

# SUPPLIER TERMS AND CONDITIONS

## For Goods and Services Purchased by Sensit Technologies LLC

### 1. Definition of Terms

The following terms have the respective meanings set out below:

- a) **SENSIT** refers to the company placing the purchase order: Sensit Technologies LLC.
- b) **Supplier** refers to the party selling goods or services to SENSIT. This Party is specified on the Purchase Order
- c) **Delivery Date** means the date on which the purchased item is received by SENSIT at the stipulated delivery point.
- d) **Contract Price** means the total of any stipulated sums for the Work (or any portion thereof) set forth in the Purchase Order, as amended by any instruction notice.
- e) **Purchased Items** means all materials, processes, equipment, machinery, assemblies, instruments, devices or articles and related components being supplied to SENSIT by the Supplier under the Purchase Order and all associated documentation.
- f) **Purchase Order** means the purchase order issued by SENSIT.
- g) **Inspector** means the person designated from time to time by SENSIT to monitor the application of the quality program, examine the work relating to the Purchased Item and expedite the delivery of the Purchased Item.

### 2. Contractual Documents and Order of Precedence

- a) These documents take precedence in this order: Purchase Order, Quality Agreement, Contract, these Terms and Conditions.
- b) These documents are subject to subsequent amendments to the Purchase Order, in the form of instructions notices to the purchase order, which will take precedence over the documents they amend.
- c) No agent, employee or other representative of SENSIT has authority to make any promise, agreement or representation not incorporated into a contractual document, and no promise, agreement or representation will bind SENSIT unless so incorporated.

### 3. Language

Unless otherwise authorized by SENSIT in writing, all records from the Supplier, such as reports, specifications, drawings, and other documentation, shall be in English.

### 4. Price

- a) Unless otherwise indicated on the Purchase Order:
  - i. All monetary amounts are stated in US funds,
  - ii. The Contract Price includes all activities required to supply the Purchased Item and perform the work relating to the Purchased item and all customs duties, excise taxes, freight, insurance and all other changes in any cost of the work relating to the Purchased Item to the Supplier.

### 5. Terms of Payment

SENSIT's standard payment terms are Net 30 days. Any changes to this will be specified on the Purchase Order. All payments are conditional on receipt and acceptance of the Purchased Item before the date payment is made. In addition, SENSIT may withhold any payment if there remain outstanding unresolved non-conformance issues.

### 6. Delivery Changes and Cancellation

SENSIT reserves the right to extend the ship date and (or) cancel any item in its entirety, with no penalty or cancellation charges, by giving written notice at least six (6) calendar weeks prior to ship

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date.

The Purchase Order is subject to cancellation by SENSIT if the Purchased Items are not delivered in accordance with the schedule specified on the purchase order.

### 7. Document Control

- a) The Supplier shall control drawings, specifications and supplemental instructions and changes there to the extent necessary to ensure that only documents of the revisions specified in the Purchase Order are utilized.
- b) Supplier shall maintain a system to ensure removal of obsolete documentation from the manufacturing, inspection and test areas.

### 8. Material Control

- a) Where contractually indicated on the Purchase Order the Supplier is responsible to ensure that all material used in the manufacture or processing of the Purchase Order is obtained from end customer approved sources and has proper certification.
- b) The Supplier shall establish controls to ensure that material subject to age control, shelf life, or environmental controls is properly identified, monitored and maintained.
- c) The Supplier warrants that the goods do not contain any Conflict Minerals. For the purposes hereof, "Conflict Minerals" is defined as any other mineral or its derivatives determined to be financing conflicts in the Democratic Republic of Congo, Central African Republic South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola. These materials consist of but are not limited to:
  - a. Columbite-tantalite (ore from which Tantalum is extracted)
  - b. Cassiterite (ore from which Tin is Extracted)
  - c. Wolframite (ore from which Tungsten is extracted)
  - d. Gold
- d) The Supplier warrants that it is not supplying Counterfeit Parts, and Parts are Authentic. Parts are to be purchased from the Original Equipment Manufacturer and/or Authorized Dealer. A Counterfeit Part is an unauthorized copy or substitute that has been identified, marked or altered by an unauthorized source and has been misrepresented to be an authorized part of the legally authorized source.

