



ENERGY HARDWARE HOLDINGS LLC CONDITIONS OF PURCHASE

1. **Acceptance of Terms.** Seller agrees to be bound by and to comply with all terms set forth herein and on the purchase order ("PO") to which these terms are attached or are incorporated by reference (each as amended or supplemented, and together with any specifications, drawings (including other requirements called out or referenced in such specifications or drawings) and other documents referred to herein or on the PO, (collectively, "Order"). This Order is an offer to purchase the Goods and/or Services (including any deliverables and required documentation) described therein. This Order shall not constitute an acceptance of any offer to sell, quotation or other proposal from Seller, even if referred to in this Order. Acceptance of this Order is expressly limited to the terms of this Order. Seller, by accepting this Order, agrees to be bound by Company's terms and conditions to the exclusion of all others, notwithstanding any term or condition contained in any of Seller's documents or otherwise communicated orally or in writing by Seller, including but not limited to Seller's proposal, quotation, pricing sheets, qualifications and/or clarifications. Company hereby notifies Seller in advance that Company objects to and hereby rejects any terms and conditions included with Seller's quotation, invoice or other document which are additional to or different than the terms of this Order, and none of such additional or different terms shall be part of the Order between Seller and Company, unless specifically accepted by Company in writing. This Order shall be irrevocably accepted by Seller upon the earlier of: (a) Seller's issuing any acceptance or acknowledgement of this Order; or (b) Seller's commencement of the work called for by this Order, in any manner. The terms set forth in this Order take precedence over any additional or different terms in any other document connected with this transaction, unless such additional or different terms are: (a) part of a written agreement ("Agreement"), which has been negotiated between the Parties and which the Parties have expressly agreed may override these terms in the event of a conflict; or (b) set forth on the PO to which these terms are attached. In the event these terms are part of an Agreement between the Parties, the term "Order" used herein shall mean any purchase order issued under the Agreement. Acceptance of the Goods or Services will not constitute acceptance by Company of Seller's terms and conditions. Any acceptance of the Goods or Services by Company is expressly conditional upon the consent of Seller to the terms and conditions of the Order, and no other forms of acceptance except those stated herein or agreed to by Company will be considered acceptance by Company. Prior dealing between the parties or usage of trade shall not be relevant to supplement or explain any term used in the Order.
2. **Definitions.**
 - 2.1 **"Affiliate"** means, for the purposes of this Order, with respect to either Party, any entity, including, any individual, corporation, company, partnership, limited liability company or group, that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Party;
 - 2.2 **"Company"** means, **Energy Hardware Holdings LLC**, having its registered office at 2730 E. Phillips Rd, Greer, SC 29650 (including its successors and permitted assignees), a subsidiary of the LoneStar Group of companies;



- 2.3 “**Seller**” means the person, firm or company the person from whom the Company orders the Goods and/or Services;
- 2.4 “**Goods**” or “**Services**” means the goods or services of the nature, specification and quantities identified in the Order;
- 2.5 “**Order**” has the meaning set forth in Section 1 of this document.
- 2.6 “**Parties**” means the Company and the Seller (and “**Party**” means either of them);
- 2.7 “**Price**” means the price set forth in the Order (and “**Prices**” shall be construed accordingly);
- 2.8 “**Confidential Information**” has the meaning set forth in Section 32.1; and.
- 2.9 “**Delivery Point**” means the address or location where delivery of the Goods and/or Services are to take place under Section 7 (as specified in the Order);

3. **Interpretation.**

- 3.1 The Parties acknowledge and agree that no provision of these conditions shall be construed or interpreted against, or to the disadvantage of, the Company on the grounds that these conditions represent the Company’s standard or customary terms and conditions of business and, as the Parties have had the opportunity of obtaining legal advice in relation to the Order prior to it coming into existence, no provision of the Order shall be construed *contra proferentem*.
- 3.2 No express limitation, exclusion, disclaimer or other provision of the Order shall be interpreted or construed as limiting or excluding the liability of either Party for any acts of gross negligence, willful misconduct, fraud or fraudulent misrepresentation that a Party may commit.
- 3.3 References in these conditions to any statute or statutory provision shall include any subordinate legislation made under it and shall be construed as references to such statute, statutory provision and/or subordinate legislation as modified, amended, extended, consolidated, re-enacted and/or replaced and in force from time to time.

4. **Description and Quantities of Goods or Services**

- 4.1 The quantity and description of the Goods or Services to be delivered by the Seller will be as set forth in the Order and/or in any other applicable specification supplied or advised by either Party to the other before the date that the Order comes into effect pursuant to Section 1.

4.1.1 The Company is not obligated to purchase any quantity of goods and/or services except for such quantity(ies) as may be specified by Company either: (i) on the PO; (ii) in a release on the PO; or (iii) on a separate written release issued by the Company pursuant to this Order. Seller shall not make material commitments or production arrangements in excess of Buyer’s specified quantities and/or in advance of the time necessary to meet Company’s delivery schedule. Should Seller do so, any resulting exposure shall be for



Seller's account. Goods delivered to Company in excess of the Company's specified quantities and/or in advance of schedule may be returned to Seller at Seller's risk, and Seller shall be responsible for all related costs and expenses incurred by Company.

- 4.1.2 Replacement parts for goods purchased by Company are for the purpose of this Section defined as "Parts" and are considered "Goods" under this Order. Unless specified otherwise by Company in writing, Seller shall provide Parts or upon Company's written consent, an alternative replacement part that has the same form, fit and function as the Part for a period of five (5) years after production of the Goods ceases. Seller shall continue to supply such Parts past the five-year period if Company orders at least twenty (20) Parts per year during such five-year period. The prices for any Parts purchased in the first two (2) years of the five- year period shall not exceed those prices in effect at the time production of the Goods ceases, and no set-up charges shall be permitted by Seller or paid by Company during this two-year period. Thereafter, the prices for Parts shall be negotiated based on Seller's actual cost of production of such Parts plus any special packaging costs. No minimum order requirements shall apply unless the Parties mutually agree in advance. After the end of the five-year period, Seller shall continue to maintain in good working condition all Seller-owned tooling required to produce the Parts and shall not dispose of such tooling without offering Company the right of first refusal to purchase such tooling.
- 4.1.3 If Seller plans to cease production of any Parts after the five-year period as detailed in Section 4.1.2 above, then Seller shall provide Company with reasonable advanced notice of such event so that Company may request a "last-time" buy from Seller for such Parts. If Seller plans to cease production of any Goods that Company purchases under this Order within two (2) years from the date on the Order, Seller shall provide Company with reasonable advanced notice of such event so that Company may request a "last-time" buy from Seller of such goods.
- 4.2 The Seller will comply with all applicable Law, standards, regulations and other legal requirements concerning the export, shipping, manufacture, packaging, packing and delivery of the Goods.
- 4.3 The Seller acknowledges that precise conformity of the Goods and/or Services with the provisions of the Order is of the essence of the Order and the Company will be entitled to reject the Goods or Services (or any of them) (See, e.g., Section 15) or terminate the Order (See e.g., Section 25), among other remedies, if the Goods and/or Services (or any of them) are not in full conformity with the provisions of the Order in any respect whatsoever. Any breach by the Seller of this Section is deemed to be a material breach of the Order by the Seller entitling the Company to immediately terminate the Order under Section 25.2.
5. **Prices.**
- 5.1 Subject to Section 5.2, the only monies to be paid by the Company in connection with the supply of the Goods and/or Services is the Price or (as the case may be) the Prices, which shall be deemed to be inclusive of all costs and expenses incurred by the Seller including all packaging, insurance, carriage and delivery costs.



5.2 Any sum payable under the Order is exclusive of Value Added Tax (and any other similar or equivalent taxes, duties, fees and levies imposed from time to time by any government or other authority) (“**VAT**”) which VAT shall be payable in addition to that sum in the manner and at the rate prescribed by law from time to time, subject to receipt by the paying Party of a valid VAT invoice. Any reduction in Seller’s costs of providing Goods and Services from those in force on the date of the Order due to a reduction in the taxes or other assessments ultimately paid or owed in connection therewith shall be paid to Company by Seller reducing the price of the Goods or Services.

