

ULTRA MARITIME

ULTRA ELECTRONICS MARITIME SYSTEMS INC. | STANDARD TERMS AND CONDITIONS OF PURCHASE

1. DEFINITIONS

- a) **“Claims”** means all losses, liabilities, costs, charges, claims, allegations, actions, proceedings, suits, damages, demands, expenses, encumbrances and liens (including all legal expenses on both a solicitor and client basis), whether arising by contract, in tort, or otherwise.
- b) **“Order”** means any purchase order issued by Ultra Maritime to the Seller (a “Purchase Order”), together with any attachments and documents generated by Ultra Maritime that accompany or are incorporated into or form part of the purchase order, and these terms and conditions of purchase.
- c) **“Seller”** shall mean the party identified on the face of the Purchase Order with whom Ultra Maritime is contracting.
- d) **“Specifications”** means the specifications, drawings, samples, designated type, part number, or catalogue description and the other technical codes and specifications for the products and/or services covered by the Order.
- e) **“Ultra Maritime”** or **“Buyer”** means Ultra Maritime Electronics Maritime Systems Inc., having a place of business at 40 Atlantic Street, Dartmouth, Nova Scotia, B2Y 4N2 Canada.

Other terms may also be defined within these terms and conditions of purchase.

2. ACCEPTANCE OF CONTRACT/TERMS AND CONDITIONS

- a) This Order constitutes the complete and exclusive statement of the terms of the agreement between Ultra Maritime and the Seller and this Order supersedes all prior contemporaneous written or oral representations, understandings and communications thereto.
- b) Additional or differing terms or conditions proposed by the Seller or included in the Seller’s acknowledgement of this Order shall have no effect unless expressly accepted in writing by Ultra Maritime, regardless of whether or not such terms and conditions materially alter this Order and irrespective of any payment by Ultra Maritime under the terms of this Order.
- c) The Seller’s acknowledgement of this Order, acceptance of payment (either partial or full), or commencement of performance of its obligations under this Order shall constitute the Seller’s unqualified acceptance of this Order.
- d) Modifications or additions to this Order, to be effective, must be made in writing and be signed by Ultra Maritime’s authorized representative.
- e) In the event this Order does not state price or terms of delivery, Ultra Maritime shall not be bound to any prices or terms of delivery to which it has not specifically agreed to in writing.

3. ORDER OF PRECEDENCE

- a) In the event of any inconsistency or conflict between or among the provisions of these terms and conditions of purchase and any other document forming part of this Order, such inconsistency or conflict shall be resolved in accordance with the following, in descending order of preference:
 - i. Typed provisions on the face of the Purchase Order;

- ii. Documents incorporated by reference by Ultra Maritime on the face page(s) of the Purchase Order;
 - iii. These standard terms and conditions of purchase;
 - iv. Any non-disclosure agreement executed by and between Ultra Maritime and the Seller;
 - v. Ultra Maritime's statement of work; and
 - vi. Ultra Maritime's Specifications attached hereto or incorporated by reference.
- b) Ultra Maritime's Specifications shall take precedence over Seller specifications and commercial standards. Where any Ultra Maritime Specification conflicts with mandatory requirements imposed by a government authority or Ultra Maritime's customer, the Seller shall promptly notify Ultra Maritime in writing and shall comply with such mandatory requirements unless Ultra Maritime expressly directs otherwise in writing with applicable customer approval.
- c) In any cases of ambiguity in the Specifications, the Seller must, before proceeding, consult with Ultra Maritime, whose written interpretation of the Specifications shall be considered final and binding.

4. SELLER'S REPRESENTATIONS AND COMPLIANCE WITH LAWS

The Seller represents and warrants that:

- a) it is duly organized as a business corporation, is validly existing and is in good standing under the laws of the jurisdiction of its incorporation;
- b) it is duly licensed or qualified and is in good standing wherever necessary to carry on its business;
- c) it has the power and authority and all the necessary licenses and permits to carry on its present business and operations and to perform its obligations under this Order;
- d) it will not engage in the use of employees in contravention of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) or any other applicable laws prohibiting forced labour, child labour, or human trafficking;
- e) it will advise Ultra Maritime if any conflict minerals (defined as tantalum, tin, gold or tungsten) are contained in any of their products and if any of these minerals originated in the Democratic Republic of the Congo (DRC) or surrounding countries.

The Seller will comply with and observe all applicable laws, orders, statutes, rules, decrees, regulations, by-laws, ordinances, ministerial orders, rules and specifications and standards that have application to this Order and the performance by the Seller of its obligations under this Order. Should it be determined that the Seller is not in compliance with the requirements of this Article, Ultra Maritime reserves the right to terminate part or all of this Order in accordance with Article 16.

5. EXPORT CONTROL

The Seller agrees to comply with all import, export control and sanction laws, regulations, orders and requirements, as may be amended from time to time, which are applicable to the performance of its obligations under this Order, including, without limitation, those of the United States (such as the Arms Export Control Act and the Export Administration Act), Canada (such as the Defence Protection Act), the European Union and any other jurisdiction in which the Seller is established or from which items may be supplied, and the requirements of any licenses,

authorization, general licenses or license exceptions relating thereto. The Seller further agrees that all classified information and/or material (including classified waste) generated by, or put at the disposal of the Seller shall be stored, handled, transmitted, safeguarded and destroyed in accordance with the following: (i) if the Seller is located in Canada, such information shall be handled in accordance with the Canadian Industrial Securities Manual (ISM), including all amendments and supplements thereto; and (ii) if the Seller is located in countries other than Canada, such information shall be handled in accordance with its country's national industrial security policy but in any event in accordance with requirements at least as restrictive as those in the Canadian ISM, including all amendments and supplements thereto. Compliance with such export control restrictions shall include, but not be limited to, the Seller obtaining, at its sole cost, any and all export license(s), manufacturing license agreements, technical assistance agreements, or other export control license/agreement necessary for the performance of its obligations under this Order. The Seller shall indemnify and hold harmless Ultra Maritime from any and all Claims relating to violations of such export control restrictions.

6. GOVERNING LAW

This Order and any subsequent changes thereto shall be construed and enforced in accordance with the laws of the Province of Nova Scotia.

