

TERMS AND CONDITIONS OF PURCHASE

1.0 Interpretation

1.1. In these Conditions:

- > L3 CTS means, as appropriate the company identified on the face of the Order.
- > "Affiliate Companies" means a company which is a wholly owned subsidiary of L3 Technologies Inc. or a holding company (as defined in section 1159 of the Companies Act 2006 and includes parent and subsidiary undertakings as defined in section 1162 Companies Act 2006), in each case for the time being.
- > Seller means the Seller as defined within Order.
- > Conditions mean these Conditions and any additional Conditions stated within the Order.
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5.2 Goods will be in appropriate packaged to survive transit to the L3 CTS nominated delivery address and resist pilferage, distortion, corrosion or contamination. The Goods shall be clearly and legibly labelled and addressed. All Goods remain at the Sellers risk until unloaded at L3 CTS nominated delivery address. The Seller will repair or replace any Goods lost in transit, damaged, or destroyed in transit at their sole cost and will do so forthwith on being notified thereof by L3 CTS. Ownership shall pass to L3 CTS on acceptance of delivery.

5.2. L3 CTS shall not be bound to accept any Goods delivered or Services performed in advance of the due delivery date specified within the Order and

12.0 Termination

12.1. L3 CTS shall be entitled to cancel the Contract in whole or in part at any time and for any reason by giving written notice to the Seller whereupon all work on the Contract shall be discontinued and L3 CTS shall pay to the Seller fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include loss of anticipated profits or any consequential loss and shall take full account of the Seller's net savings of costs arising from such cancellation. Upon payment therefore, Seller shall deliver all parts of the Goods which are work in progress or completed but not delivered.

12.2. L3 CTS shall be entitled to terminate the Contract forthwith without liability to the Seller by giving notice to the Seller at any time if:

(i) the Seller commits a breach of any of the Terms and Conditions of the Contract;

(ii) any distress, execution or other process is levied upon any of the assets of the Seller;

(iii) the Seller has a bankruptcy Order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Seller or notice of intention to appoint an administrator is given by the Seller or its directors or by a qualifying floating charge holder (as defined in Paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a resolution is passed or a petition presented to any court for the winding up of the Seller or for the granting of an Administration Order in respect of the Seller, or any proceedings are commenced relating to the insolvency or possible insolvency of the Seller;

(iv) the Seller ceases or threatens to cease to carry on its business; or

(v) the financial position of the Seller deteriorates to such an extent that in the reasonable opinion of L3 CTS the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy.

12.3. Termination under this Condition shall be without prejudice to the rights of L3 CTS which may have accrued up to the date of termination. The Conditions which expressly or impliedly have effect after termination will continue to be enforceable notwithstanding termination.

13.0 Remedies

13.1. Without prejudice to any other right or remedy which L3 CTS may have, if any Goods or Services are not supplied in accordance with, or the Seller fails to comply with, any of the terms of this Contract L3 CTS shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods or Services have been accepted by L3 CTS:

(i) to rescind the Order;

(ii) to reject the Goods (in whole or in part) and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller;

(iii) at L3 CTS's option to give the Seller the opportunity at the Seller's expense either to remedy any defect in the Goods or Services to supply replacement Goods carriage paid and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;

(iv) to refuse to accept any further deliveries of the Goods or Services but without any liability to the Seller;

(v) to carry out or have carried out, at the Seller's expense, any work necessary to make the Goods or Services comply with the Contract; and

(vi) to claim such damages as may have been sustained in consequence of the Seller's breach or breaches of the Contract.

13.2. Seller shall be liable for and save L3 CTS harmless from any loss, damage, or expense whatsoever that L3 CTS may suffer from the breach of any of warranties or failure to meet the required standards.

14.0 Offset Compensation (applicable to foreign supplies with an Order in excess of £10,000)

14.1. The Seller shall provide every assistance to L3 CTS to certify to the benefit of L3 CTS and/or its subsidiaries by the competent authority in the country of the Seller, the eligibility and the valuing of this Contract as a compensation credit and for this validation to be considered validated from the date of this Contract.

15.0 Compliance with Export Controls (applicable to Goods of foreign origin or content)

29.0 Survivability

29.1. All of the provisions of this Contract shall survive the termination (whether for convenience or default), suspension or completion of this Contract unless they are clearly intended to apply only during the term of this Contract.

30.0 Assignment and Subcontracting

30.1. Neither this Agreement nor any interest herein nor claim hereunder may be transferred, novated, assigned or delegated by Seller; nor may all or substantially all of this Agreement be further subcontracted by the Seller without the prior written consent of L3 CTS. Lack of consent shall not be deemed as a waiver or otherwise relieve Seller of its obligations to comply fully with the requirements hereof.

(i) Notwithstanding the above, Seller may, without L3 CTS consent, assign moneys due or to become due hereunder provided L3 CTS continues to have the right to exercise any and all of its rights hereunder, settle any and all claims arising out of, and enter into amendments to the Agreement without notice to or consent of the assignee. L3 CTS shall be given prompt notice of any assignment. Amounts so assigned shall continue to be subject to any of L3 CTS's rights to set-off or recoupment under this Subcontract or at law.

(ii) L3 CTS may assign this Agreement to any successor in interest

31.0 General

31.1. The Contract is personal to the Seller and the Seller shall not assign or transfer or contract or purport to assign or transfer or contract the Contract or any part thereof without the prior written consent of L3 CTS.

31.2. In any event, and notwithstanding anything to the contrary herein, nothing in this Contract is intended to, or shall, confer any benefit on any third party (whether referred to herein by name, class, description or otherwise) or shall confer any right of any third party to enforce a term contained in this Order except as set out in 31.8. below.

31.3. Each right or remedy of L3 CTS under the Contract is without prejudice to any other right or remedy of L3 CTS whether under the Contract or not.

31.4. Failure or delay by L3 CTS in enforcing or partially enforcing any provision of the Contract will not be construed as a waiver of any of its rights under the Contract.

31.5. No waiver by L3 CTS of any breach of or any default under any provisions of the Contract by the Seller shall be considered as a waiver of any subsequent breach or default of the same or any other provision and will in no way affect the other terms of the Contract.

31.6. If any provision of the Contract is held by any competent authority to be