5.3 The Seller shall not be entitled to increase the Prices in any circumstances without the prior written approval of the Company. If the Price is not specifically set forth on the Order, Seller’s price shall be the lowest prevailing market price at the time the Seller acknowledges or commences work under each Order, but in no event shall such price be higher than the price Seller quoted to Company. Seller’s price shall not be less favorable than that Seller currently extends to any other customer for the same or commercially similar goods and/or services. If Seller’s price for any of the Goods and/or Services is decreased during the term of the Order, the reduced price will apply to all such Goods shipped and/or Services provided after the date of price decrease. Seller warrants that no additional charges shall be added without Company’s express written consent.

If the Seller fails to deliver the Goods (or any of them) and/or provide the Services in accordance with Section 7 and the Order, the Seller shall, without prejudice to any other right, remedy or entitlement of or available to the Company, at the Company’s option, pay to the Company liquidated damages at a rate equal to two percent (2%) of the aggregate Price payable in respect of the undelivered Goods and/or Services for each day or part thereof that delivery of the Goods and/or Services is delayed. The Parties respectively acknowledge and agree that such liquidated damages are not a penalty, and represent a reasonable and genuine pre-estimate of the loss that the Company is likely to suffer as a result of the delayed delivery of Goods and/or Services by the Seller, subject to the maximum liquidated damages payable under this Section not exceeding a sum equal in aggregate to ten percent (10%) of the total Price payable for the Goods and/or Services.

6. **Payment.**

6.1 Subject to the Seller performing its obligations in accordance with the terms of the Order, the Company shall pay the Price(s) to the Seller in accordance with this Section 6

6.2 The Seller shall invoice the Company for the Prices for the Goods and/or Services following delivery of the Goods and/or Services in accordance with Section 7.

6.3 Each invoice shall (a) be a valid VAT invoice containing the following minimum information: the date and number of the Seller’s invoice, the Seller’s VAT registration number, the nature, quantity and Price(s) applicable to the Goods and/or Services to which the invoice relates and the amount of VAT payable on the total Price for the Goods and/or Services and (b) be sent to the Company at the address set forth below (or such other address and/or individual as may be notified by the Company to the Seller from time to time).

6.4 Subject to Section 6.6, each invoice of the Seller shall be payable by the Company by the



end of the calendar month following the month in which the Seller's invoice is received by the Company. All payments under the Order shall be made in US Dollars (\$USD).

- 6.5 Notwithstanding any purported contrary appropriation by the Seller, the Company shall be entitled, by giving written notice to the Seller, to apply any payment by the Company to any invoice issued by the Seller.
- 6.6 The Company shall be entitled to set-off any liability which the Seller owes to the Company against any liability which it owes to the Seller, whether such liability is present or future, liquidated or unliquidated, under the Order or under any other contract between the Parties or other cause of action and irrespective of the currency of its denomination.
- 6.7 Subject to Section 6.6, if any undisputed sum payable under the Order is not paid on or before its due date for payment, the Seller shall be entitled to charge the Company interest on that sum at the lesser of twelve percent (12%) per annum or the maximum lawful rate until paid in full.
- 6.8 No payment made by the Company to the Seller, whether under the Order or otherwise, shall constitute acceptance by the Company of the Goods and/or Services or extinguish the Seller's liability or otherwise prejudice any rights, remedies or entitlements which the Company may have against the Seller under this Order, at law or in equity, including the right of the Company to recover any amount overpaid or wrongfully paid to the Seller.

7. **Delivery.**

- 7.1 The Goods and/or Services will be delivered (shipping paid) to the Delivery Point stated on the Order. At the Delivery Point, the Seller will off-load the Goods at its own risk as directed by the Company.
- 7.2 The Goods will be delivered and/or Services will be provided during the Company's normal office hours on the date for delivery or within the period specified in the Order, or if no such period is specified then within thirty (30) days of the date of the Order. The time for delivery is declared to be of the essence.
- 7.3 The Seller will ensure that:
 - 7.3.1 the Goods are marked in accordance with the Company's instructions and any applicable regulations or requirements of the carrier and properly packed and stored so as to reach their destination in an undamaged condition;
 - 7.3.2 each delivery of Goods is accompanied by a prominently displayed delivery note which shows, inter alia, the Order number, date of Order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered;
 - 7.3.3 before delivery the Company is provided in writing with a list by name and description of any harmful or potentially harmful properties or ingredients in the Goods supplied whether in use or otherwise and thereafter information concerning any changes in such properties or ingredients. The Company will rely on the supply of such information from the Seller in order



to satisfy its own obligations under the Occupational Safety & Health Act of 1970, as amended, and any other applicable Law, rule or order; and

- 7.3.4 the Company is supplied on delivery of the Goods with all operating and safety instructions, warning notices clearly displayed, and other information as may be necessary for their proper use, maintenance and repair for the Company to accept delivery of the Goods.
- 7.3.5 Seller shall maintain a FOD Prevention Program. Whenever or wherever Foreign Object Debris (FOD) can be entrapped or Foreign Objects (FO) can migrate, Seller shall ensure that applicable FOD prevention requirements are flowed down to Seller's subcontractors at every tier. By delivering Goods to Company, Seller shall be deemed to have certified to Company that such Goods and packaging are free from any FO/FOD.
- 7.4 The Company reserves the right to mark the Goods immediately on delivery. This is undertaken for the purposes of security and the Company will not be deemed to have accepted the Goods by reason of this marking nor will the Seller be entitled to raise an objection on this ground to any subsequent rejection of the Goods.
- 7.5 No Goods and/or Services supplied by the Seller earlier than the date for delivery under the Order, will be accepted or paid for unless the Company notifies the Seller in writing of its intention to accept and pay for the same.
- 7.6 Without prejudice to the Company's other rights under the Order, if the Goods are delivered to the Company in excess of the quantities contracted for, the Company will be entitled to retain but will not be bound to pay for such excess.
- 7.7 Consistent with Sections 12 and 15, the Company will not be deemed to have accepted the Goods until it has had a reasonable period of time to inspect them following the date of delivery thereof. Notwithstanding the foregoing, the Company will also have the right to reject the Goods by giving notice thereof to the Seller (as though the Goods had not been accepted by the Company) a period of seven business (7) days after any latent defect in the Goods has become apparent.
- 8. **Consignments.** Except where expressly stated in the Order, the Seller may not deliver the Goods by separate consignments or invoice the Price for a consignment separately. If the Company agrees to the delivery of consignments of the Goods, the Order will be construed as a separate Order in respect of each consignment, and without prejudice to any other right or remedy available to the Company, the Company will have the right, but not the obligation, to:
 - 8.1 treat the Order as repudiated if the Seller fails to deliver any consignment; and,
 - 8.2 reject any or all of the installments if the Company is entitled to reject any one consignment.
- 9. **Time of Essence.** Where a date for delivery or period for delivery of the Goods or Services by the Seller is specified in the Order and such date or period is not replaced or extended by written agreement between the Parties before the occurrence of such date of delivery or the expiration of such period for delivery, the Seller shall deliver the Goods to the designated



Delivery Point on or before such date or before the expiration of that period (as applicable) and, in respect of the Seller's obligations under this Section, time is declared to be of the essence. TIME IS OF THE ESSENCE IN RESPECT OF ALL DATES, PERIODS AND TIMES WITH WHICH THE SELLER IS REQUIRED TO COMPLY UNDER THE ORDER AND ANY DATES, PERIODS AND TIMES WHICH MAY BE SUBSTITUTED FOR THEM BY THE AGREEMENT IN WRITING OF THE PARTIES. TIME SHALL NOT BE OF THE ESSENCE IN RESPECT OF ANY OBLIGATION WITH WHICH THE COMPANY IS REQUIRED TO COMPLY UNDER THE ORDER.

