

STANDARD TERMS AND CONDITIONS FOR PURCHASE OF GOODS AND/OR SERVICES

1. **Definitions.** In these Standard Purchase Terms, the following definitions apply:
 - a. **"Buyer"** means AVTEC Limited and
 - b. **"Supplier"** means the party indicated on the face page of the Purchase Order that is contracting with Buyer for the purchase and sale of Goods and/or Services.
 - c. **"Purchase Order"** means the purchase order between Buyer and Supplier for the purchase and sale of Goods and/or Services, to which these Standard Purchase Terms are attached or are incorporated by reference
 - d. **"Purchase Order Release"** means a Transmission specifying quantities and shipping or delivery dates.
 - e. **"Purchase Order Revision"** means a Transmission revising the information contained in this purchase order.
 - f. **"Deliverable"** means any deliverable or other product or result from Services that is referred to in a Purchase Order, and any related materials, data, documentation, and includes any Intellectual Property Rights developed by Supplier pursuant to such Purchase Order.
 - g. **"Delivery Date"** means the date of delivery for Goods or performance of Services as specified in a Purchase Order.
 - h. **"Delivery Point"** means the location identified by Buyer in the Purchase Order to which the Supplier is to deliver Goods and/or perform the services, or such other delivery area or point which is specified in writing by Buyer.
 - i. **"Goods"** means the goods that are required to be delivered by Supplier pursuant to a Purchase Order, and include all materials, component parts, packaging and labelling of such goods.
 - j. **"Intellectual Property Rights"** means all intellectual and industrial property rights and rights of a similar nature including all rights in and to, patents including all issued patents and pending applications therefore and patents which may be issued therefrom (including divisions, reissues, re-examinations, continuations and continuations-in-part); trade-marks; copyrights; industrial design rights; rights pertaining to trade secrets and confidential information; publicity rights; personality rights; moral rights; and other intellectual property rights whether registered or not and all applications, registrations, renewals and extensions pertaining to the foregoing.
 - k. **"Services"** means any services to be provided by Supplier to Buyer pursuant to the Purchase Order.
 - l. **"Specifications"** means the requirements, attributes and specifications for the Goods or Services that are set out in the applicable Purchase Order. Specifications also include: (a) documentation published by Supplier relating to the Goods or Services; (b) operational and technical features and functionality of the Goods or Services; (c) standards or levels of service performance for Services; and (d) Buyer business requirements that are expressly set out in a Purchase Order.
 - m. **"Supplier Proposal"** means any acknowledgement, estimate, quote, offer to sell, invoice, or proposal of Supplier relating to the supply of Goods and/or Services to Buyer, including any delivered in connection with a request for quotations, request for proposal or similar process initiated by Buyer.
2. **Acceptance of Purchase Order:** Purchase Order referencing these Terms and Conditions is an offer to Supplier by Buyer to enter into the purchase agreement described by such Purchase Order. These Terms and Conditions along with any other specifications or requirements transmitted to Supplier by Buyer in connection therewith shall be the complete and exclusive statement of such agreement. Supplier's failure to deliver written objection to this Order within two (2) days of Supplier's receipt thereof, Supplier's written acceptance of this Order, Supplier's commencement of any work under this Order, or any other conduct by Supplier that recognizes the existence of a contract with regard to the subject matter of this Purchase Order, constitutes Supplier's acceptance of this Purchase Order. By accepting this Purchase Order, Supplier acknowledges having actual knowledge of the text of documents referenced herein. Supplier's acceptance of Purchase Order is unqualified, unconditional and subject only to these Terms and Conditions and any of the Buyer's terms specifically set forth on the Purchase Order, or any signed documents referenced in Buyer's Purchase Order. Buyer expressly rejects any additional or different terms and conditions, including those which appear in any quotation, acceptance, shipping documentation, invoice or acknowledgement of Supplier. Supplier may not assert, as a defense to the enforcement of these Terms and Conditions any conditions or limitations made in a quotation, acceptance, shipping documentation, invoice or acknowledgement. Supplier waives any right to contest the validity of these Terms and Conditions, or assert that

they are void for any reason, upon Supplier's acceptance of the Purchase Order(s) referencing these Terms and Conditions.