7. WARRANTIES

- a) The Seller expressly warrants that all goods delivered and services performed pursuant to this Order will be free from defects in material and workmanship and will conform to the Specifications and, to the extent such goods are not manufactured pursuant to detailed designs furnished by Ultra Maritime, that all goods will be free from defects in design, are merchantable, fit and suitable for the intended purpose or use, and are new and unused. The warranty shall begin upon final acceptance by Ultra Maritime or Ultra Maritime's customer, as the case may be, and extend for a period of two (2) years from such acceptance or the manufacturer's warranty period, whichever is the longer.
- b) If any non-conformity with the Specifications appears within the warranty period set out in the immediately preceding paragraph, the Seller, at Ultra Maritime's option, shall promptly repair or replace the goods or re-perform the services all at the Seller's risk and expense. Transportation of replacement goods, return of non-conforming goods, and/or repeat performance of services shall be at the Seller's expense. In addition to Ultra Maritime's right under Article 21, if repair or replacement of goods and/or re-performance of services is not timely, Ultra Maritime may elect to return the non-conforming goods or repair or replace goods or re-procure the goods at the Seller's expense. If non-conforming goods are replaced by the Seller pursuant to this provision hereunder, the warranty terms as defined in this Article will be renewed for such replacement articles. If Ultra Maritime does not require correction or replacement of non-conforming or defective goods, the Seller shall repay the portion of this Order relating to the non-conforming goods.
- c) The Seller shall establish and maintain processes to ensure that counterfeit, suspect counterfeit, or unapproved parts, components, or materials are not delivered under this Order. This includes, but is not limited to, the procurement of parts only from original manufacturers (OEMs), authorized distributors, or sources with documented traceability to the OEM.
- d) If the Seller becomes aware or suspects that it has delivered counterfeit or suspect counterfeit parts, it shall immediately notify Ultra Maritime and cooperate fully in quarantine, investigation, and replacement actions.
- e) The Seller shall provide records of material traceability, certifications, and test results upon request, and shall ensure that its own supply chain complies with these requirements.

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- f) The cost of removing and replacing counterfeit or suspect counterfeit parts, including all associated costs, shall be borne by the Seller.
- g) The Seller shall ensure that outputs are preserved throughout production and service delivery, as necessary, to maintain conformity with specified requirements. Preservation may include activities such as identification, handling, contamination control, packaging, storage, transmission or transportation, and protection.
- h) The Seller shall identify, control, maintain, and calibrate production equipment, tools, and measuring devices used to verify product conformity or support production processes. Calibration shall be traceable to international or national standards, and equipment shall be safeguarded from adjustments that could invalidate measurement results. Preventive maintenance schedules shall be established and implemented to ensure continued equipment reliability and process capability. Records of calibration and maintenance activities shall be retained as quality records. When equipment is found to be out of calibration or in disrepair, the validity of previous measurements or production outputs shall be assessed and appropriate action taken.
- i) Acceptance or inspection of the goods by Ultra Maritime or payment therefore shall not relieve the Seller of its responsibilities under this Article.
- j) The warranties of the Seller, together with its service warranties and guarantees, if any, shall be for the benefit of Ultra Maritime, as well as for Ultra Maritime's successors, assigns and customers.
- k) The Seller shall be liable for, and save Ultra Maritime harmless from, any Claims that Ultra Maritime may suffer from breach of any of these warranties.

8. CHANGES

- a) Ultra Maritime may, in writing, from time to time, order the suspension of the work under this Order or make changes in quantities, drawings, designs, form, fit, function, Specifications, services, place of delivery, or delivery schedules, methods of shipment and packaging, and property furnished by Ultra Maritime. If any such change causes an increase or decrease in the price of this Order, or in the time required for the performance of the obligations of the Seller, the Seller shall promptly notify Ultra Maritime and assert its claim for adjustment within ten (10) days after the change or suspension is ordered. Ultra Maritime and the Seller shall negotiate an equitable adjustment, and this Order shall be amended in writing accordingly. However, nothing in this clause shall excuse the Seller from proceeding immediately with this Order, as changed by the notice from Ultra Maritime, pending resolution of the Seller's claim. Whether made pursuant to this clause, or by mutual agreement, changes requested by Ultra Maritime shall not be binding upon Ultra Maritime except when confirmed in writing by an authorized representative of Ultra Maritime. Failure by the Seller to submit a written, fully substantiated claim for adjustment within the ten (10) day period shall constitute a complete and irrevocable waiver of any entitlement to adjustment arising from such change.
- b) Information, advice, approvals or instructions given by Ultra Maritime's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Ultra Maritime's and the Seller's rights and obligations under this Order unless set forth in writing and signed by Ultra Maritime's authorized representative and which states it constitutes an amendment or change to this Order.
- c) The Seller shall not make any changes to form, fit, or function of goods or make any changes to any materials, materials provenance, or manufacturing processes (including tooling and machinery), whatsoever (including for reasons of obsolescence), for the duration of this Order without the prior written approval from Ultra Maritime.
- d) The Seller shall provide Ultra Maritime with not less than twelve (12) months' written notice of any product obsolescence, end-of-life, or material supply discontinuity affecting the goods. The Seller shall, at its own

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expense, propose and support qualification of functionally equivalent replacements acceptable to Ultra Maritime.

9. INFRINGEMENT INDEMNITY

- a) The Seller represents and warrants that the sale, use, or incorporation into manufactured products of all machines, parts, components, services, devices, material, goods, and rights furnished or licensed hereunder which are not of Ultra Maritime's design, composition, or manufacture will not infringe any patent, copyright, trademark, or other proprietary rights. The Seller shall indemnify and save Ultra Maritime and its customers harmless from any and all Claims arising from claims, suits, or actions alleging such infringement. The Seller may modify or replace with comparable non-infringing goods acceptable to Ultra Maritime of substantially same form, fit and function so as to remove the source of infringement, and shall extend this provision thereto. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, the Seller, at no expense to Ultra Maritime, shall obtain for Ultra Maritime and its customers the right to use and sell said item.
- b) Any invention or intellectual property first made or conceived by the Seller in the performance of this Order or which is derived from or based on the use of information supplied by Ultra Maritime or which is paid for by Ultra Maritime shall be the property of Ultra Maritime; and the Seller shall execute any documents necessary to perfect Ultra Maritime's title thereto.

