supplier will be responsible for any costs of removing Goods and, if applicable, delivering repaired or replacement Supplies to PWR together with any associated or incidental costs. If the Supplier does not remedy the defect, PWR may remedy the defect and the costs incurred by PWR in remedying the defect will be a debt due from the Supplier to PWR.

## **16. INSURANCE**

The Supplier must procure and maintain such insurances and on such terms and conditions as a prudent supplier, providing supplies similar to the Supplies, would procure and maintain.

## **17. INDEMNITY**

The Supplier indemnifies PWR, its officers, employees and agents against any liability, loss, damage, cost (including the cost of any settlement and legal costs and expenses on a solicitor and own client basis), compensation or expense arising out of or in any way in connection with: a. a default or any unlawful, wilful or negligent act or omission on the part of the Supplier, its officers, employees, agents or subcontractors; or b. any action, claim, dispute, suit or proceeding brought by any third party in respect of any infringement or alleged infringement of that third party's IP rights or moral rights in connection with the Supplies.