3. **Delivery of Goods and Services.**

- a. Supplier agrees to supply and deliver the Goods to Buyer and to perform the Services, as applicable, on the terms set out in this Purchase Order.
- b. In Case of EXW, FCA, FAS & FOB (INCOTERMS 2010) delivery terms, unless or otherwise specified, all goods must suitably packed and be dispatched through BUYER'S approved and nominated carriers only. In case the same is dispatched through any other carrier, Buyer reserves the right to claim or debit the differential freight cost and any such other Expenses incurred in taking the delivery of consignments to SUPPLIER.
- c. In case of FOR (Free On Road, applicable only for within India Deliveries), CPT, CIP, CFR, CIF, DAT, DAP & DDP (INCOTERMS 2010) delivery terms, Supplier shall, at its own expense, pack, load, and deliver Goods to the Delivery Point and in accordance with the invoicing, delivery terms, shipping, packing, and other instructions printed on the face of the Purchase Order or otherwise provided to Supplier by Buyer in writing. No charges will be allowed for freight, transportation, insurance (except CPT & CFR terms), shipping, storage, handling, demurrage, cartage, packaging or similar charges unless provided for in the applicable Purchase Order or otherwise agreed to in writing by Buyer.
- d. Time is of the essence with respect to delivery of the Goods and performance of Services. Goods shall be delivered and Services performed by the applicable Delivery Date. Supplier must immediately notify Buyer if Supplier is likely to be unable to meet a Delivery Date. At any time prior to the Delivery Date, Buyer may, upon notice to Supplier, cancel or change a Purchase Order, or any portion thereof, for any reason, including, without limitation, for the convenience of Buyer or due to failure of Supplier to comply with Purchase Order terms, unless otherwise noted.
- e. Title and risk of loss or damage shall pass to Buyer upon receipt of Goods at the Delivery Point, unless otherwise agreed to by the Buyer in writing. Buyer has no obligation to obtain insurance while Goods are in transit from Supplier to the Delivery Point.

4. **Price/Payment Terms.** Prices for the Goods and/or Services will be as set out in Purchase Order. Supplier will issue invoices against each shipment or services provided. All invoices delivered by Supplier must meet Buyer's requirements, and at a minimum shall reference the applicable Purchase Order. Buyer will pay the undisputed portion of properly rendered invoices as per the terms of Purchase Order. Buyer shall have the right to withhold payment of any invoiced amounts that are disputed in good faith until the parties reach an agreement with respect to such disputed amounts and such withholding of disputed amounts shall not be deemed a breach of this Agreement nor shall any interest be charged on such amounts. Notwithstanding the foregoing, Buyer agrees to pay the balance of the undisputed amounts on any invoice that is the subject of any dispute within the time periods specified herein.

5. **Taxes.** Unless otherwise stated in a Purchase Order, all prices or other payments stated in the Purchase Order are exclusive of any taxes. Supplier shall separately itemize all applicable taxes each on each invoice and indicate on each invoice its applicable tax registration number(s). Buyer will pay all applicable taxes to Supplier when the applicable invoice is due. Supplier will remit all applicable taxes to the applicable government authority as required by applicable laws. Notwithstanding any other provision of this Purchase Order, Buyer may withhold from all amounts payable to Supplier all applicable withholding taxes and to remit those taxes to the applicable governmental authorities as required by applicable laws.

6. **Shipping Instructions:**

- i. **Freight:** Shipping will be directed by Buyer on the Purchase Order, Purchase Order Release, or Purchase Order Revision or if not specified shall be on Delivered Basis at Buyer Premises by Supplier. Notwithstanding anything contained in these terms and conditions including the agreed Incoterms 2010 and notwithstanding the payment terms agreed, in case of international shipments, the title in the products forming part of this purchase order / shipment shall pass on to BUYER OR BUYER is deemed to assent to the appropriation of the products only upon the product consignment docking at the Indian port of entry. In case

of domestic shipments, the title in the products forming part of this purchase order / shipment shall pass on to BUYER OR BUYER is deemed to assent to the appropriation of the products only upon the product consignment reaching inside the relevant BUYER entity's compound. If a carrier or method of shipment is used that is not specified by the Purchase Order, a Purchase Order Release, and a Purchase Order Revision or in these Terms and Conditions without the advance written approval of Buyer, Supplier shall be debited for any increase in the cost of the shipment.