10. SELLER'S DATA

The Seller agrees that any documents, such as prints or any printed or written material containing instructions, data, or information, provided to Ultra Maritime in connection with this Order, shall be free from confidential, proprietary, or restrictive use marking, other than bona fide statutory patent, trademark and copyright notices, or any government or security notices. Ultra Maritime, its customers, agents or assigns, may duplicate or use such documents in connection with further manufacture, use, or disposition of the material furnished under this Order, and may remove, or ignore any marking on such documents not authorized by this clause.

11. ULTRA MARITIME PROPERTY

All goods, materials, drawings, tools, test equipment, jigs, dies, fixtures, and other items ("Ultra Maritime Property") furnished by Ultra Maritime or Ultra Maritime's customer to the Seller, or paid for by Ultra Maritime in connection with this Order, shall be and remain the exclusive property of Ultra Maritime or Ultra Maritime's customer, as applicable.

The Seller shall:

- a) clearly mark all such Ultra Maritime Property,
- b) maintain it in good condition, subject only to reasonable wear and tear,
- c) implement adequate controls and records to track its location, usage, and condition, and
- d) bear all risk of loss or damage, including during storage, handling, and use, except for loss or damage due solely to normal wear and tear.

The Seller shall not use Ultra Maritime Property for any purpose other than performance of this Order, shall not substitute any other material or tooling without prior written consent from Ultra Maritime, and shall not permit access to such property by any third party without Ultra Maritime's written authorization.

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Upon Ultra Maritime's written request, such property shall be immediately returned or made available for collection, in good working order, and in accordance with Ultra Maritime's shipping instructions.

If the Seller fails to return any Ultra Maritime Property as required, Ultra Maritime may, upon reasonable notice, enter the Seller's premises to recover such property and related records, and the Seller shall not object to such entry. The Seller waives any claim for trespass, lien, or damage arising from such retrieval and shall cooperate fully to facilitate prompt access and removal.

In the event that any Ultra Maritime Property is lost, damaged, determined to be unsuitable for its intended use, or is no longer being used, the Seller shall immediately notify the Ultra Maritime, and shall retain relevant documented information.

If the Seller identifies that any Ultra Maritime-supplied property is unsuitable for use, it shall coordinate with Ultra Maritime to determine appropriate remedial actions.

12. PROPRIETARY INFORMATION, DUPLICATION, AND DISCLOSURE

- a) The Seller agrees that any information disclosed by Ultra Maritime to the Seller in connection with this Order, whether identified by Ultra Maritime as proprietary or not, and whether disclosed orally, visually, electronically, or in writing, shall be held in strict confidence and shall be used by the Seller only in the performance of this Order. For greater certainty, this includes the content of the Order itself, such as item descriptions, material types and quantities, delivery schedules, pricing, and lead times. Information shall also be treated as proprietary and confidential if, under the circumstances of its disclosure, a reasonable person would understand such information to be proprietary or confidential in nature. Upon completion or termination of this Order, the Seller shall return all such information to Ultra Maritime or make such other disposition thereof as may be directed or approved by Ultra Maritime.
- b) No information, materials, tools, designs, drawings, specifications, or test equipment furnished under this Order or developed specifically for or by Ultra Maritime shall be duplicated, disclosed, transferred, or furnished to any third party — including subcontractors — without the prior written consent of Ultra Maritime. Such property shall be used solely for the performance of this Order. The Seller shall ensure that adequate safeguards are in place to prevent unauthorized access, reproduction, or misuse of such property. The Seller represents and warrants that it has obtained, or will obtain, written agreements with all personnel, agents, subcontractors, and other entities engaged in the performance of this Order, requiring them to comply with confidentiality, data protection, and proprietary information obligations equivalent to those set forth herein. The Seller shall be fully responsible for ensuring its external providers comply with these obligations and shall provide evidence of such flow-down upon request by Ultra Maritime.

13. INFORMATION SECURITY AND INCIDENT NOTIFICATION

The Seller shall implement and maintain administrative, technical, and physical safeguards appropriate to the sensitivity of Ultra Maritime information, including controlled, export-controlled, proprietary or personal information. In the event of any actual or suspected unauthorized access, disclosure, loss, or compromise of Ultra Maritime information or systems ("Security Incident"), the Seller shall:

- a) Notify Ultra Maritime in writing within forty-eight (48) hours of discovery;
- b) Immediately take all reasonable steps to contain, mitigate, and remediate the incident;
- c) Preserve all relevant logs, records, and evidence;

- d) Cooperate fully with Ultra Maritime, its customers, and regulatory authorities; and
- e) Not make any public disclosure without Ultra Maritime's prior written consent.

All costs associated with investigation, notification, remediation, regulatory response, and corrective action shall be borne by the Seller. The Seller shall flow down equivalent obligations to all subcontractors and shall remain fully responsible for their compliance.

14. PUBLICITY

Unless Ultra Maritime gives prior written consent to the Seller, the Seller, nor its employees or external providers, shall not, in any manner, advertise, publish, distribute, or use any information developed under or about the subject matter of this Order, or use, reproduce or imitate for any purpose whatsoever any trademarks or tradenames of Ultra Maritime in the Seller's advertising materials, promotional materials or in other materials available to the public. No news release in any way relating to Ultra Maritime concerning this Order shall be made by the Seller to any news media, including social media, or the general public without the prior written consent of Ultra Maritime. The Seller shall not disclose the existence of this Order to any other party without the prior written consent of Ultra Maritime.