10. Changes

- 10.1 **Company Changes.** Company may at any time make changes within the scope of this Order in any one or more of the following: (a) drawings, designs or specifications; (b) method of shipment or packing; (c) place and time of delivery; (d) amount of Company's Property; (e) quality; (f) quantity; or (g) scope or schedule of Goods and/or Services. Seller shall not proceed to implement any change until such change is provided in writing by Company. If any such change causes an increase or decrease in the cost, the time required for the performance, or otherwise affect any other provision of the Order, an equitable adjustment may be made by Company and the Order may be modified by Company in writing accordingly; provided, however, that any Seller claim for such adjustment shall be deemed waived unless asserted within five (5) days from Seller's receipt of the change or suspension notification and may only include reasonable, direct costs that shall necessarily be incurred as a direct result of the change.
- 10.2 **Seller Changes.** Seller shall notify Company in writing in advance of any and all: (a) changes to the Goods and/or Services, their specifications and/or composition; (b) process changes; (c) plant and/or equipment/tooling changes or moves; (d) transfer of any work hereunder to another site; and/or (e) sub-supplier changes, and no such change shall occur until Company has approved such change in writing. Seller shall be responsible for obtaining, completing and submitting proper documentation regarding any and all changes, including complying with any written change procedures issued by Company.

11. Intellectual Property

- 11.1 **Company hereby grants a non-exclusive, non-assignable license, which is revocable with or without cause at any time, to Seller to use any information, drawings, specifications, computer software, know-how and other data furnished or paid for by Company hereunder for the sole purpose of performing this Order for Company. The Parties agree that each Party exclusively owns all intellectual property it had prior to the commencement of this Order; however, Company shall own exclusively all rights in ideas, inventions, works of authorship, strategies, plans and data created in or resulting from Seller's performance under this Order, including all patent rights, copyrights, moral rights, rights in proprietary information, database rights, trademark rights and other intellectual property rights (collectively, "Company's IP Rights"). All such intellectual property that is protectable by copyright shall be considered work(s) made for hire for Company (as the phrase "work(s) made for hire" is defined in the U.S. Copyright Act (17 U.S.C. § 101)) or Seller shall give Company "first owner" status related to the work(s) under local copyright law where the work(s) was created. If by**



operation of Law (defined in Section 35.2) any such intellectual property is not owned in its entirety by Company automatically upon creation, then Seller agrees to transfer and assign to Company, and hereby transfers and assigns to Company, the entire right, title and interest throughout the world to such intellectual property. Seller further agrees to enter into and execute any documents that may be required to transfer or assign ownership in and to any such intellectual property to Company. Should Seller, without Company's prior written consent and authorization, design or manufacture for sale to any person or entity other than Company any goods substantially similar to, or which reasonably can substitute or repair, the Goods, Company in any adjudication or otherwise, may require Seller to establish by clear and convincing evidence that neither Seller nor any of Seller Personnel (defined in Section 19) used in whole or in part, directly or indirectly, any of Company's Property, (defined in Section 24) as set forth herein, in such design or manufacture of such goods. Seller, warranting that it has the right to do so, hereby grants to Company a perpetual, irrevocable, royalty-free, worldwide, transferable, nonexclusive license and licensing right under all patent and know-how rights now or hereafter owned or controlled by Seller which covers any Goods or Services provided hereunder.

- 11.2 **Embedded Software.** To the extent any Goods contain Embedded Software (defined below) that is not Company's Property, no title to such Embedded Software shall pass to Company, and Seller shall grant Company, its customers and all other users a non-exclusive worldwide, irrevocable, perpetual, royalty-free right to use, load, install, execute, demonstrate, market, test, resell, sublicense and distribute such Embedded Software as an integral part of such Goods or for servicing the Goods (the "Company-Required License"). If such Embedded Software or any part thereof is owned by a third party, prior to delivery, Seller shall obtain the Company-Required License from such third party owner. "Embedded Software" means software necessary for operation of Goods and embedded in and delivered as an integral part of Goods.
12. **Inspection/Testing.** In order to assess Seller's work quality and/or compliance with this Order, upon reasonable notice by Company all: (a) Goods, materials and Services related to the items purchased hereunder, including, raw materials, components, assemblies, work in process, tools and end products shall be subject to inspection and test by Seller, its customer, representative or regulatory authorities at all places, including sites where the Goods are made or located or the Services are performed, whether at Seller's premises or elsewhere; and, (b) of Seller's facilities, books and records relating to this Order shall be subject to inspection by Company or its designee. If specific Company and/or Company's customer tests, inspection and/or witness points are included in this Order, the Goods shall not be shipped without an inspector's release or a written waiver of test/inspection/witness with respect to each such point; however, Company shall not be permitted to unreasonably delay shipment; and Seller shall notify Company in writing at least twenty (20) days prior to each of Seller's scheduled final and, if applicable, intermediate test/inspection/witness points. Seller agrees to cooperate with such/audit inspection including, completing and returning questionnaires and making available its knowledgeable representatives. Company's failure to inspect or reject or detect defects by inspection shall not relieve Seller from its responsibilities under this Order. Seller agrees to provide small business as well as minority and/or women-owned business utilization and demographic data upon request.



13. **Counterfeit Parts – applicable if supplying aerospace parts.** Seller shall only purchase Goods to be delivered or incorporated as work to the Company directly from the Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM), through an OCM/OEM authorized suppliers (distributor), or from suppliers that obtain such parts exclusively from the original manufacturer of the parts or their authorized dealers with no intermediaries. Seller may use another source only if the foregoing sources are unavailable and provided that the Seller's inspection and other counterfeit risk mitigation processes are employed to ensure the authenticity of the work, and the suppliers meet applicable DOD-adopted counterfeit prevention industry standards and processes (including tests). Independent distributors or brokers are not acceptable suppliers and shall not be used to provide product delivered under this Order unless approved in advance, in writing, by the Company. Seller shall develop and implement a counterfeit product process using industry recognized standards applicable to the Goods being delivered as guidance. Such counterfeit product process shall be available for the Company to review upon request. Seller shall implement systems that assure and evidence traceability of all material from the original manufacturer to product acceptance by the Company. For electronic parts, Seller shall have processes that enable tracking from the OCM, OEM or the OCM/OEM authorized suppliers, whether the electronic part is supplied as a discrete electronic part or is contained in an assembly. This requirement applies to all work delivered to the Company either directly or indirectly as components or included in assemblies. This entire clause, or requirements that meet the intent of this clause, shall be flowed down to all sub-tier suppliers under this contract and the Seller shall provide evidence of compliance to this clause upon request.
14. **Quality.** When requested by Company, Seller shall promptly submit real-time production and process data ("Quality Data") in the form and manner requested by Company. Seller shall provide and maintain an inspection, testing and process control system ("Seller's Quality System") covering the Goods and Services provided hereunder that is acceptable to Company and its customer and complies with Company's quality policy, quality requirements in this Order and/or other quality requirements that are otherwise agreed to in writing by the parties ("Quality Requirements"). Acceptance of Seller's Quality System by Company does not alter Seller's obligations and/or liability under this Order, including Seller's obligations regarding its sub-suppliers and subcontractors. If Seller's Quality System fails to comply with the terms of this Order, Company may require additional quality assurance measures at Seller's expense necessary to meet Company's Quality Requirements. Seller shall keep complete records relating to Seller's Quality System, including all testing and inspection data and shall make such records available to Company and its customer for the longer of: (a) ten (10) years after completion of this Order; (b) such period as set forth in the specifications applicable to this Order; or (c) such period as required by applicable Law. If Seller is not the manufacturer of the Goods, Seller shall certify the traceability of the Goods to the original equipment manufacturer on the certificate of conformance. If Seller cannot certify traceability of the Goods, Seller shall not ship such Goods to Company without obtaining Company's written consent. Any review or approval of drawings by Company shall be for Seller's convenience and shall not relieve Seller of its responsibility to meet all requirements of this Order.
15. **Recall.**