- ii. **Packaging; Classification; Labeling:** Supplier must label the outside of all packages utilizing the acceptable to Buyer. Supplier shall ensure that all Items are properly described, classified, packaged, marked and labeled and are in proper condition for transportation according to applicable regulations, including but not limited to The Legal Metrology Act 2009 and Rules/amendments or any statutory modifications thereof and any international regulations, where the Items are to be exported.
- iii. **Packing Slips:** Supplier shall include the Packing Slip in a waterproof envelope secured to a package on all shipments. The Packing Slip must show this Purchase Order No., Supplier Code No., Item No., Quantity, Identification or Specification No. and Engineering Change No. or Material Code exactly as shown on the Purchase Order.
- iv. **Shipping Notices:** Supplier shall send Buyer appropriate separate notice of shipment, including the same information as is contained on the Packing Slip plus all information relating to shipment date and handling.
- v. **Bills of Lading:** Supplier shall include this Purchase Order No., Supplier Code, HS Code, Buyer's Import Export Code, Goods & Service Tax No. on all Bills of Lading
- vi. **Early shipments; Over shipments:** On shipments made earlier than the period specified on the Purchase Order, Buyer, at its option, may return the Items at Supplier's expense and/or withhold payment until the otherwise applicable payment date. Buyer may return over shipments to Supplier at Supplier's expense. In either case, if Buyer so returns Items, Supplier's account shall be debited for the total amount of any invoices (including, but not limited to, shipping expenses and taxes) paid thereon.
- vii. **Shipment of Hazardous Materials. "Hazardous materials" are defined for purposes of these Terms and Conditions as any substances regulated as contaminants, or as threats or potential threats to human health, safety or the environment, by environmental regulations in India. The Supplier must comply with the following requirements for shipment of Hazardous Materials:**
 - 1. Transportation of Hazardous Materials - Supplier shall ensure that all materials shipped by the Supplier are properly described, classified, packaged, marked and labeled and are in proper condition for transportation according to applicable regulations governing the transportation of hazardous materials. Supplier shall ensure that all personnel shall receive hazardous materials training as required by applicable regulations. Supplier shall further ensure that a valid 24-hour emergency response number (domestic and international) is supplied on the shipping documents for hazardous materials and that the appropriate material safety data sheet has been given to the proper emergency response organization prior to shipment. Notwithstanding the Incoterm / payment terms agreed under respective purchase orders, Supplier shall always be shown as the "shipper" on all documents relating to the shipment of any hazardous materials provided under this Purchase Order. Buyer is not to be shown as the "shipper" on any such documents. The contents pertaining to the title transfer as contained in Clause 6(a) shall be applicable to this clause as well.
 - 2. Supplier agrees to indemnify, defend and hold harmless Buyer, its affiliates, its officers, directors and their successors and assigns, from all claims, demands, expenses (including reasonable attorneys' fees) liabilities, causes of action, enforcement procedures, and suits of any or nature (collectively "Claims"), of which Buyer may incur as a result of Supplier's non-compliance with Supplier's obligations under this Section and any governmental laws and regulations applicable to the packaging, classification,

labeling, training, handling and transportation of hazardous materials, whether such action is brought by a governmental agency or other person or entity, except to the extent that such Claims result from Buyer's negligence or willful misconduct.

7. Inspection; Acceptance and Rejection.

- i. All shipments of Goods and performance of Services shall be subject to Buyer's right of inspection. Buyer shall at a reasonable time (Inspection Period) following the delivery of the Goods at the Delivery Point or performance of the Services to undertake such inspection, and upon such inspection Buyer shall either accept the Goods or Services ("**Acceptance**") or reject them. Buyer shall have the right to reject any Goods that are delivered in excess of the quantity ordered or are damaged or defective. In addition, Buyer shall have the right to reject any Goods or Services that are not in conformance with the Specifications or any term of Purchase Order. Transfer of title to Buyer of Goods shall not constitute Buyer's Acceptance of those Goods. Buyer's inspection, testing, or Acceptance or use of the Goods or Services hereunder shall not limit or otherwise affect Supplier's warranty obligations hereunder with respect to the Goods or Services, and such warranties shall survive inspection, test, Acceptance and use of the Goods or Services.
- ii. Buyer shall be entitled to return rejected Goods to Supplier at Supplier's expense and risk of loss for, at Buyer's option, either: (i) full credit or refund of all amounts paid by Buyer to Supplier for the rejected Goods; or (ii) replacement Goods to be received within the time period specified by Buyer. Title to rejected Goods that are returned to Supplier shall transfer to Supplier upon such delivery and such Goods shall not be replaced by Supplier except upon written instructions from Buyer. Supplier shall not deliver Goods that were previously rejected on grounds of non-compliance, unless delivery of such Goods is approved in advance by Buyer, and is accompanied by a written disclosure of Buyer's prior rejection(s).