15. ASSIGNMENTS AND SUBCONTRACTING

- a) This Order may not be assigned, in whole or in part, by the Seller without the express written consent of Ultra Maritime. Any purported assignment by the Seller without such consent shall be void.
- b) Ultra Maritime may assign this Order to (i) any affiliated company, (ii) any successor in interest, or (iii) Ultra Maritime's customer. Ultra Maritime shall have the right at any time to set off any amount owing from the Seller to Ultra Maritime or Ultra Maritime's subsidiaries and/or affiliates against any amount due and owing to the Seller or any of its subsidiaries pursuant to this Order or any other contractual agreement between Ultra Maritime and the Seller or their respective subsidiaries and/or affiliates
- c) The Seller shall not subcontract all or substantially all work on any of the goods to be supplied or services to be performed under this Order, without prior written approval of Ultra Maritime. This provision shall not apply to purchases of standard commercial articles, or raw materials, including castings, forgings, and rough welded structures on which the Seller will perform further work.
- d) The Seller shall remain fully responsible for the performance, acts, and omissions of all subcontractors and suppliers. Ultra Maritime may require the removal or replacement of any subcontractor for reasonable cause, including quality, security, or compliance concerns.
- e) Upon request by Ultra Maritime, the Seller shall provide written evidence to Ultra Maritime verifying that its subcontractors have been paid.
- f) The Seller will keep Ultra Maritime's premises free and clear of all mechanics' or builders' liens. Ultra Maritime shall have the right to order the Seller, in writing, to discharge forthwith any liens of whatever type placed on Ultra Maritime's premises or work being performed on Ultra Maritime's premises or goods being supplied under this Order, whether or not such liens constitute valid claims and the Seller shall assume the cost of discharging such liens. Furthermore, Ultra Maritime shall have the right, at any time, to pay or to discharge any liens placed on Ultra Maritime's premises for work being performed at Ultra Maritime's premises or goods supplied under this Order, whether or not such liens constitute valid claims and to deduct the costs of discharging such liens from the amount due to the Seller.

16. TERMINATION FOR CONVENIENCE

Ultra Maritime may, by written notice to the Seller, terminate the whole or part of this Order at its convenience upon thirty (30) days written notice. The Seller shall not be excused from the performance of any portions of this Order not so terminated. Ultra Maritime shall pay the Seller for all work completed to the date of termination, together with the Seller's actual, reasonable, and substantiated out of pocket costs and expenses related to this Order for obligations of the Seller which cannot be terminated prior to the termination of this Order (the "Termination Costs"), and Ultra Maritime shall be entitled to take immediate possession of all work so performed. In no event shall such Termination Costs include any consequential, indirect, or punitive damages, the costs of removal and reinstallation of items, loss of goodwill, loss of third-party revenues or profits, loss of use, injury to persons or property. The Seller shall provide Ultra Maritime with any claims for Termination Costs within a reasonable time period after this Order is terminated but, in any event, no later than thirty (30) days after the effective date of such termination. Furthermore, upon such termination, the Seller agrees that any and all rights, title, and interest in and to any intellectual property developed in accordance with Article 9(b) herein will be immediately vested in Ultra Maritime, and any and all limitations on the use thereof by Ultra Maritime shall be immediately deemed null and void.

17. TERMINATION FOR DEFAULT

- a) Ultra Maritime may, subject to the provisions of paragraph Article 18, by written notice of default to the Seller, terminate the whole or part of this Order in any one of the following circumstances: (i) if the Seller breaches any of the terms and conditions of this Order, (ii) if the Seller fails to make delivery of the goods or to perform the services within the time specified in this Order or in any written extension or modification of this Order; or (ii) if the Seller fails to perform any of the other provisions of this Order, or so fails to make progress as to endanger performance of this Order in accordance with its terms; or (iv) if the Seller fails to replace or correct defective articles in accordance with the provision of Article 7. Termination of this Order shall be effective if the Seller does not cure the event(s) of default within a period of ten (10) days (or such longer period as Ultra Maritime may authorize in writing) after delivery of notice by Ultra Maritime to the Seller describing the event of default. For the avoidance of doubt, in the event that this Order provides for the furnishing of items in more than one (1) lot, this Order, including all lots, may be terminated under the circumstances described above.
- b) In the event Ultra Maritime terminates this Order in whole or in part as provided in paragraph (a) of this clause, Ultra Maritime may procure, upon such terms and in such manner as it may deem appropriate, goods or services similar to those so terminated, and the Seller shall be liable to Ultra Maritime for the costs of such goods or services plus any excess costs reasonably incurred for such similar goods or services; provided, that the Seller shall continue the performance of this Order to the extent not terminated under the provisions of this clause.
- c) If this Order is terminated as provided in paragraph (a) of this clause, Ultra Maritime, in addition to any other rights provided in this clause, may require the Seller to transfer title to and deliver to Ultra Maritime, in the manner and to the extent directed by Ultra Maritime, (i) any completed goods, and (ii) such partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "Manufacturing Materials") as the Seller has specifically produced or specifically acquired for the performance of such part of this Order as has been terminated; and the Seller shall, upon direction of Ultra Maritime, protect and preserve property in possession of the Seller in which Ultra Maritime has an interest. Payment for completed goods delivered to and accepted by Ultra Maritime shall be at this Order price. Payment for Manufacturing Materials delivered to and accepted by Ultra Maritime, and for the protection and preservation of property, shall be in an amount agreed upon by Ultra Maritime and the Seller, or, failing agreement, the amount determined by arbitration under Article 29.
- d) If, after notice of termination of this Order under the provisions of paragraph (a) of this clause, it is determined by Ultra Maritime that the failure to perform this Order is due to causes beyond the control of and without fault

or negligence of the Seller, and despite the exercise of utmost diligence by the Seller and/or its subcontractor(s) pursuant to the provisions of Article 18, such notice of default shall be deemed to have been issued pursuant to the clause of this Order entitled "Termination for Convenience", and the rights and obligations of Ultra Maritime and the Seller shall, in such event, be governed by such clause.

- e) The rights and remedies of Ultra Maritime provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Order.

18. TERMINATION ON ACCOUNT OF INSOLVENCY

Ultra Maritime may terminate this Order immediately upon notice in the event the Seller becomes insolvent, makes an assignment for the benefit of its creditors, or if a receiver is appointed for the Seller on account of its insolvency or is unable to pay its debts in the ordinary course of business. Ultra Maritime may treat such termination as default by the Seller and in such event the rights and obligations of Ultra Maritime and the Seller shall be governed by Article 16.

19. FORCE MAJEURE

Except with respect to defaults of the Seller's subcontractors, the Seller shall not be liable for any excess costs, if the failure to perform this Order arises out of a Force Majeure Event (as defined below), provided the Seller gives Ultra Maritime written notice of such Force Majeure Event within twenty (20) days of the occurrence thereof and provided Ultra Maritime agrees that such cause constitutes a Force Majeure Event. A "Force Majeure Event" includes, but is not limited to, an act of God or the public enemy, act of a government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, and freight embargoes or other events beyond the control of, without the fault or negligence of and despite the exercise of utmost diligence by the Seller. If the failure to perform is caused by default of the Seller's subcontractor and if such default arises out of a cause beyond the control of both the Seller and its subcontractor, and without the fault or negligence of and despite the exercise of utmost diligence by both of them, the Seller shall not be liable for any excess costs for failure to perform, unless the goods or services to be furnished by the Seller's subcontractor were obtainable from other sources in sufficient time to permit the Seller to meet the required delivery schedule.