- 15.1 If a recall is required by applicable Law, or Company and Company's customer determine that a recall is advisable based on the fact that the Goods create a potential safety hazard, the Parties shall promptly communicate such facts to each other. At Company's request, Seller shall promptly develop a corrective action plan, which shall include all actions required to recall and/or repair the Goods and any actions required by applicable Law ("Corrective Action Plan") for Company's review and approval. At Company's election, Company may develop the Corrective Action Plan. Seller and Company agree to cooperate and work together to ensure that the Corrective Action Plan is acceptable to both Parties. In no event shall Company and Seller's failure to agree on the Corrective Action Plan delay the timely notification of a potential safety hazard to users of the Goods or cause either party to be non-compliant with applicable Law. Seller and Company shall cooperate with and assist each other in any corrective actions and/or government or regulatory filings.
- 15.2 To the extent a recall as set forth above is determined to have been caused by a defect, non-conformance or non-compliance, which is the responsibility of Seller, Seller shall indemnify and hold harmless Company from all reasonable costs and expenses incurred in connection with any recall, repair, replacement or refund program, including all costs related to: (i) investigating and/or inspecting the affected Goods; (ii) notifying Company's customers; (iii) repairing, or where repair of the Goods is impracticable or impossible, repurchasing or replacing the recalled Goods; (iv) packing and shipping the recalled Goods; and (v) media notification. Each Party shall consult the other before making any statements to the public or a governmental agency relating to such recall or potential safety hazards, except where such consultation would prevent timely notification required by Law.
16. **Rejection.** If any of the Goods and/or Services furnished pursuant to this Order are found within a reasonable time after delivery to be defective or otherwise not in conformity with the requirements of this Order, then Company, at its option, may: (a) require Seller, at its expense, to immediately re-perform any defective portion of the Services and/or require Seller to immediately repair or replace non-conforming Goods with Goods that conform to all requirements of this Order; (b) take such actions as may be required to cure all defects and/or bring the Goods and/or Services into conformity with all requirements of this Order, in which event all related costs and expenses shall be for Seller's account; (c) reject and/or return at Seller's risk and expense all or any portion of such Goods and/or Services; and/or (d) rescind this Order without liability. For any repairs or replacements, Seller, at its cost and expense, shall perform any tests requested by Company to verify conformance to this Order.
17. **Warranty.**
- 17.1 Seller warrants that all Goods and Services provided pursuant to this Order shall be: (a) free of all claims, liens, or encumbrances (other than liens arising through Company); (b) new and of merchantable quality, not used, rebuilt or made of refurbished material unless approved in writing by Company; (c) free from all defects in design, workmanship and material; (d) fit for the particular purpose for which they are intended; and (e) provided in strict accordance with all specifications, samples, drawings, designs, descriptions or other requirements pertaining, relevant or applicable to this Order. Seller further warrants that it shall perform the Services and work hereunder in a competent, safe and professional manner in accordance with the highest standards and best practices of Seller's industry.



- 17.2 The foregoing warranties shall extend to future performance of the Goods and Services and apply for a period of: (a) (i) twenty-four (24) months from the date of commercial use of Goods and/or Services that are not used in a nuclear power plant; or (ii) thirty-six (36) months from the date of commercial use of Goods and/or Services that are used in a nuclear power plant; or (b) forty-eight (48) months from the date of delivery of the Goods or performance of the Services, plus delays attributable to Seller (such as delays due to non-conforming Goods and Services), whichever period expires first. The term “commercial use” shall mean the date the Goods are installed and operating in, and/or the Services are performed and used in, the facility, equipment, facility, vessel, substation or plant in which they are intended to be used. For clarification, for Goods and Services that are going into a new facility, plant, substation or vessel the date of “commercial use” shall mean the date on which such facility, plant, substation or vessel has successfully passed all performance and operational tests (or sea trials, if applicable) required by the end customer for commercial operation. The warranties shall apply to Company, its successors, assigns and the users of Goods and Services covered by this Order.
- 17.3 If any of the Goods and/or Services are found to be defective or otherwise not in conformity with the warranties in this Section during the warranty period, Company, at its option, may: (a) require that Seller, at its expense, inspect, remove, reinstall, ship and repair or replace/re-perform nonconforming Goods and/or Services with Goods and/or Services that conform to this Order; (b) take such actions as may be required to cure all defects and/or bring the Goods and/or Services into conformity with this Order, in which event all related costs and expenses shall be for Seller’s account; and/or (c) reject and/or return at Seller’s risk and expense all or any portion of such Goods and/or Services. Any repaired or replaced Good, or part thereof, or re-performed Services shall carry warranties on the same terms as set forth above, with the warranty period being the greater of the original unexpired warranty or twenty-four (24) months after repair or replacement. For any repairs or replacements, Seller, at its cost and expense, shall perform any tests requested by Company to verify conformance to this Order.
- 17.4 **Seller shall indemnify, defend and hold Company, its successors, assigns and customers and users of the products, harmless for any claim, damage, liability, loss or expense (including attorney’s fees) resulting from or arising out of Seller’s failure to comply with the warranty provisions herein and the enforcement of the warranty provisions herein shall not prejudice any other rights Company, its successors, assigns and customers and users of the products, may have against Seller under the Order, at law or in equity. All costs incidental to corrective actions including demolition for access, removal, disassembly, transportation, reinstallation, reconstruction, retesting and re-inspections as may be necessary to correct the defect and to demonstrate that the previously defective work conforms to the requirements of the Order shall be borne by Seller.**
18. **Seller’s Representations and Undertakings.** The Seller further warrants, represents and undertakes to the Company that:
- 18.1 the Goods and/or Services will comply in every respect with all requirements and directions set forth, identified, referenced or called out in any specifications, drawings, (including sub-tier or secondary requirements referenced or called out in any higher level specifications or



drawings), samples or descriptions with regard to the Goods identified in the Order and associated documents; the Goods will comply with all statutory requirements, regulations and voluntary codes of conduct relating to the Goods and their sale and supply;

- 18.2 the Goods will be so formulated, designed, constructed, finished and packaged as to be safe and without risk to health;
- 18.3 the Goods were produced and/or Services were provided in accordance with the provisions of the Fair Labor Standards Act of 1938, as amended, and with every applicable obligation imposed by the equal opportunity clauses set forth in 41 C.F.R. §§ 60-1.4(a), 300.5 and the affirmative action clauses set forth in 41 C.F.R. §§ 60-250.4, 741.5.
- 18.4 the Goods and/or Services covered by the Order shall have the appropriate government approvals or testing laboratory certifications to conform to all applicable government codes where the Goods are delivered. Except where the purpose for which the Goods are to be used is specified in the Order, it is the responsibility of the Seller to acquaint itself with the purposes for which the Goods supplied are to be used.
- 18.5 neither the Goods, nor their use, resale or importation, infringes the Intellectual Property Rights of any third party except to the extent that any infringements or alleged infringements concern or arise from any specifications, drawings, samples or descriptions provided to the Seller by the Company pursuant to the Order.
19. **Suspension.** Company may at any time, by notice to Seller, suspend performance of the work for such time as it deems appropriate. Upon receiving notice of suspension, Seller shall promptly suspend work to the extent specified, properly caring for and protecting all work in progress and materials, supplies and equipment Seller has on hand for performance. Upon Company's request, Seller shall promptly deliver to Company copies of outstanding purchase orders and subcontracts for materials, equipment and/or services for the work and take such action relative to such purchase orders and subcontracts as Company may direct. Company may at any time withdraw the suspension as to all or part of the suspended work by written notice specifying the effective date and scope of withdrawal. Seller shall resume diligent performance on the specified effective date of withdrawal. All claims for increase or decrease in the cost of or the time required for the performance of any work caused by suspension shall be pursued pursuant to, and consistent with, Section 10.1.
20. **Indemnity.** Seller shall defend, indemnify, release and hold Company and its Affiliates, and each of its and their directors, officers, managers, employees, agents, representatives, successors and assigns (collectively, the "Indemnitees") harmless from and against any and all claims, legal actions, demands, settlements, losses, judgments, fines, penalties, damages, liabilities, costs and expenses of any nature whatsoever (including all attorneys' fees) (collectively, "Claims") arising from any breach, fault, act or omission of Seller, its agents, employees or subcontractors (collectively, "Seller Personnel"), except to the extent attributable to the sole and direct gross negligence of Company. Seller agrees to include a clause substantially similar to the preceding clause in all subcontracts it enters into related to its fulfillment of this Order. In addition, Seller shall indemnify, defend, release and hold the Indemnitees harmless from and against any Claims arising out of employment or labor claims or proceedings initiated by Seller Personnel against or involving Company. Seller



further agrees to indemnify Company for any attorneys' fees or other reasonable costs Company incurs to enforce its rights hereunder.