A part that a Supplier becomes aware of or has reason to suspect meets the definition of 'counterfeit part' requires the entire lot of parts to be considered suspect counterfeit and the entire lot must immediately be segregated and quarantined. The supplier must immediately advise SENSIT TECHNOLOGIES of this occurrence.

The supplier must assume responsibility for all costs associated with the delivery and use of suspect counterfeit parts, including, but not limited to, costs for identification, testing, and any corrective action required to remove and replace the suspect counterfeit parts. The remedies shall apply regardless of whether the warranty period or guarantee period has ended.

SENSIT TECHNOLOGIES reserved the right to notify the Government Industry Data Exchange Program and other relevant government agencies.
- e) The supplier shall flow the requirements of this Material Control to its suppliers and sub-contractors at any tier for the performance of contractual obligations.
- f) Supplier shall provide upon request from SENSIT the status of the supply chain policies and processes to meet the above requirements.

### 9. Substitutions and Subcontracting

- a) The Supplier may not subcontract the work or any portion of the work, or location of work or processes, without prior written consent of SENSIT.

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- b) The Supplier may not make substitution of materials or processes (if different from the original specifications, drawings, or data) without written acknowledgement and consent from SENSIT.

### 10. **Right of Access**

SENSIT, its Authorized Representatives and/or an authorized inspector from SENSIT's customer shall have right of entry at all reasonable times, to the Supplier facilities, as may be necessary to verify the quality, records and/or material supplied and confirm Supplier compliance with Regulatory, Technical and Quality Program requirements as identified in the Purchase Order, and conduct audits.

### 11. **Notification**

Supplier shall notify SENSIT when:

- a) Supplier or Supplier's sub-tiers are found to be non-compliant to SENSIT and / or customer specifications.
  - i. Nonconforming products shall not be forwarded to SENSIT without advance disposition approval.
  - ii. Disposition approval for all products must be received in writing.
- b) All proposed changes to product, processes, suppliers, and facilities in relation to all products as identified by SENSIT.
- c) Supplier's sub-tier supplier is disapproved by Supplier or Government Agency.

### 12. **Quality Requirements - General**

- a) The Supplier shall maintain a quality program that will assure SENSIT that the material and workmanship used in the Purchased Item fully meet the Purchase Order requirements.
- b) The Supplier will be responsible for and perform all inspection, testing and surveillance of the Subcontractors and the Purchased Item necessary to ensure that the Purchased Item meets the requirements of the Purchase Order.
- c) The Supplier must provide a Certificate of Compliance and other compliance documents as specified in the Purchase Order for materials and processes.
  - i. The Certificate of Compliance must include supplier's name, print and specification numbers with their revisions, SENSIT Purchase Order number, quantity shipped, all special requirements defined on the Purchase Order and waivers or deviations approved by SENSIT. The Certificate of Compliance must be signed and dated by an authorized representative of the Supplier.
  - ii. The Certificate of Compliance may be in the form of a stamp or printed line included in the packing slip.
- d) The Supplier must ensure that all processes and equipment are sufficiently qualified/validated, prior to production, per their internal requirements and/or industry standards, unless superseded by SENSIT requirements.
- e) The Supplier must ensure that employees and contractors are trained and/or qualified to perform all tasks per their internal requirements and/or industry standards, unless superseded by SENSIT requirements.
- f) Required Quality Assurance documents must be provided at the time of shipment of goods, in hard copy within the shipment packaging, forwarded via fax, or electronically. These may include test report, FAI reports or other types of measurements.
- g) Non-conforming material including fit, form, and function shall be identified, and reports submitted to SENSIT for disposition.
  - i. No non-conforming material may be shipped without written authorization from SENSIT.
  - ii. A copy of the dispensation must accompany the shipment.
  - iii. All non-conforming material must be identified and traceable to the report submitted.