The Seller shall notify Ultra Maritime in writing within seventy-two (72) hours of becoming aware of a Force Majeure Event, together with a mitigation and continuity plan and an estimated duration. The Seller shall use all commercially reasonable efforts to mitigate the effects of the Force Majeure Event, including sourcing from alternate suppliers where feasible. Ultra Maritime shall have the right, without liability, to procure substitute goods or services during the continuance of a Force Majeure Event, and any excess costs reasonably incurred may be offset against amounts otherwise due to the Seller. If a Force Majeure Event continues for more than thirty (30) days, Ultra Maritime may terminate the affected portion of the Order without liability.

20. COMPLIANCE WITH DELIVERY SCHEDULE

- a) Time shall be of the essence hereunder.
- b) The shipment and delivery of the goods or rendering of the services must be effected within the time stated in this Order or as may be otherwise mutually agreed in writing between Ultra Maritime and the Seller.
- c) Unless Ultra Maritime agrees in writing, deliveries of goods more than ten (10) business days prior to the date specified in this Order may be received by Ultra Maritime and payment postponed until the date payment would have been due, or Ultra Maritime is entitled to refuse to accept such delivery without liability for any

loss, damage or expense incurred or sustained by the Seller, including the costs of returning, storing or reshipping articles.

- d) Unless Ultra Maritime otherwise agrees in writing, deliveries of goods after the date specified in this Order are not permitted. The Seller agrees that in the event deliveries of the goods or performance of the services called for in this Order are not made within the time specified in this Order or any authorized extension to this Order, and Ultra Maritime requests in writing that the Seller perform overtime, weekend or holiday work, or establishes additional shifts of personnel to perform the work, the Seller shall comply with said requests by Ultra Maritime or take such other action as is considered appropriate by Ultra Maritime to regain current delivery schedule status, at no change to the prices as established in this Order. Notwithstanding the foregoing and unless otherwise agreed by Ultra Maritime in writing, Ultra Maritime reserves the right, at its sole discretion, to charge penalties in accordance with Article 21 and to return such late deliveries at the Seller's cost and/or deduct any and all shipping costs and other related fees incurred by Ultra Maritime for both the return and reshipment of the goods, from the Seller's account and/or terminate this Order for default. Ultra Maritime shall not have the right to request such overtime work without additional compensation to the Seller, if the Seller's failure to meet the established delivery schedule provided for herein is due to causes beyond the control and without the fault of or negligence of the Seller as defined in Article 18.
- e) The rights afforded to Ultra Maritime in the foregoing paragraphs shall not be exclusive and are in addition to any other rights provided by law or under this Order.
- f) The Seller agrees to notify Ultra Maritime immediately if, at any time, it appears that the delivery schedule set forth in this Order may not be met. Such notification shall include the reasons for any possible delays and steps being taken to remedy any such problems. Further, this notification shall be in addition to any reporting requirements specified elsewhere in this Order. The requirements for notification set forth above are not to be construed as a waiver of the delivery schedule set forth in this Order and shall not prejudice Ultra Maritime's right under any other clause of this Order at law or in equity.

21. TITLE AND RISK

Title to and risk of loss or damage to the goods shall pass to Ultra Maritime only upon physical delivery to, and acceptance by, Ultra Maritime at the delivery location specified in this Order, notwithstanding any Incoterms referenced herein. Seller shall retain all risk of loss or damage to the goods until such delivery and acceptance, and shall be responsible for all costs associated with loss, damage, replacement, or repair prior thereto.

22. REMEDIES IN THE EVENT OF DELAY IN DELIVERY

- a) The obligation to deliver the goods and to perform the services in accordance with the delivery schedule in this Order is a material term and is an essential and primary obligation of the Seller to be performed. The Seller recognizes that in the event of delay of the delivery of goods by the Seller, Ultra Maritime may suffer harm, and that any such harm arising by reason of the Seller's delay would be difficult to determine accurately. In the event that the Seller may consider that the delivery dates may not be achieved for any reason whatsoever, then the Seller's obligations shall be in accordance with Article 19(f) of these terms and conditions of purchase. Notwithstanding the foregoing, in the event of any delay in the delivery of the goods or performance of services in accordance with the delivery schedule set out in this Order, unless such delivery schedule has been amended by mutual agreement of Ultra Maritime and the Seller, the Seller shall, in Ultra Maritime's sole discretion, pay to Ultra Maritime as liquidated damages and not as a penalty 0.5% of the value of the delayed goods or services for each full calendar week of delay for the first two (2) weeks of delay and 1% of the value of the delayed goods or services for each full calendar week of delay thereafter. Notwithstanding the foregoing, the maximum amount of the liquidated damages payable under this paragraph

is limited to 10% of the value of this Order. The liquidated damages payable under this paragraph will be invoiced separately by Ultra Maritime to the Seller. In such invoice, Ultra Maritime shall cite all the relevant circumstances, and the deliveries involved that has given rise to such liquidated damages.

- b) Notwithstanding the aforementioned provisions, in case the cause of the delay shall persist for six (6) weeks or more, and where Ultra Maritime and the Seller have been unable to reach agreement within this period on a revision of the delivery schedule, Ultra Maritime shall be entitled, after written notice to the Seller, to terminate any Order in accordance with the provisions of Article 16.
- c) Notwithstanding the rights of Ultra Maritime due to the Seller's delivery delays, the payment of liquidated damages shall not relieve the Seller from its other contractual obligations to Ultra Maritime.
- d) This Article 21 shall not apply if the Seller's failure to deliver was due to a Force Majeure Event.