21. **Insurance.** For the duration of this Order and for a period of six (6) years from the date of delivery of the Goods or performance of the Services, Seller shall maintain, through insurers with a minimum A.M. Best rating of A- VII or S&P A or the equivalent in those jurisdictions that do not recognize such rating classification and licensed in the jurisdiction where the Goods are sold and/or where Services are performed, the following insurance: (a) Commercial General/Public Liability, on an occurrence form, in the minimum amount of USD \$5,000,000.00 per occurrence with coverage for: (i) bodily injury/property damage; (ii) personal/advertising injury; and (iii) products/completed operations liability, including coverage for contractual liability insuring the liabilities assumed in this Order, with all such coverages in this Section 20(a) applying on a primary basis, providing for cross liability, not being subject to any self-insured retention and being endorsed to name the Company, its Affiliates, directors, officers, agents and employees as additional insureds; (b) Business Automobile Liability Insurance covering all owned, hired and non-owned vehicles used in the performance of this Order in the amount of USD \$2,000,000.00 combined single limit each occurrence; (c) Employers' Liability in the amount of USD \$2,000,000.00 each accident, injury or disease; (d) Property Insurance on an "All-risk" basis covering the full replacement cost value of all of Company's Property in Seller's care, custody or control, with such policy being endorsed to name Company as "Loss Payee" as its interests may appear; and (e) appropriate Workers' Compensation Insurance protecting Seller from all claims under any applicable Workers' Compensation or Occupational Disease Act. Seller shall obtain coverage similar to Workers' Compensation and Employers' Liability for each Seller employee performing work under this Order outside of the U.S. To the extent that this Order is for professional services, Seller shall maintain Professional/ Errors and Omission Liability insurance in the minimum amount of USD \$5,000,000.00 per claim. If any insurance is on a claims-made basis, the retro date must precede the date of issuance of this Order, and Seller must maintain continuity of coverage for three (3) years following termination, expiration and/or completion of this Order. Insurance specified in sub-sections 20 (c), (d) and (e) shall be endorsed to provide a waiver of subrogation in favor of Company, its Affiliates and its and their respective employees for all losses and damages covered by the insurances required in such subsections. The application and payment of any self-insured retention or deductible on any policy carried by Seller shall be the sole responsibility of Seller. Should Company be called upon to satisfy any self-insured retention or deductible under Seller's policies, Company may seek indemnification or reimbursement from Seller where allowed by Law. Upon request by Company, Seller shall provide Company with a certificate(s) of insurance evidencing that the required minimum insurance is in effect. The certificate(s) of insurance shall reference that the required coverage extensions are included on the required policies. Upon request by Company, copies of endorsements evidencing the required additional insured status, waiver of subrogation provision and/or loss payee status shall be attached to the certificate(s) of insurance. Acceptance of such certificate(s), which are not compliant with the stipulated coverages, shall in no way whatsoever imply that Company has waived its insurance requirements or any other obligations set forth herein. The above-referenced insurance limits in subsections (a), (b) and (c) can be met either via each policy or via a combination of these policies and an excess/umbrella liability insurance policy.



22. **Intellectual Property Indemnification.** Seller shall indemnify, defend and hold Company and Company's customers harmless from any and all claims against Company and/or Company's customers alleging intellectual property infringement of any patent, copyright, trademark, trade secret or other intellectual property rights of any third party arising out of the use, sale, importation, distribution, reproduction or licensing of any product, service, article or apparatus, or any part thereof constituting Goods or Services furnished under this Order, as well as any device or process necessarily resulting from the use thereof (the "Indemnified IP"), including the use, sale, importation, distribution, reproduction or licensing of such Indemnified IP, in foreseeable combinations with products or services not supplied by Seller. Company shall notify Seller promptly of any such suit, claim or proceeding and give Seller authority and information and assistance (at Seller's expense) for the defense of same, and Seller shall pay all damages, costs and expenses incurred or awarded therein, including reasonable attorneys' fees. Notwithstanding the foregoing, any settlement of such suit, claim or proceeding shall be subject to Company's consent, such consent not to be unreasonably withheld. If use of any Indemnified IP is enjoined, Seller shall, at Company's option and Seller's expense, either: (a) procure for Company the right to continue using such Indemnified IP; (b) replace the same with a non-infringing equivalent; or (c) remove the Indemnified IP and/or halt such use of the Indemnified IP in providing Goods and/or Services under this Order and refund the purchase price to Company, and in all cases, Seller shall be responsible for all related costs and expenses. Seller agrees that it shall use commercially reasonable efforts to obtain an intellectual property infringement indemnity from its direct or indirect suppliers providing Goods and/or Services as part of the deliverables under this Order consistent with the intellectual property infringement indemnity it provides to Company in this Order.
23. **Seller's Data.** Where the Order specifies that any manufacturer's instructions, guidance, specifications, drawings and/or other information in respect of the Goods ("Seller's Data") are to be supplied to the Company by the Seller in connection with the Goods and/or Services, the Seller shall supply such Seller's Data to the Company on or before the date of delivery of the Goods under the Order. The Company shall be entitled to place reliance on all or any Seller's Data supplied to it. Seller hereby warrants (a) the completeness and correctness of the Seller's Data and (b) that the Company's use of the Seller's Data in connection with the Goods will not infringe upon the Intellectual Property Rights of any third party.
24. **Risk of Loss.** Risk of loss for the Goods shall pass from the Seller to the Company at the Delivery Point, subject to the rights of the Company set forth herein, including but not limited to, the right of inspection.
25. **Company's Property.** All tangible and intangible property, including information or data of any description, tools, materials, drawings, computer software, know-how, documents, trademarks, copyrights, equipment or material: (a) furnished to Seller by Company and/or by Company's customer; (b) specifically paid for by Company; or (c) created with Company's IP Rights (defined in Section 11 below) shall be and remain Company's personal property (collectively, "Company's Property"). Such Company's Property furnished by Company to Seller shall be accepted by Seller "AS IS" with all faults and without any warranty whatsoever, express or implied, shall be used by Seller at its own risk, and shall be subject to removal at



Company's written request. Seller shall not substitute any other property for Company's Property. Promptly upon receipt of a removal request from Company, Seller shall prepare Company's Property for shipment and deliver it to Company at Seller's expense in the same condition as originally received by Seller, reasonable wear and tear excepted. Prior to using Company's Property, Seller shall inspect it and train its personnel and other authorized users in its safe and proper operation. In addition, Seller shall: (i) keep Company's Property free of encumbrances and insured at its expense at an amount equal to the replacement cost thereof with loss payable to Company; (ii) plainly mark or otherwise adequately identify it is owned by Company; (iii) unless otherwise agreed to by Company in writing, store it separate and apart from Seller's and third party owned property under Seller's control; (iv) maintain it properly, and in compliance with any handling and storage requirements provided by Company, or that accompanied it when delivered to Seller; (v) supervise its use; and (vi) use it only to meet Company's Orders without disclosing or otherwise reproducing it for any other purpose.

26. Termination

26.1 Termination for Convenience. Company may terminate all or part of this Order for convenience at any time by written notice to Seller. Upon such termination, Company and Seller shall negotiate reasonable termination costs, which shall only include Seller's reasonable, direct costs that have or shall necessarily be incurred as a direct result of such termination. Such compensation will not include loss of profits (whether direct or indirect and whether actual or anticipated) or any indirect or consequential loss. Any Seller claim for such compensation shall include reasonable documentation supporting such claim and shall be deemed waived unless asserted within thirty (30) days from Seller's receipt of the Company's termination notice. Seller shall have a duty to mitigate its costs and expenses associated with said termination, including, at Seller's request and notice to Company, using reasonable efforts to resell all or a part of the Goods delivered or any work-in-progress.

26.2 Termination for Default. Except for delay due to causes beyond the control and without the fault or negligence of Seller (lasting not more than sixty (60) days), Company, without liability, may by written notice of default, terminate all or part of this Order if Seller fails to comply with any term of this Order or fails to make progress which, in Company's reasonable judgment, endangers performance of this Order. Such termination shall become effective if Seller does not cure such failure within ten (10) days of receiving Company's written notice of default; except that Company's termination for Seller's breach of Sections 4.3, 32, 33, 34 and 35 shall become effective immediately upon Seller's receipt of Company's written notice of default. Upon termination, Company may procure goods and/or services similar to those so terminated, and Seller shall be liable to Company for any damages and excess costs for such goods and/or services and other related costs. Seller shall continue performance of this Order to the extent not terminated by Company. If Seller for any reason anticipates difficulty in complying with any requirements of this Order, Seller shall promptly notify Company in writing. Without limiting any other rights herein, if Company agrees to accept deliveries after the delivery date has passed, Company may require delivery by the fastest method and the total cost of such shipment and handling shall be borne by Seller.