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- h) 'Limited Life' material supplied per Purchase Order must be accompanied by the date of manufacture and the manufacturer's lot number and the expiration/cure dates.
- i) Seller shall ensure that persons under their employ are aware of their contribution to product and/or service conformity, product safety, and the importance of ethical behaviors in compliance with the UK Modern Slavery Act 2015. Any material violation of this Act or unethical by Seller relating to basic working conditions and human rights, including laws regarding slavery and human trafficking, applicable to Seller's performance under this Agreement may be considered a material breach of this Agreement for which Buyer may elect to cancel any open Orders between SENSIT and the Seller, for cause, in accordance with the provisions of this Agreement, or exercise any other right of SENSIT for an Event of Default under this Agreement.
- j) Seller shall include the substance of this clause, including this flow down requirement, in all subcontracts awarded by Seller for work under this Agreement.

### 13. Quality Requirements

- a) For Purchased Items, if required by SENSIT, the Supplier shall maintain an accredited and documented Quality Management Systems such as ISO9001 or equivalent that is subject to review, audit or approval by SENSIT or SENSIT's customers.
- b) SENSIT's Inspector or SENSIT' customer or regulatory agencies will inspect, at Supplier's plants, all Purchased Items which are to be delivered to SENSIT if a source inspection requirement is specifically called out on the Purchase Order. This includes witnessing of the Acceptance Tests.
- c) SENSIT's Inspector will inspect at Supplier's plants, supplies to be delivered from Supplier to another SENSIT subcontractor if a source inspection requirement is called out on the PO.
- d) Supplier shall prepare and present to SENSIT Quality Representative the Acceptance documentation and Records package required by the Purchase Order for each deliverable end item. This includes the Certificate of Conformance.
- e) Supplier shall inspect, **test**, and accept applicable industry standard or manufacturer's recommendation, unless expressed in SENSIT documentation. Calibrations standard must be traceable to NIST or another governmental standard agency.
- f) Verification by SENSIT does not absolve the Supplier of the responsibility to provide acceptable product and not preclude subsequent rejection by the customers.
- g) Manufacture and process completely to the requirements of the print, all specifications referenced therein, and all Purchase Order requirements, including such items as part marking, identification, inspection, stamps, certification, inspection records, etc. All efforts shall be made to ensure that the part is marked, whenever possible, with part identification and lot/serial number. All special processes referenced on the Purchase Order, engineering drawings or specifications must be carried out by OEM approved sources.
- h) Manufacturing and Inspection Control are required for these orders. The Supplier's documented quality system shall provide for the review of the Purchase Order, and Manufacturing and Inspection Plans, to ensure that quality requirements are incorporated into the manufacturing planning, and inspection and test instructions, as applicable, to assure compliance with the Purchase Order.
- i) The Supplier shall submit a First Article Inspection (FAI) report for each deliverable item on the Purchase Order, when requested. This report may be in any format suitable to the Supplier's system but must contain variable data for 100% of all print characteristics and account for 100% of all features such as print notes and processes and must be representative of production processes actually used. All FAI submissions and supporting documentation must be forwarded electronically to your specific Purchasing Agent prior to or with the delivery of the first production lot. The Supplier shall retain one copy of the FAI Report as evidence, for a period of 10 years. Products already accepted by FAI shall repeat FAI or detail FAI under the following conditions:
  - i. Print, specification, manufacturing process or production tool changes that could result in a