23. DAMAGES

IN NO EVENT SHALL ULTRA MARITIME BE LIABLE TO THE SELLER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR ECONOMIC DAMAGES (INCLUDING, BUT NOT LIMITED TO LOST PROFITS AND LOST BUSINESS OPPORTUNITY) REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH DAMAGES ARE SOUGHT, AND EVEN IF ULTRA MARITIME HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

24. QUALITY CONTROL

- a) The Seller shall provide and maintain a quality control system to an industry recognized quality standard, in compliance with any other specific quality requirements identified in this Order and approved by Ultra Maritime. Records of all quality control inspection work or other inspection or test performed by the Seller on the goods and services which are the subject of this Order shall be kept complete and shall be available to Ultra Maritime and its customers upon written request, unless previously identified as a deliverable in this Order.
- b) All requirements of this Order may be subject to Government Quality Assurance (GQA) in accordance with applicable national and international defense quality standards, including AQAP 2110.
- c) The Seller acknowledges that Ultra Maritime, its customers, or their designated Government Quality Assurance Representatives (GQARs) may perform GQA activities at the Seller's facilities or those of its subcontractors to verify compliance with contractual and quality requirements.
- d) The Seller shall cooperate fully and, upon reasonable notice, provide access to all relevant facilities, records, processes, documentation, and personnel. This right of access extends to the Seller's subcontractors and external providers.
- e) The Seller shall ensure that its subcontractors are informed of and agree to these obligations.
- f) The Seller shall ensure that any non-conforming product is clearly identified and physically segregated from conforming product to prevent unintended use or delivery. Non-conforming product shall not be used or reworked without the prior written approval of Ultra Maritime. The Seller shall retain documented information on the nature of non-conformity, actions taken, and notification to Ultra Maritime and, if applicable, the GQAR.

25. INSPECTION

- a) All material and workmanship shall be subject to inspection and test at all reasonable times and places, by Ultra Maritime and Ultra Maritime's customer before, during, and after performance and delivery. If the goods furnished and/or services performed under this Order do not conform to the requirements of this Order, Ultra Maritime shall have the right, without prior consent or consultation, and at Ultra Maritime's option, to suspend payment to the Seller for such goods and services, reject and return same at the Seller's expense for full credit or require the replacement or correction of the same at the Seller's expense, or Ultra Maritime may keep and rework any such materials not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or re-inspection by Ultra Maritime shall be at the Seller's expense. All goods may also be subject to further final inspection and acceptance or rejection at Ultra Maritime's plant, the Seller's plant, or site of installation, notwithstanding any payments, previous source inspection, or acceptance.
- b) If any inspection or test is made on the Seller's or its subcontractors' premises, the Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of Ultra Maritime's inspectors or representatives of Ultra Maritime's customers. The foregoing is supplementary to and not in lieu of the provisions of (a) above, and shall in no way relieve the Seller of its obligation to furnish all goods and perform all services in strict accordance with this Order.
- c) Ultra Maritime's failure to inspect does not relieve the Seller of any responsibility to perform according to the terms of this Order.
- d) The Seller shall perform documented quality inspections for all goods to ensure conformity with applicable purchase order, technical specifications, and quality requirements as defined by Ultra Maritime. These inspections shall be performed in accordance with ISO 9001, including, but not limited to, product verification, documentation, and traceability. Sampling plans shall be in accordance with ISO 2859-1, Table 1, General Inspection Level II, or another sampling plan approved by Ultra Maritime. Inspections shall ensure compliance with all relevant drawings, standards, and contractual requirements, including those set out in referenced documents.
- e) Goods shall not be shipped until the Seller has confirmed successful completion of all required inspections. Any identified non-conformities shall be communicated to Ultra Maritime and resolved to the satisfaction of Ultra Maritime prior to shipment. All goods shall be shipped with a Certificate of Conformance referencing the applicable purchase order.
- f) Ultra Maritime reserves the right to witness the inspection or to delegate this right to an authorized third party.
- g) The Seller shall retain all inspection, testing, quality, and traceability records related to the performance of this Order for a minimum of ten (10) years from the date of final delivery, unless a longer period is required by applicable law, regulation, or contract. These records shall be made available to Ultra Maritime or its authorized representatives and Government Quality Assurance Representative (GQAR) upon request and shall be protected from loss, damage, or unauthorized access.

26. JIGS AND FIXTURES

In the manufacture of goods to be supplied hereunder, the Seller shall use jigs, fixtures, and/or other devices and appliances in all processes that are conducive to the manufacture of uniform goods. The Seller agrees that whenever Ultra Maritime determines that such devices or appliances are incorrect, worn, damaged, or defective to such an extent as to adversely affect basic interchangeability of the item manufactured, the Seller shall not thereafter use the same in its incorrect, worn, damaged, or defective form and shall repair or replace such devices or appliances.

27. DOCUMENT LANGUAGE

All documentation furnished under this Order, unless otherwise specified in this Order, will be written in the English language. In the event of any inconsistency between any terms of this Order and any translation thereof into another language, the English language meaning shall control, and the English language shall govern any question with respect to interpretation. All measurements applicable to the work performed herein will be in accordance with the Canadian system of measurement or the system of measurement prescribed in this Order.

28. PRICES

The Seller warrants that the price(s) charged for the goods and/or services specified in this Order do not exceed the selling price(s) the Seller charges its most favored customer for the same or substantially similar items, whether sold to any Government or to any other purchaser, taking into account the quantity purchased and terms and conditions of sale. The Seller further agrees that in the event of an announced price reduction prior to complete shipment of goods or performance of services, said price reduction shall be passed on to Ultra Maritime for goods remaining to be shipped or services still to be performed.

29. PAYMENTS

The Seller's invoices must be itemized to show goods delivered and/or services rendered. Errors or omissions in invoices or delays in receiving proper invoices will be considered just cause for withholding payment. Payments under this Order shall be made in Canadian currency, unless otherwise specified elsewhere in this Order. Following receipt of the Seller's proper invoices for goods delivered and/or services rendered, and provided such goods and/or services have been accepted by Ultra Maritime, Ultra Maritime shall pay the Seller upon net forty-five (45) days from receipt of said invoice, unless otherwise stated on the face of the purchase order. Ultra Maritime reserves the right to withhold payment for goods delivered and/or services rendered in advance of Ultra Maritime's stated schedule until the date specified on Ultra Maritime's Order. Without limiting Ultra Maritime's other remedies, if data, reports, or other deliverables are not furnished when scheduled, Ultra Maritime may withhold remaining payments (or such portion thereof as Ultra Maritime may deem equitable) until such data, reports, or other deliverables are furnished. Governmental duties, taxes, other levies, when applicable, shall be itemized as separate items on the Seller's invoices. Any and all tax exemption certificates shall be acceptable by the Seller.