26.3 Termination for Insolvency. If (a) Seller dissolves or ceases to do business; (b) Seller fails



to pay its debts as they come due; or (c) Seller or any other entity institutes insolvency, receivership, bankruptcy or any other proceeding for settlement of Seller's debts, Company may immediately terminate this Order without liability, except for Goods or Services completed, delivered and accepted within a reasonable period after termination (which shall be paid for at the Order price).

- 26.4 **Seller's Obligations on Termination.** Unless otherwise specified by Company, upon Seller's receipt of a notice of termination of this Order, Seller shall promptly: (a) stop work as directed in the notice; (b) place no further subcontracts/orders related to the terminated portion of this Order; (c) terminate, or if requested by Company assign, all subcontracts/orders to the extent they relate to work terminated; and (d) deliver all completed work, work in process, designs, drawings, specifications, documentation and material required and/or produced in connection with such work.
27. **Rights and Remedies.** The Company's rights and remedies in this Order are cumulative and are in addition to any other rights and remedies provided by Law, contract or equity, and Buyer may exercise all such rights and remedies singularly, alternatively, successively or concurrently.
28. **Assignment or Transfer.** The Seller may not transfer or assign any of its rights or obligations under the Order to any other person without the Company's prior written consent (which consent may be granted or withheld entirely at the Company's unilateral discretion). The Company shall be free to transfer or assign all or any of its rights and obligations under the Order to any third party (subject to giving notice thereof to the Seller), but this will not affect either Party's rights under the Order.
29. **Notices.** For the purposes of the Order, all notices to be sent by the Seller to the Company shall be in writing and be sent by post to the Registered Office of the Company from time to time. The Company may give notice to the Seller at the Registered Office of the Seller from time to time or, where applicable, at the e-mail address or postal address provided by the Seller in the Seller's quotation. Notices will be deemed received and properly served twenty-four (24) hours after an e-mail is sent or three (3) days after the date of posting of any letter. In proving service of any notice, it will be sufficient to prove, in the case of a letter, that the letter was properly addressed, stamped and placed in the post and, in the case of an e-mail, that the e-mail was sent to the specified e-mail address of the addressee.
30. **Severability.** If any provision of the Order shall be declared to be invalid, unenforceable or illegal by the courts, the Parties agree that such provision may be severed from the Order and such invalidity, unenforceability or illegality shall not prejudice or affect the validity, enforceability and legality of the remaining provisions of the Order.
31. **No Waiver.** If the Company fails, at any time while the Order is in force, to insist that the Seller performs any of its obligations under the Order, or if the Company does not exercise any of its rights or remedies under the Order, that will not mean that the Company has waived such rights or remedies and will not mean that the Seller does not have to comply with those obligations. If the Company does waive a default by the Seller, that will not mean that the Company will automatically waive any subsequent default by the Seller. No



waiver by the Company of any of these conditions shall be effective unless the Company expressly states that it is a waiver and gives written notice thereof to the Seller.

32. **Company's Liability Limit.** Notwithstanding any other provision of the Order, the maximum aggregate liability (whether in contract, tort, negligence or otherwise) of the Company under or pursuant to the Order (and under any Order or Seller's quotation forming part of the Order) shall not exceed a sum equal to the aggregate Price(s) stated in the Order on the date of the Order coming into force pursuant to Section 1.
33. **Confidentiality**
- 33.1 "Confidential Information" for purposes of this Order shall mean: (i) the terms of this Order; (ii) all information and material disclosed or provided by Company to Seller, including Company's Property (defined in Section 24); (iii) all information Seller Personnel derive from Company's Property; and (iv) all of Company's IP Rights (defined in Section 11.1).
- 33.2 Seller shall: (i) use the Confidential Information only for the purposes of fulfilling Seller's obligations under this Order; and (ii) without limiting the requirements under Section 33, use the same degree of care with the Confidential Information as with its own confidential information, which shall be at least a reasonable standard of care, to prevent disclosure of the Confidential Information, except to its officers, directors, managers and employees (collectively, "Authorized Parties"), solely to the extent necessary to permit them to assist the Seller in performing its obligations under this Order. Seller agrees that prior to disclosing the Confidential Information to any Authorized Party, Seller shall advise the Authorized Party of the confidential nature of the Confidential Information and ensure that such party has signed a confidentiality agreement no less restrictive than the terms of this Section. Seller acknowledges the irreparable harm that shall result to the Company if the Confidential Information is used or disclosed contrary to the provisions of this Section.
- 33.3 The restrictions in this Section 32 regarding the Confidential Information shall be inoperative as to particular portions of the Confidential Information disclosed by Company to Seller if such information: (i) is or becomes generally available to the public other than as a result of disclosure by Seller; (ii) was available on a non-confidential basis prior to its disclosure to Seller; (iii) is or becomes available to Seller on a non-confidential basis from a source other than Company when such source is not, to the best of Seller's knowledge, subject to a confidentiality obligation with Company; or (iv) was independently developed by Seller, without reference to the Confidential Information, and Seller can verify the development of such information by written documentation;
- 33.4 Within thirty (30) days of the completion or termination of this Order, Seller shall return to Company or destroy (with such destruction certified in writing to Company) all Confidential Information, including any copies thereof. No such return or destruction of the Confidential Information shall affect the confidentiality obligations of Seller all of which shall continue in effect as provided for in this Order.
- 33.5 Any knowledge or information, which Seller shall have disclosed or may hereafter disclose to Company and which in any way relates to the Goods or Services purchased under this Order (except to the extent deemed to be Company's Property as set forth in Section 24),



shall not be deemed to be confidential or proprietary and shall be acquired by Company free from any restrictions (other than a claim for infringement) as part of the consideration for this Order, and notwithstanding any copyright or other notice thereon, Company shall have the right to use, copy, modify and disclose the same as it sees fit.

- 33.6 Notwithstanding the foregoing, if Seller is requested or required by interrogatories, subpoena or similar legal process, to disclose any Confidential Information, it agrees to provide Company with prompt written notice of each such request/requirement, to the extent practicable, so that Company may seek an appropriate protective order, waive compliance by Seller with the provisions of this Section, or both. If, absent the entry of a protective order or receipt of a waiver, Seller is, in the opinion of its counsel, legally compelled to disclose such Confidential Information, Seller may disclose such Confidential Information to the persons and to the extent required without liability under this Order and shall use its best efforts to obtain confidential treatment for any Confidential Information so disclosed.
34. **Privacy and Data Protection.** Seller agrees to subject Company Confidential Information to the organizational, technical, and physical controls and other safeguards that Seller employs in its own business, or at a minimum to those controls and safeguards that will reasonably assure compliance with applicable privacy and data protection Laws. Seller understands and agrees that Company may require Seller to provide certain personal information of Seller's representatives to facilitate the performance of this Order, and that information shall be processed and maintained by Company as set forth in the Company's policies.
35. **Publicity.** Seller shall not make any announcement, take or release any photographs (except for its internal operation purposes for the manufacture and assembly of the Goods), or release any information concerning this Order or with respect to its business relationship with Company or any Company Affiliate, to any third party except as required by applicable Law without Company or its Affiliate's prior written consent. Seller agrees that it shall not, without prior written consent of Company or its Affiliates as applicable, (a) use in advertising, publicity or otherwise, the name, trade name, trademark logo or simulation thereof of Company or its Affiliate or the name of any officer or employee of Company or its Affiliates or (b) represent, directly or indirectly, that any product or any service provided by Seller has been approved or endorsed by Company or its Affiliate.
36. **Compliance with Law and Company Policies.**
- 36.1 Seller acknowledges that it has read and understands the Lonestar Group Supplier Code of Conduct, which may be updated or modified by Company from time to time and is attached hereto as Exhibit A (the "Code"). Seller agrees to fully comply with the Code with regard to provision of the Goods and/or Services. The Seller shall not (and shall ensure that the Seller's employees, agents, contractors and others for whom the Seller is responsible at law shall not) commit or permit the committing of any act or omission which causes or could cause the Seller and/or the Company to breach, or commit an offense under, any Laws relating to anti-bribery and/or anti-corruption and the Seller shall indemnify and hold harmless the Company in respect of all losses, damages, costs, expenses and other liability suffered or incurred by the Company as a consequence of any breach by the Seller (or any of its



employees, agents, contractors or others for whom the Seller is responsible) of the Seller's obligations under this Section 35.