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- change to the product configuration.
  - ii. Production tools (exclude assistant tools) reproduced or duplicated.
  - iii. A lapse in production for two years.
- j) The Supplier Certificate of Compliance must be signed by an authorized member of the Supplier's Quality Organization and include a statement that the parts conform in all respect to the Purchase Order/Contract, prints and applicable specifications, and contain the following information, as appropriate:
- i. Supplier's company name
  - ii. Print and/or specification number(s) and revision(s)
  - iii. Applicable process specification and revision status
  - iv. Serial number(s) and date code/lot number(s) as applicable
  - v. Waivers or deviations approved by SENSIT
  - vi. SENSIT Purchase Order number
  - vii. Quantity shipped
  - viii. Part Number and revision level as listed on SENSIT Purchase Order
  - ix. Statement of traceability
  - x. All special customer requirements that may be defined in customer special process specifications and/or customer clauses
- k) SENSIT or our representative shall be afforded the right to verify at source or upon receipt that the purchased product conforms to specified requirements. All records relating to the requirements for all Purchase Orders shall be kept on file for a minimum of 10 years from the shipment date and available for review by SENSIT.
- l) Non-conforming material including fit, form, and function shall be identified, and reports submitted to SENSIT for disposition. No non-conforming material may be shipped without written authorization from SENSIT. A copy of the dispensation must accompany the shipment. All non-conforming material must be identified and traceable to the report submitted.
- m) 'Limited Life' material supplied per Purchase Order must be accompanied by a Certificate of Conformance signed by an authorized member of the Supplier's Quality Organization stating the date of manufacture and the manufacturer's lot number and the expiration/cure dates.
- n) Tooling manufactured for a Purchase Order must be physically identified with a SENSIT part number, print or specification number with revision date and project identification as a minimum. Such data will be provided to SENSIT upon request prior to shipment to SENSIT.

### 14. **Shipping and Packaging Instructions**

All packaging will be clearly and indelibly marked to show necessary shipping information. Packaging must be suitable to prevent damage during shipping, and include a packing slip that includes the following:

- a) SENSIT address, SENSIT Purchase Order number.
- b) The Supplier's shipment identification number, number of packages, crates, boxes and a detailed packing slip listing each separate item.

### 15. **Delivery**

- a) Title to the Purchased Item will transfer to SENSIT free and clear of encumbrances of any nature at the time of delivery of the Purchased Item to SENSIT unless different terms are specified on the purchase agreement.
- b) The Supplier will be responsible for ensuring the Purchased Item will arrive at the stipulated destination in accordance with the delivery schedule specified in the Purchase Order.
- c) In the event of a delay of default in performance by the Supplier, SENSIT may at its discretion extend the time period for performance, upon conditions satisfactory to SENSIT. Alternatively, in such event SENSIT may cancel the Purchase Order, whole or in part, without any further obligations

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of any nature to SENSIT and seek satisfactory performance by alternate supplier. Any extension granted by SENSIT will not prejudice its ability to exercise its cancellation rights in the event of further delay or default.

### 16. **Correction of Defects**

The Supplier is required to warranty the Purchase Item for a period of 24 months from defects, deficiencies and failures to meet the requirements of the Purchase Order unless a different term is agreed to between the Supplier and SENSIT in writing. The warranty period begins when the purchase item is received at Sensit. Upon notification from SENSIT the Supplier will make good every such defect, deficiency, or failure without cost to SENSIT. Prior acceptance does not invalidate this obligation. The Supplier will pay all transportation charges for parts both ways between the Supplier's factory or depot and the point of use.

### 17. **Contract Cancellation**

SENSIT may from time to time, without cause and without affecting the validity of the Purchase Contract, immediately cancel any uncompleted or unperformed work relating to the Purchased Item, in whole in part, by delivering a notice to this effect to the Supplier. Except to the extent any such cancellation arises in respect of any event of default by the Supplier, SENSIT will pay the Supplier the amounts set out below, supported by any audit requested by SENSIT including an audited performed by SENSIT staff:

- a) Percentage of the value of the item as a restocking charge for standard stocked items
- b) Reimbursement at the Contract Price for all items completed and delivered
- c) Reimbursement for direct out of pocket costs to the Supplier for work relating to the Purchased item in progress directly incurred in the course of the work relating to the Purchased Item, as can be verified in an audit for costs. For greater certainty, there will be no charge for items, which are not customer manufactured for the Contract.