30. DISPUTES

All disputes, claims, or controversies arising under or related to this Order which are not resolved by mutual agreement within a reasonable time shall be settled by arbitration. The arbitration shall be held in Halifax, Nova Scotia and shall be conducted in accordance with the Commercial Arbitration Act (Nova Scotia). The arbitration panel shall consist of three (3) arbitrators, one (1) appointed by each party and the third appointed by the first two (2) members. The arbitration panel shall resolve the questions submitted, award the relief to which each party may be entitled, and allocate the costs of arbitration. Notwithstanding the foregoing, each party shall bear the burden of its own counsel fees incurred in connection with any arbitration proceedings under this Order. The decision of the arbitrators shall be final, binding on Ultra Maritime and the Seller, not subject to appeal, and enforceable by any court having jurisdiction over the necessary party or its assets. Pending resolution or settlement of any dispute arising under this Order, the Seller will proceed diligently with the performance of this Order or any change hereto in accordance with the decision and instructions of Ultra Maritime.

Notwithstanding the foregoing, nothing in this Article shall prevent Ultra Maritime from seeking or obtaining interim, interlocutory, or permanent injunctive or other equitable relief from any court of competent jurisdiction where such relief is necessary to prevent or remedy: (i) a breach or threatened breach of confidentiality, data security, export control, or intellectual property obligations; (ii) misuse, retention, or failure to return Ultra Maritime Property; (iii) unauthorized disclosure or use of proprietary or controlled information; or (iv) irreparable harm for which monetary damages would be an inadequate remedy. The Seller irrevocably agrees that such court proceedings shall not be deemed incompatible with or a waiver of the agreement to arbitrate, and that Ultra Maritime may seek such relief without first submitting the dispute to arbitration. The arbitration panel shall have the authority to grant interim relief, but Ultra Maritime shall not be required to seek such relief exclusively through arbitration where urgent court intervention is reasonably required.

31. TAXES AND CUSTOM CHARGES

Except as may be otherwise provided in this Order, price(s) set out in this Order are inclusive of all taxes, assessments, fees, licenses, customs charges and other compulsory governmental charges, applicable to the Seller and its subcontractors. If the Seller is not required to pay any of the foregoing taxes or other charges or obtains a refund or drawback thereof, price(s) set out in this Order shall be correspondingly decreased. The Seller shall promptly notify Ultra Maritime of all matters pertaining to taxes or other charges which reasonably may be expected to result in a decrease in the price(s) set out in this Order.

32. PRIORITIES

If the Seller procures any materials or products in the United States directly, by subcontract, or through other agents for the performance of this Order, and these materials or products are certified under the U.S. Defence Materials System Regulations, then the Seller and its subcontractor or other agents shall follow as required, the provisions of the system and all other applicable regulations under which priorities and allocations are defined.

33. INSURANCE AND INDEMNITY AGAINST CLAIMS

- a) The Seller shall indemnify, defend, and hold harmless Ultra Maritime, its affiliates, customers, officers, directors, employees, and agents from and against any and all Claims arising out of or relating to:
- i. any breach of this Order by the Seller or its subcontractors;
 - ii. any negligent act or omission, willful misconduct, or fraud of the Seller or its subcontractors;
 - iii. actual or alleged infringement of intellectual property rights;
 - iv. violation of export control, sanctions, anti-bribery, labour, environmental, or other applicable laws;
 - v. delivery of defective, non-conforming, counterfeit, or suspect counterfeit goods;
 - vi. loss, damage to, or misuse of Ultra Maritime Property;
 - vii. data security incidents, unauthorized access, or confidentiality breaches; and
 - viii. any lien, encumbrance, or claim asserted by the Seller's subcontractors or suppliers.

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This indemnity shall apply regardless of whether the Claim arises in contract, tort, strict liability, or otherwise, and shall include all internal costs, investigation costs, recall costs, re-procurement costs, and legal fees on a solicitor-and-client basis. This Article shall survive expiration or termination of this Order.

- b) The Seller shall, without limitation as to time, indemnify and save Ultra Maritime harmless from all claims which may be asserted against property covered hereunder, including, without limitation, mechanic's liens or claims arising under Workers' Compensation or Occupational Disease laws and from all claims for injury to persons or damage to property arising out of or related to such property unless the same are caused solely and directly by Ultra Maritime's negligence.
- c) Upon request by Ultra Maritime, the Seller will provide Ultra Maritime with proof of insurance acceptable to Ultra Maritime.
- d) The Seller shall provide certificates of insurance upon request and afterwards upon any material change to Seller's insurance provisions or coverage.
- e) The Seller shall provide Ultra Maritime with not less than thirty (30) days' prior written notice of cancellation or material reduction in coverage.
- f) Insurance maintained by the Seller shall not limit or reduce the Seller's obligations or liabilities under this Order.

34. PACKING AND SHIPMENT

- a) Unless otherwise specified, all goods to be delivered under this Order are to be packed in accordance with good commercial practice.
- b) Unless otherwise specified, a complete packing list shall be enclosed with each shipment. The Sellers located in Canada shall send two (2) copies of accounting invoices to Ultra Maritime. The Sellers located in countries other than Canada shall send four (4) copies of certified Customs Invoices to Ultra Maritime.
- c) A "blanket" or "original" NAFTA certificate of origin signed by the Seller's authorized individual must be forwarded prior to the release of shipment. The Seller will be held financially responsible for all penalties or fines levied due to errors or omissions.
- d) The Seller shall mark containers or packages with Ultra Maritime's Order number, part number, part description, quantity, and the names and addresses of consignor and consignee or other markings as set out in this Order. Bills of lading shall include this Order number, package weight, and package dimensions.
- e) Unless otherwise specified, delivery shall be EX Works (Named place of delivery) in accordance with Incoterms® 2010, provided however that risk of loss and title shall pass strictly in accordance with Article 20 of this Order and not upon delivery under Incoterms.