8. Work in Process; Quality Program; Capacity: Buyer shall have the right, at any reasonable time or times, to inspect materials, work in process, finished Items and parts, and records relating thereto, at any facilities at which goods are manufactured or such records are kept. Buyer assumes no responsibility and waives no rights as a result of any such inspection.

Supplier shall maintain a quality assurance program satisfactory to Buyer to ensure that Items consistently satisfy Buyer's quality requirements. Supplier shall maintain sufficient production capacity to assure that Buyer's firm orders for Items are promptly and regularly fulfilled.

9. Buyer's Property: All property, including, but not limited to, all tooling, equipment, fixtures, tools, gauges, jigs, patterns, castings, dies, moulds, patterns, designs, drawings, spare parts, trial parts, dunnage, racks, and containers, along with all related appurtenances, accessions, and accessories, and all documents, standards or specifications, trade secrets, information, materials (including whether or not such materials are in any way modified, altered or processed), and other items furnished by Buyer, either directly or indirectly, to Supplier to perform this Purchase Order, or for which Supplier is reimbursed by Buyer, shall be and remain the property of Buyer. Buyer does not guarantee the accuracy, availability or suitability of any of Buyer's Property. Supplier agrees carefully to check and approve all of Buyer's Property prior to using it.

Supplier shall agree that Buyer has the right at any time, with or without reason, and without payment of any kind to take possession or request return, of any tools and equipment belonging to Buyer.

Supplier shall return to Buyer all property described in this section immediately after completion of manufacture of the goods.

Unless specified, all shipping charges for the property described in this paragraph shall be Buyer's responsibility. Risk of loss arising during shipment shall be of the Buyer

10. Warranty:

- i. **Product Warranty:** Supplier, in addition to any express or implied warranties of additional scope given to Buyer by Supplier or implied by law, hereby warrants that Items furnished by Supplier will be in full conformity with Buyer's instructions, specifications, drawings and data, and Supplier's samples or representations, and will be free from defects in design (to the extent that Supplier furnishes the design), materials and workmanship. Supplier may not change any specifications, engineering processes,

materials or design without the prior written consent of Buyer. Supplier agrees that this warranty shall survive acceptance of the Items. Supplier shall be responsible for every claim of damage or injury that is based on a breach of the foregoing warranty, and, at Buyer's option, Supplier shall handle any such claims or shall provide all reasonable assistance to Buyer in Buyer's handling of such claims.