SENSIT will not be liable to the Supplier for loss of anticipated profit or any other economic loss whatsoever on the cancelled portion or portions of the work relating to the Purchased Item.

### 18. **Governing Laws**

The Contract and the conduct of the parties with respect to the formation and performance of the contract are governed by and are to be construed and interpreted in accordance with the laws of the State of Indiana and the laws of the United States applicable in the State of Indiana. The parties irrevocably submit to the non-exclusive jurisdiction of the courts of the State of Indiana and the Federal Court governing the State of Indiana.

### 19. **Trade Compliance**

The Supplier and any sub-contractors shall comply with trade restrictions and compliance laws as found in the *PUR2 Supplier Compliance Clause*.

### 20. **Confidentiality**

Any confidential information, drawings, data, design, inventions, computer software and other technical information's supplied by SENSIT shall remain the property of SENSIT and shall be held in confidence by the Supplier. Such information will not be reproduced, used or disclosed to others by the Supplier without the prior written consent of SENSIT and shall be returned to SENSIT upon completion by the Supplier of its obligations under the Contract.

### 21. **Code of Conduct**

All Suppliers are required to adhere to the SENSIT Code of Conduct, located at <https://www.halma.com/sustainability/code-of-conduct>. It is the responsibility of the Supplier to acquire access to the Code of Conduct and flow down requirements to their sub-contractors.

# SUPPLIER AGREEMENT - COMPLIANCE CLAUSES

For the purposes of this Agreement:

**Associated Persons** means any person performing services for or on behalf of a party, including but not limited to subsidiaries, employees, agents, distributors and contractors;

**Sanctioned Party** means any party or parties listed on any list of designated or other restricted parties maintained under Trade Restrictions, including but not limited to the Consolidated List of Financial Sanctions Targets in the UK maintained by HM Treasury, the consolidated list of persons, groups and entities subject to EU financial sanctions maintained by the European Commission, and the Specially Designated Nationals and Blocked Persons List maintained by the US Office of Foreign Assets Control;

**Trade Restrictions** means any applicable export control, trade or economic sanctions, embargo or similar laws, regulations, rules, licences, orders or requirements including without limitation those of the UN, UK, U.S. and the EU.

## 1. Trade Restrictions

- 1.1. The Supplier hereby acknowledges and agrees that the supply of the goods and/or provision of services to **Sensit Technologies LLC** may be subject to Trade Restrictions.
- 1.2. The Company reserves the right to carry out screening and background checks on the Supplier prior to the supply of the goods and/or provision of services and at any time during the performance of the Contract. The Supplier shall provide all assistance to the Company that the Company reasonably requires in relation to such checks.
- 1.3. The Supplier is solely responsible for complying with and shall not do anything which would cause **Sensit Technologies LLC** to be in breach of, Trade Restrictions. In particular, the Supplier agrees that it:
  - 1.1.1. will obtain and maintain any required export licence or other governmental approval and complete such formalities as may be required under Trade Restrictions in order to supply the goods and/or services to **Sensit Technologies LLC**;
  - 1.1.2. will not supply to **Sensit Technologies LLC** any goods or services that have been sourced, directly or indirectly, from: (i) any country, territory, or destination with which **Sensit Technologies LLC**, as a matter of policy, does not conduct business, (including but without limitation to Iran, Syria, Sudan, Cuba, Crimea & Sevastopol and North Korea, and any other territory subject to comprehensive Trade Restrictions from time to time); (ii) any other territory from which the supply of the goods and/or services would be restricted or prohibited under Trade Restrictions (subject to the Supplier obtaining any and all licences and/or approvals required to make such a supply); or (iii) any Sanctioned Party (or any party owned or controlled by a Sanctioned Party); and
  - 1.1.3. will carry out sanctions screening checks on its suppliers (including their shareholders, beneficial owners and senior management) prior to its procurement of goods and/or services in connection with this Agreement in order to ensure compliance with this clause x.
- 1.4. Nothing in this clause 1 shall require either party to act in any way contrary to any blocking or antiboycott laws with jurisdiction over such party's operations, including (if applicable) the Anti-Foreign Sanctions Law of the People's Republic of China.