- 36.2 Seller represents, warrants, certifies and covenants that it shall comply with all laws, treaties, conventions, protocols, regulations, ordinances, codes, standards, directives, orders and rules issued by governmental agencies or authorities, which are applicable to the activities relating to this Order (collectively, "Law(s)") and the Code.
37. **Third Party Beneficiaries.** Subject to Section 27, nothing herein, expressed or implied, shall create or establish any third- party beneficiary hereto nor confer upon any Person not a party to this Order any rights or remedies under or by reason of this Order.
38. **Governing Law and Dispute Resolution.**
- 38.1 This Order shall in all respects be governed by and interpreted in accordance with the substantive law of the State of Texas, U.S., excluding its conflicts of law provisions. The parties exclude application of the United Nations Convention on Contracts for the International Sale of Goods.
- 38.2 **Dispute Resolution for U.S. Sellers.** If Seller is a permanent resident of the U.S., or a corporation, partnership or other entity existing under the laws of the U.S., and Seller and Company have a controversy, dispute or difference arising out of this Order ("Dispute"), either Party may initiate litigation. Litigation may be brought only in the U.S. District Court for the District of Southern District of Texas located in Harris County, Texas. The Parties consent and submit to the jurisdiction of said courts and waive any defense of *forum non conveniens*. The Parties waive all rights to jury trials.
- 38.3 **Dispute Resolution for Non-U.S. Sellers.** If Seller is a permanent resident of a country other than the U.S., or is a corporation, partnership or other entity existing under the laws of any country other than the U.S., and Seller and Company have a Dispute, the Parties agree to submit any such Dispute to settlement proceedings under the Alternative Dispute Resolution Rules (the "ADR Rules") of the International Chamber of Commerce ("ICC"). If the Dispute has not been settled pursuant to the ADR Rules within forty-five (45) days following the filing of a request for ADR or within such other period as the parties may agree in writing, such Dispute shall be finally settled under the Rules of Arbitration and Conciliation of the ICC (the "ICC Rules") by one or three arbitrators appointed in accordance with such ICC Rules. The place for arbitration shall be Greenville, South Carolina, U.S., and proceedings shall be conducted in English. The award shall be final and binding on both Company and Seller, and the Parties hereby waive the right of appeal to any court for amendment or modification of the arbitrators' award.
39. **Survival.** All provisions or obligations contained in this Order, which by their nature or effect are required or intended to be observed, kept or performed after termination or expiration of this Order shall survive and remain binding upon and for the benefit of the Parties, their successors (including without limitation, successors by merger) and permitted assigns including, Sections 4, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 24, 32, 33, 34, 35, 38 and 39.
40. **Complete Agreement.** This Order, with documents as are expressly incorporated by



reference, is intended as a complete, exclusive and final expression of the Parties' agreement with respect to the subject matter herein and supersedes any prior or contemporaneous agreements, whether written or oral, between the Parties. These conditions and the Order may only be amended by an instrument in writing signed by authorized representatives of the Parties hereto.



		<i>Issue Date:</i>	October 2025
		<i>Maintained By:</i>	General Counsel/GESGM
		<i>Approved By:</i>	CFO
<i>Subject:</i>	Supplier Code of Conduct	<i>Supersedes:</i>	-
<i>Applies to:</i>	LoneStar Group Associated Parties and Suppliers		

Scope

In this code:

- LoneStar Group¹ includes any and all of its subsidiaries and affiliates whether directly or indirectly wholly owned or otherwise and any entities in which LoneStar Group has an equity interest.
- Supplier means a company, partnership or individual that provides goods or services to LoneStar Group.
- Worker means any individual whom the Supplier employs, hires or engages, or otherwise uses to conduct its business.
- Representative means the Supplier's suppliers, agents, and subcontractors who are involved in LoneStar Group's supply chain.

Purpose

Corporate integrity, responsible sourcing and the safety and wellbeing of workers are of paramount importance to LoneStar Group. It is our policy to conduct business in compliance with laws and ethical standards, and we expect our suppliers to act similarly. These core principles are reflected in this Supplier Code of Conduct (the "Code"), which establishes the minimum standards that must be met by any entity that supplies products or services to LoneStar Group. This Code shall be issued to all Suppliers to LoneStar Group. LoneStar Group has the right to modify this Code from time to time and the revised version will be made available on the LoneStar Group website.

We will assess supplier performance when making sourcing decisions, and LoneStar Group expects compliance with this Code. We will assess their compliance during audits and assessments. Suppliers are expected to rectify any issues found during such audits and assessments within the agreed time period.

Policy

WHO MUST COMPLY WITH THIS CODE?

The Supplier shall comply with the Code and shall ensure that its workers are aware of this Code and comply with it. The Supplier agrees:

- It will comply with the requirements in this Code.
- It has appropriate systems in place to ensure continuous compliance and to demonstrate such compliance.
- Any breach of this Code may lead LoneStar Group to terminate its relationship with the Supplier.

¹ The LoneStar Group means Whitworth Bidco Limited, a company registered in England with company number 14485031 and any and all of its subsidiaries and affiliates in England or elsewhere whether directly or indirectly wholly owned or otherwise and any entities in which LoneStar Group has an equity interest.



Issue Date: **October 2025**

Subject: **Supplier Code of Conduct**

Maintained By: **General Counsel/GESGM**

Approved By: **CFO**

Applies to: **LoneStar Group Associated Parties and Suppliers**

Supersedes: **-**

MONITORING AND REPORTING BREACHES AND CONCERNS

The Supplier shall monitor its compliance with the Code and shall report any breaches (actual or suspected) of this Code as soon as possible. If the Supplier has concerns that the standards set out in this Code are not being met by LoneStar Group, the Supplier shall report these concerns as soon as possible to their local or LoneStar Group contact.

COMPLIANCE WITH LAWS AND REGULATIONS AND PRIORITY OF STANDARDS

In carrying out its agreement(s) with LoneStar Group, the Supplier shall, in addition to complying with the standards set out in this Code, comply with all applicable laws and regulations, including the laws and regulations relating to issues addressed in this Code.

ANTI-BRIBERY AND CORRUPTION

Bribery and corruption. The Supplier shall comply with all applicable laws, statutes, codes and regulations relating to the prevention of bribery and corruption (including but not limited to the US Foreign Corrupt Practices Act 1977 and the UK Bribery Act 2010). To that end, the Supplier will conduct their business without engaging in corrupt practises, including public or private bribery or kickbacks. Supplier will maintain integrity, transparency, and accuracy in corporate record keeping and shall not accept, offer, promise, pay, permit or authorise:

- Bribes (something of value to induce or influence a decision or action);
- Facilitation/grease/speed payments (payments to expedite a routine transaction or service);
- Kickbacks (commission, compensation or reward for favourable treatment);
- Illegal political contributions;
- Money, goods, services, entertainment, employment, contracts or other things of value, in order to obtain or retain improper advantage; or
- Any other unlawful or improper payments or benefits.
- Gifts and hospitality. LoneStar Group discourages Suppliers from accepting or giving gifts or hospitality but accepts that occasional modest giving and acceptance of gifts and hospitality may be a legitimate contribution to good business relationships. The Supplier shall have processes in place to record all (and where relevant approve) gifts and hospitality received or offered. The Supplier shall not offer or receive gifts or hospitality that could:
- Influence or be perceived as capable of influencing the outcome of transactions or decisions relating to LoneStar Group;
- Amount to or cause the recipient or giver to commit a criminal offence; or
- Cause offence to others or damage the reputation of LoneStar Group.



Issue Date: **October 2025**

Subject: **Supplier Code of Conduct**

Maintained By: **General Counsel/GESGM**

Approved By: **CFO**

Applies to: **LoneStar Group Associated Parties and Suppliers**

Supersedes: **-**

- LoneStar Group prohibits all its employees from receiving cash from any supplier and it places strict limits on the receipt of any promotional items, personal gifts and hospitality including entertainment.

ANTI-MONEY LAUNDERING

The Supplier shall not engage in any activity that could give rise to supporting money laundering and is therefore prohibited from transacting with the LoneStar in cash.