- ii. **Service Warranties.** Supplier shall perform all Services: (i) exercising that degree of professionalism, skill, diligence, care, prudence, judgment, and integrity which would reasonably be expected from a skilled and experienced service provider providing services under the same or similar circumstances as the Services under this Purchase Order; (ii) in accordance with all Specifications and all Buyer policies, guidelines, by-laws and codes of conduct applicable to Supplier; and (iii) using only personnel with the skills, training, expertise, and qualifications necessary to carry out the Services. Buyer may object to any of the Supplier's personnel engaged in the performance of Services who, in the reasonable opinion of Buyer, are lacking in appropriate skills or qualifications, engage in misconduct, constitute a safety risk or hazard or are incompetent or negligent, and the Supplier shall promptly remove such personnel from the performance of any Services upon receipt of such notice, and shall not re-employ the removed person in connection with the Services without the prior written consent of Buyer.
 - iii. **Intellectual Property Warranty.** Supplier further warrants to Buyer that at all times all Goods and or Services (including any Deliverables) will not be in violation of or infringe any Intellectual Property Rights of any person.
 - iv. **Manufacturer Warranties.** Supplier shall assign to Buyer all manufacturer's warranties for Goods not manufactured by or for Supplier, and shall take all necessary steps as required by such third party manufacturers to effect assignment of such warranties to Buyer.
11. **Legal Compliance; Workplace Safety.** In carrying out its obligations under the Purchase Order, including the performance of Services, Supplier shall at all times comply with all applicable Central, State and municipal laws, regulations, standards, and codes. Supplier shall obtain all applicable permits, licenses, exemptions, consents and approvals required for the Supplier to manufacture and deliver the Goods and perform the Services.
 12. **Liquidated Damages:** In case of any delay or failure to deliver the goods or perform the services within the stipulated delivery period specified in the Purchase Order / Purchase Order Release, liquidated damages will be levied at the discretion of the Buyer at the rate of 0.5% per week or part thereof limiting to maximum 5% of the ordered value or an amount which deemed fit by Buyer depending upon the severity of the damage caused to the Purchaser
 13. **Intellectual Property Rights.** All Intellectual Property Rights in and to each Deliverable shall vest in Buyer free and clear of all liens and encumbrances on receipt of payment by Supplier for each Deliverable. To the extent that any Deliverables contain any intellectual property of Supplier, Supplier hereby grants to Buyer a worldwide, royalty-free, non-exclusive, perpetual license to use, copy, modify and distribute such intellectual property as part of the Deliverables. Supplier agrees to provide to Buyer all assistance reasonably requested by Buyer to perfect the rights described herein, including obtaining all assignments and waivers of moral rights necessary or appropriate to vest the entire right, title and interest in such materials in Buyer and its successors and assigns
 14. **Confidentiality.** Supplier shall safeguard and keep confidential any and all information relating to Buyer obtained by it or provided to it by Buyer in connection with this Purchase Order, and shall use such information only for the purposes of carrying out its obligations under this Purchase Order
 15. **Insurance.** Supplier represents and warrants to Buyer that it has in place with reputable insurers such insurance policies in coverage amounts that would be maintained by a prudent supplier of goods and services similar to the Goods and Services provided hereunder, including, as applicable, professional errors and omissions liability insurance and comprehensive commercial general liability insurance (including product liability coverage, all-risk contractors' equipment insurance, and automobile liability insurance). In addition, Supplier will take out and maintain, at its own cost, such insurance policies and coverages as may be reasonably required by Buyer from time to time. Supplier will promptly deliver to Buyer, as and when requested, written proof of such insurance. If

requested, Buyer will be named as an additional insured under any such policies. If requested by Buyer, such insurance will provide that it cannot be cancelled, or materially changed so as to affect the coverage provided under this Purchase Order, without the insurer providing at least 30 days prior written notice to Buyer.