## 2. Compliance with laws

- 2.1. Supplier agrees to comply with the following:

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- 2.1.1 all local and national laws in the territories in which it operates;
- 2.1.2 all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption, and in particular Supplier shall not:
- (a) make any offer, payment, promise to pay, or authorise the giving of any monies or financial or other advantage to any person:
    - (i) for the purpose of inducing or rewarding that person (or any other person) to perform their role or function improperly;
    - (ii) for the purpose of influencing a public official in relation to any decision, act or other performance (including failure to perform) of their official role or function, with the intention of obtaining or retaining business or a business advantage; or
    - (iii) that is otherwise for the purpose of improperly obtaining or retaining business or a business advantage of any kind;
  - (b) request, agree to receive, or accept, any monies or financial or other advantage in return or as a reward for performing their role or function improperly; or
  - (c) engage in any other activity, practice or conduct which would constitute an offence under any other applicable anti-corruption or anti-bribery legislation, or that would place **Sensit Technologies LLC** in breach of such legislation;
- 2.1.3 all applicable taxation laws and shall in particular not commit an offence of cheating the public revenue or an offence consisting of the evasion of tax, or the facilitation of tax evasion by another person;
- 2.1.4 all applicable anti-slavery and human trafficking laws including The Modern Slavery Act 2015 or any activity, practice or conduct that would constitute an offence under sections 1, 2 or 4 of the same Act; and
- 2.1.5 the Halma plc Group Code of Conduct as updated or amended from time to time, which may be found on the Halma website ([www.halma.com](http://www.halma.com)).

### 3. Procedures and controls

- 3.1. The Supplier confirms it will at all times during the term of this Agreement:
- 3.1.1. have in place effective policies and procedures to ensure compliance with this Agreement (and in particular the laws referenced at clauses 2.1.2 and 2.1.3 above);
  - 3.1.2. procure that its Associated Persons in respect of this Agreement and any other agreements with **Sensit Technologies LLC** are aware of and comply with the provisions of clauses 1-3 of this Agreement;
  - 3.1.3. maintain complete and accurate records of all transactions and payments related to this Agreement and any other agreement between the Supplier and **Sensit Technologies LLC** and, on reasonable request, disclose details of those transactions and payments to **Sensit Technologies LLC**;
  - 3.1.4. on reasonable request confirm in writing to **Sensit Technologies LLC** that it has complied with the requirements of this Clause [**and, if so requested, allow Sensit Technologies LLC to verify this compliance by way of an audit of its records**]; and



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3.1.5. immediately inform **Sensit Technologies LLC** if it suspects or becomes aware of any breach of this Clause by it or any of its Associated Persons and provide detailed information about the breach.

### 4. Liability and Termination

4.1 In addition to any other remedy available to **Sensit Technologies LLC**, the Supplier will indemnify, keep indemnified and hold harmless (on a full indemnity basis) **Sensit Technologies LLC** and its affiliates, officers and personnel against all direct or indirect liabilities, claims, demands, damages, losses or expenses (including legal and other professional adviser's fees and disbursements), interest and penalties suffered or incurred as a result of any breach by of the Supplier's obligations in clause **1-3** of this Agreement. This indemnity will not apply to any fine levied on **Sensit Technologies LLC** as a result of **Sensit Technologies LLC's** criminal liability.

4.2 **Sensit Technologies LLC** shall not be obliged to perform any obligation and shall have the right to terminate this Agreement and any other agreement with the Supplier, immediately and without being liable for any damages or costs of any kind, if in its sole discretion it reasonably believes that such performance in full or in part would be in violation of clauses 1-3 of this Agreement (including, for the avoidance of doubt, if such violation would be the result of any delay to, or refusal of, the grant of any licence required under applicable laws).