SANCTIONS AND TRADE COMPLIANCE

Sanctions. The Supplier shall comply with all sanctions, embargoes and debarred lists issued from time to time by the UK, USA, EU, UN and any other trading bloc or jurisdiction relevant to the supply of products or services to LoneStar Group. Suppliers shall not source any goods or services from, ship to, transit through or make stops in any countries or states that placed on any 'sanctions list'. The Supplier shall not deal in any way with any individual, entity or vessel identified on an applicable denied or restricted party list.

Import/export. The Supplier shall ensure it has all licences, approvals, visas and documentation required to import or export goods, services or technology or to move people between countries or across borders and shall maintain adequate records as evidence.

PREVENTION OF FACILITATION OF TAX EVASION

The Supplier shall not engage in any activity, practice or conduct which would constitute either a UK or a foreign tax evasion facilitation offence under the UK Criminal Finances Act 2017 or any other relevant legislation relating to the prevention of facilitation of tax evasion.

CONFLICT-FREE MINERALS

Conflict minerals (also referred to as '3TG') are tantalum, tin, tungsten, gold and their derivatives. In conflict areas or high-risk countries (such as the Democratic Republic of Congo (DRC) or its adjoining countries), the minerals trade can be used to finance armed groups, fuel forced labour and other human rights abuses, and support corruption and money laundering. The Supplier shall not use conflict minerals in the materials, components, and products it supplies to LoneStar Group. The Supplier shall adopt policies and processes to source conflict-free minerals and undertake reasonable due diligence to identify and document the source of origin of any minerals contained in the materials, components, and products supplied to LoneStar Group. Supplier shall provide necessary disclosures and documentation to demonstrate compliance with the above.

ENVIRONMENTAL RESPONSIBILITY

Suppliers are expected to have an Environmental Management System (EMS) in place, such as ISO 14001 or equivalent. We work with and encourage our suppliers to create products and services that are energy efficient, recyclable, or contain significant portion recycled or recyclable materials and low amounts of hazardous materials. Suppliers must provide material disclosures as outlined in our controlled and reportable materials disclosure process where applicable.



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The Supplier shall ensure:

- Its operations comply with all applicable environmental laws, including laws and international treaties relating to (but not limited to) biodiversity, waste disposal, emissions, discharges and the handling of hazardous and toxic materials;
- The goods it manufactures (including the inputs and components that it incorporates into its goods) comply with all applicable environmental laws and treaties; and
- It will only use packaging materials that comply with all applicable environmental laws and treaties.
- It will comply with all applicable PFAS (Per- and polyfluoroalkyl substances), also known as 'forever chemicals', regulations when supplying product into LoneStar businesses.
- That the data and information that is requested by LoneStar (e.g. such a Carbon Border Adjustment Mechanism (CBAM) completed response) shall be accurate and verifiable.

WORKFORCE MATTERS

Slavery, human trafficking and child labour. The Supplier shall comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including the UK Modern Slavery Act 2015 and the US Uyghur Human Rights Policy Act 2020, as examples, in any part of its supply chain. This includes, but is not limited to, not supporting or engaging or requiring any forced labour, the use of child labour (i.e. persons younger than the age of 15 or younger than the age of completing compulsory education in the relevant country where such age is higher than 15), bonded labour, indentured labour and prison labour.

Human rights. The Supplier shall comply with all internationally recognised human rights, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work from time to time in force.

Equal opportunities. LoneStar Group is an equal opportunities employer and Supplier shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement or any employment practice based on race, caste, colour, national origin, gender, gender identity, sexual orientation, religion, age, marital or pregnancy status, disability, union membership or political affiliation or any other characteristic other than the worker's ability to perform the job subject to any accommodations required or permitted by law.

Harassment and Abuse. Supplier shall treat their workers with dignity and respect and shall not subject any worker to unlawful harassment, whether physical or verbal, including, sexual or psychological harassment or abuse.

Freedom of association and collective bargaining. The Supplier shall respect, and shall not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining.

Wages and remuneration. The Supplier shall observe legally mandated working hours and compensate all workers with wages, including overtime premiums, and benefits that at a minimum meet the higher of:



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- The minimum wage and benefits established by applicable law;
- Collective agreements;
- Industry standards; and
- an amount sufficient to cover basic living requirements.

Supplier will provide workers with an understandable wage statement that includes sufficient information to verify accurate compensation for work performed.

Fair Working Hours. While overtime is sometimes required, suppliers will manage operations in compliance with the law and ensure that overtime does not exceed levels that create inhumane working conditions.

HEALTH AND SAFETY

LoneStar Group's guiding health and safety principle is zero harm to our employees and third parties.

The Supplier shall provide a safe, healthy, and sanitary working environment and comply with UK health and safety laws and any other relevant laws and regulations where it operates. This includes, implementing general and relevant industry-specific procedures and safeguards to prevent workplace hazards and work-related accidents and injuries. Where such hazards cannot be adequately prevented or controlled, the Supplier shall provide workers with appropriate personal protective equipment to protect against hazards typically encountered in that scope of work. Suppliers are requested to have a health and safety management system open (HSMS) in place, such as ISO 45001 or equivalent.

The Supplier shall maintain adequate security procedures to prevent any contamination of the cargo being shipped to LoneStar (such as drugs, explosives, biohazards, other contraband etc) and to ensure accuracy of the materials packed and shipped. Any of the Supplier's Representatives providing on-site services in LoneStar Group's facilities shall adhere to LoneStar Group's safety standards and procedure in place at the relevant site.

UNFAIR BUSINESS PRACTICES AND ETHICS

The Supplier will not engage in any unfair business practises and will always act with integrity and lawfully. and engage in only making accurate and truthful marketing claims.

The Supplier shall not engage in anticompetitive behaviour such as teaming up with, and sharing information with competitors, price fixing and rigging bids and any such activity that distorts free and fair competition.

PROCURING AND MANAGING REPRESENTATIVES

When assessing the Supplier's performance against the requirements set out in this paragraph, LoneStar Group shall have due regard to the risk profile of the transaction, the Supplier's ability to comply with the requirements and the consequences where the Supplier fails to meet those requirements.

Therefore, the LoneStar Group expects that the Supplier shall carry out appropriate due diligence on prospective Representatives that will form part of LoneStar Group's supply chain. At a minimum, this must include:



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- Investigations into prospective Representatives' record, public statements and actions on human rights, treatment of workers, bribery, ethical behaviour and environmental outlook;
- Risk assessments for countries from which materials, components or finished goods are sourced; and
- The prospective Representative's ability to meet the requirements and principles that are covered in this Code.
- In its dealings with Representatives, the Supplier shall:
- Ensure that agreements with Representatives include provisions requiring the Representatives to comply with applicable provisions of this Code to the extent applicable; and
- Ensure that it has measures to monitor that those Representatives are complying with those compliance related provisions and that it has systems in place to address any deficiencies or breaches of those requirements.

CERTIFYING COMPLIANCE AND AUDIT

If requested, the Supplier shall provide written confirmation to LoneStar Group that:

- It has appropriate systems in place to monitor its compliance with this Code; and
- It is able to comply with this Code for the duration of its relationship with LoneStar Group.

In addition to the written confirmation above, LoneStar Group may conduct audits to verify the Supplier's compliance with this Code. LoneStar Group has no obligation to conduct such audits.

Compliance

BREACH, REMEDIATION AND TERMINATION

We seek relationships with suppliers committed to manufacturing or providing our Business's with products and services under fair and safe labour conditions and sound environmental practices. If we determine that the Supplier does not comply with our Code, we typically strive to work with them to develop and implement an appropriate corrective action plan. Nevertheless, depending upon the nature of the non-compliance, where LoneStar Group becomes aware of a breach of this Code by the Supplier, its workers or Representatives, LoneStar Group may either:

- Immediately terminate its business relationship with the Supplier (including any contracts); or
- Require the Supplier to produce a remediation plan specifying the actions that the Supplier will take that will lead to compliance with the Code, and present it to LoneStar Group within the time period agreed after having been requested to do so. If the Supplier fails to produce the remediation plan



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within this timeframe or fails to implement it within a reasonable time, LoneStar Group may immediately terminate its business relationship with the Supplier (including any contracts).