16. **Indemnities.** Supplier shall indemnify, defend and hold harmless Buyer, its Affiliates, and their respective officers, directors, employees, consultants, and agents (the “**Buyer Indemnified Parties**”) from and against any claims, fines, losses, actions, damages, expenses, legal fees and all other liabilities brought against or incurred by the Buyer Indemnified Parties or any of them arising out of: (a) death, bodily injury, or loss or damage to real or tangible personal property resulting from the use of or any actual or alleged defect in the Goods or Services, or from the failure of the Goods or Services to comply with the warranties hereunder; (b) any claim that the Goods or Services infringe or violate the Intellectual Property Rights or other rights of any person; (c) any intentional, wrongful or negligent act or omission of Supplier or any of its Affiliates or subcontractors; (d) Supplier’s breach of any of its obligations under this Purchase Order; or (e) any liens or encumbrances relating to any Goods or Services.
17. **Limitation of Liability.** In no event shall Buyer be liable to Supplier for incidental or consequential damages, or damages for lost profits, including but not limited to compensation, reimbursement or damages on account of lost profits on sales or anticipated sales by Supplier, or on account of investments or commitments made in connection with a Purchaser Order, or in connection with the establishment, development or maintenance of the business or goodwill of Supplier
18. **Independent Contractors.** Supplier will perform its obligations under the Purchase Order as an independent contractor and in no way will Supplier or its employees be considered employees, agents, partners, fiduciaries, or joint venturers of Buyer. Supplier and its employees will have no authority to represent Buyer or its Affiliates or bind Buyer or its Affiliates in any way, and neither Supplier nor its employees will hold themselves out as having authority to act for Buyer or its Affiliates.
19. **Severability.** If any provision of this General Terms and Conditions is determined to be unenforceable or invalid for any reason whatsoever, in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part thereof and all other provisions shall continue in full force and effect.
20. **Assignment.** Supplier may not assign or subcontract this Purchase Order, in whole or in part, without Buyer’s prior written consent. Supplier’s permitted assignment or subcontracting of this Order or any part thereof will not release Supplier of its obligations under this Purchase Order, and it will remain jointly and severally liable with the assignee or subcontractor for any obligations assigned or subcontracted. The acts of omissions of any subcontractors of Supplier will be deemed to be the acts and omissions of the Supplier. Buyer may assign this Purchase Order, in whole or in part, to any Affiliate of Buyer, without the consent of Supplier. This Purchase Order shall enure to the benefit of and be binding upon the parties and their respective legal personal representatives, heirs, executors, administrators, assigns or successors.
21. **Termination.** Purchase Order may be terminated by Buyer in whole or in part with a sixty (60) days written notice. The Supplier may terminate the Contract either upon a one hundred and eighty (180) days prior notice in writing or within such time that Buyer re-develops and validates the parts with an alternate Supplier, whichever occurs latest. In the event of termination of the Contract, for any reason whatsoever and irrespective of any disputes or differences that may arise and irrespective of any outstanding BUYER shall be entitled to take back on Termination Date, and “SUPPLIER”, shall ensure their cooperation in doing so, all Tool(s), Mould(s), Die(s) or such other material and any Confidential Information provided and supplied by BUYER to SUPPLIER.. BUYER shall pay to SUPPLIER any outstanding amount payable by BUYER after taking into account all payables and reconciliation of the accounts. This amount shall be payable by BUYER within sixty (60) days of termination coming into effect.

22. **Force Majeure:** Any delay or failure of either party to perform its obligations hereunder shall be excused if, and to the extent that, it is caused by an event or occurrence beyond the reasonable control of the party and without its fault or negligence. By way of example, this includes acts of God; terrorism, restrictions, prohibitions, priorities or allocations imposed by or actions taken by any governmental authority (whether valid or invalid); embargoes; fires; floods; windstorms; explosions; riots; natural disasters; wars; sabotage; inability to obtain power; or court injunction or order; provided that an event of force majeure shall not include any labor disruptions, strikes, lockouts or slowdowns, or lack of or inability to obtain raw materials, fuel, or supplies. Written notice of such delay (including the anticipated duration of the delay) must be given to the other party as soon as possible after the commencement of the occurrence (but no more than five (5) days thereafter). During the delay or failure to perform by Supplier, Buyer, at its option, (a) may purchase Supplies from other sources and reduce its Orders to Supplier by such quantities, without liability to Supplier; or (b) may ask Supplier to deliver to Buyer at Buyer's expense all finished goods, work in process and parts and materials produced or acquired for work under this Order; or (c) have Supplier provide Supplies from other sources in quantities and at a time requested by Buyer and at the purchase price set forth in the Purchase Order. In addition, Supplier, at its expense, shall take all necessary actions to ensure the supply of Products to Buyer for a period of at least thirty (30) days during any anticipated labor disruption or resulting from the expiration of Supplier's labor contracts. If Buyer requests, Supplier shall, within five (5) days of Buyer's request, provide adequate assurance that the delay will cease within thirty (30) days of Buyer's request. If the delay lasts more than 30 days or SUPPLIER fails to provide such adequate assurances, Buyer may immediately terminate the Contract without liability to SUPPLIER.
23. **Survival.** Any provision of this Standard Terms & Conditions to Purchase Order which expressly or by implication from its nature is intended to survive the termination or completion of the Purchase Order will continue in full force and effect after any termination, expiry or completion of this Purchase Order.
24. **Governing Law.** The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. This Purchase Order shall be governed by the laws of India. The parties irrevocably attorn to the jurisdiction of the courts of Hosur/Chennai/Indore/New Delhi, India depending on the Plant/Office issuing the Purchase Order, which will have non-exclusive jurisdiction over any matter arising out of this Agreement. Dispute resolutions shall be in accordance with Indian Arbitration and Conciliation Act 1996 and amendments thereto, if any.