35. ANTI-BRIBERY AND CORRUPTION; ANTI-MONEY LAUNDERING

- a) The Seller understands and acknowledges that Ultra Maritime does not authorize and will not tolerate or authorize bribery, or any other corrupt activities, in connection with the conduct of its business.
- b) The Seller represents and warrants that:

The Seller has not, whether directly or indirectly, authorized, offered, promised or given a financial or other advantage (including without limitation any money, contribution, gift, bribe, rebate, payoff, influence payment,

kickback, loan, reward, advantage or anything of value, including any benefit of any kind) and will not, whether directly or indirectly, authorize, offer, promise or give such financial or other advantage:

- i. to another person with the intention to induce a person to perform improperly a relevant function or activity (including any function of a public nature, any activity connected with business, any activity performed in the course of a person's employment or any activity performed by or on behalf of a body of persons (whether corporate or unincorporated)),
 - ii. to another person with the intention to reward a person for the improper performance of such a function or activity;
 - iii. to another person with the knowledge or belief that the acceptance of the advantage would itself constitute the improper performance of such a function or activity;
 - iv. to a government official (or his representative), any political party or party official, any candidate for political office, with the intention of influencing such official, party, or candidate in its or his official capacity to do or omit to do an act in violation of the lawful duty of such party, official, or candidate and with the intention of obtaining or retaining business, or to secure any improper advantage;
 - v. to another person, while knowing or being aware of the high probability that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, as a bribe or kickback;
 - vi. in violation of any law (including, without limitation, the law of the Territory and English law) or;
 - vii. to a foreign public official or to any person for the benefit of a foreign public official (a) as consideration for an act or omission by the official in connection with the performance of the official's duties or functions; or (b) to induce the official to use his or her position to influence any acts or decisions of the foreign state or public international organization for which the official performs duties or functions.
- c) to the extent applicable, the Seller shall have received all documentation and other information required by, and complied in all material respects with, "know- your-customer" and anti money-laundering rules and regulations.
- d) the Seller has not, and will not, establish or maintain any fund or asset that has not been accurately recorded in the books and records of the Seller.

For the purposes of this Article 34, terms used shall have the following meanings:

- a) 'Government official' shall include, but shall not be limited to, an individual who is employed or appointed by a public body and any person acting in an official capacity.
- b) 'Foreign public official' means:
- i. a person who holds a legislative, administrative or judicial position of a foreign state;
 - ii. a person who performs public duties or functions for a foreign state, including a person employed by a board, commission, corporation or other body or authority that is established to perform a duty or function on behalf of the foreign state, or is performing such a duty or function; and
 - iii. an official or agent of a public international organization that is formed by two or more states or governments, or by two or more such public international organizations;

- c) 'Public body' shall include, but shall not be limited to, any government, including any department, agency or instrumentality of any such government, the armed forces of any government, any other national, regional or local governing or administrative body, and any other body which exercises authority over or in relation to the public at large in any jurisdiction, any public agency or public enterprise, or any public international organisation; and
- d) 'Foreign state' means a country other than that in which Ultra Maritime is resident, and includes (i) any political subdivision of that country; (ii) the government, and any department or branch, of that country or of a political subdivision of that country; and (iii) any agency of that country or of a political subdivision of that country.

The Seller will ensure that each and every officer, employee and intermediary employed or instructed by the Seller who will perform services under, or in connection with this Order or otherwise for the benefit of Ultra Maritime (or any of the companies in the Ultra Maritime Electronics Holdings plc group) has read and understood this Article and that they will abide by it.

36. ACCOUNTING AUDIT RIGHTS

- a) The Seller shall maintain proper accounts and records recording all payments made and received by the Seller in connection with its performance of its duties under this Order.
- b) The Seller will allow Ultra Maritime (either through its employees or through an independent auditor) to access the Seller's accounts and records (including supporting documentation such as invoices and bank statements) in order to satisfy itself that neither the Seller nor its officers, employees or intermediaries have paid bribes or otherwise acted corruptly or dishonestly in connection with the provision by the Seller of services under this Order, during the term of this Order, provided that any such access shall be on not less than two (2) days' written notice at any time during normal business hours for the purposes of auditing or otherwise inspecting the accounts and records.
- c) The Seller shall afford to Ultra Maritime all reasonable assistance in the carrying out of any such audit. Ultra Maritime and its auditors shall ensure that any information obtained in the course of the audit concerning the Seller's business is treated as confidential information according to the provisions of Article 14 and not used for any purpose other than the proper conduct of the audit concerned.
- d) If Ultra Maritime has reasonable grounds to suspect that the Seller or any of its officers, employees or intermediaries has paid any bribes or otherwise acted corruptly or dishonestly in connection with the provision by the Seller of services under this Order, it may terminate this Order by reason of fundamental breach of contract by the Seller.

37. INDEPENDENT CONTRACTOR RELATIONSHIP

Ultra Maritime and the Seller are independent contracting parties and this Order does not create any agency, partnership, or joint venture relationship between Ultra Maritime and the Seller or between Ultra Maritime and the Seller's personnel for any purpose whatsoever, nor does this Order grant any power or authority to either party to accept on behalf of the other party any order or agreement, or to create any obligation on behalf of or in the name of the other party.

38. SURVIVAL

If this Order expires, is completed, or is terminated, the following provisions shall survive: Governing Law, Export Control, Warranties, Infringement Indemnity, Seller's Data, Property Rights, Proprietary Information, Duplication, and Disclosure, Publicity, Disputes, Insurance and Indemnity against Claims, Independent Contractor Relationship, Remedies, Waiver and Severability.

39. REMEDIES

The rights of Ultra Maritime under this Order shall be in addition to the rights and remedies at law or in equity.

40. OFFSETS

Any and all industrial participation, offset, or economic benefit credits resulting from this Order, including but not limited to Canadian Industrial and Technological Benefits (ITB) credits, shall be the sole property of Ultra Maritime to be applied to the offset or benefits program of its choice. The Seller agrees to provide all reasonable support, at no additional cost to Ultra Maritime, for any reporting, verification, or compliance requirements imposed by the applicable government authority, including but not limited to annual activities required by Innovation, Science and Economic Development (ISED) Canada.

41. WAIVER

Ultra Maritime's failure or delay to insist, in any one or more instances, upon the performance of any term or terms of this Order, or to exercise any right or remedy available hereunder, shall not be construed as a waiver or relinquishment of Ultra Maritime's right to such performance or the future performance of such term or terms, right, or remedy, and the Seller's obligation in respect thereto shall continue in full force and effect.

42. SEVERABILITY

Should any provision of this Order or application thereof be deemed invalid, illegal, unenforceable, then that provision shall be deemed severed from this Order and the remainder of this Order will remain valid, enforceable and in full force and effect. Ultra Maritime and the Seller shall negotiate in good faith in order to agree the terms of a mutually acceptable and satisfactory provision of like economic intent and effect.