

1. INTERPRETATION

- 1.1.1. The definition and rules of interpretation in this condition apply to all these conditions:
- 1.1.2. "Buyer" means SC Group or Supacat Limited;
- 1.1.3. "Buyer's premises" means the Buyer's premises at The Airfield, Dunkeswell, nr Horiton EX14 4LF;
- 1.1.4. "Goods" any goods or services agreed in the contract to be bought by the buyer from the Supplier.
- 1.1.5. "Intellectual Property" means all Background and Foreground IPR, including Knowhow, Copyright, methods and processes of any Buyer Proprietary Information.
- 1.1.6. "Order" Buyers written instruction to procure the goods including these conditions and a Purchase Order.
- 1.1.7. "Price" means the price in sterling for the Goods stated on the Order, which shall be deemed to be exclusive of VAT (if applicable) or any analogous sales tax, but including carriage, freight, postage and insurance costs. The price does not reflect discounts and other normal trade discounts;
- 1.1.8. "Seller" means the company, firm or person to whom an Order is sent by the Buyer
- 1.1.9. "Special Conditions" means such supplemental terms as specified at Appendix 1 of these Standard Terms and Conditions;
- 1.1.9. "Terms and Conditions" means the terms and conditions of purchase set out in this document.
- 1.2. To the extent of any conflict between these Terms and Conditions and any Special Conditions in writing, the Special Conditions will apply.
- 1.3. Reference to any Clause is to a clause of these Terms and Conditions.
- 1.4. Any reference in these Terms and Conditions to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

2. GENERAL

- 2.1. These Terms and Conditions shall apply to every purchase made or Order placed by the Buyer. No conduct other than express written acceptance by the Buyer shall be deemed to constitute acceptance of any additional terms or conditions put forward by the Seller.
- 2.2. No additions, alterations or substitutions to these Terms and Conditions shall be binding on the Buyer unless expressly accepted in writing by the Buyer.
- 2.3. In so far as not otherwise previously accepted by the Seller in accordance with these Terms and Conditions, the delivery of the Goods by the Seller to the Buyer's premises shall constitute acceptance of these Terms and Conditions.
- 2.4. Nothing in these Terms and Conditions shall prejudice any condition or warranty, expressed or implied, or any legal remedy to which the Buyer may be entitled in relation to the Goods or the Order, by virtue of any statute or custom or any general law or local law or regulation.
- 2.5. The seller is responsible for indicating all materials identified under COSHH, REACH and SVHC regulations by supplying the appropriate Safety Data Sheets (SDS) for these items.
- 2.6. No terms or conditions endorsed upon, delivered with or contained in the Suppliers Quotation, acknowledgement or acceptance of order, shall form part of the contract and the supplier waives any right it may otherwise have to rely on such terms and conditions.
- 2.7. All requirements of a contract may be subject to GQA. You will be notified of any GQA activity to be performed.

3. PRICE AND PAYMENT

- 3.1. The Seller shall produce to the Buyer a valid VAT invoice ("the Invoice") in respect of the Price. All prices shall include any levies, taxes and duties. The price of the goods stated in the order shall be exclusive of VAT but include all other charges and where the goods are services, shall be inclusive, but identified separately, any transport, accommodation or other expenses.
- 3.2. The Buyer shall pay the Price within 60 days from the end of the month in which the Invoice relating to the Goods delivered is dated or, if later, of acceptance of the Goods by the Buyer.
- 3.3. No variation of the Price shall be accepted without prior written consent of the Buyer.
- 3.4. Without prejudice to any other right, the buyer reserves the right to set off any amount due and payable at any time from it to the Supplier against any amount due and payable to the buyer under the contract.

4. DELIVERY

- 4.1. The Seller shall deliver the Goods to the Buyer's Premises, or to an alternative destination if required, on the date specified in the Order during normal business hours, unless previously arranged otherwise. In this respect, time shall be of the essence and the Buyer reserves the right to cancel, without notice, the whole or any part of the Order if the Seller fails to comply with this Clause for whatever reason.
- 4.2. In the event of cancellation by the Buyer in accordance with Clause 4.1:
- 4.2.1. all sums payable by the Buyer in relation to the part of or whole of the Order cancelled shall cease to be payable;
- 4.2.2. The Seller shall repay to the Buyer immediately all sums paid by the Buyer in relation to the part of or the whole of the Order cancelled; and
- 4.2.3. The Buyer shall be entitled to apply liquidated damages of 0.5% of the value of the deliverable daily up to the value 10% of the deliverable value for any late deliveries where the supplier has failed to apply and communicate reasonable mitigation measures to address the issue of late delivery. The Buyer will recover damages from the Seller in respect of any losses caused to the Buyer as a result of the Seller's continuous failure to perform and as a result of the cancellation of the Order in whole or in part. The supplier is not entitled to suspend deliveries without reasonable prior notice to the buyer as a result of any sums being outstanding.
- 4.3. Certificates of Conformity and/or full technical specification documentation will be provided with the Goods on delivery.
- 4.4. The Supplier shall ensure that each delivery is accompanied by a delivery note which shows, the order number, date of Order, number of packages, relevant certifications and reports. In the case of part delivery, the delivery note will show the outstanding balance or volume remaining to be delivered where applicable.

5. INSPECTION OF GOODS

- 5.1. The Buyer shall inspect the Goods in accordance with this Clause 5. If any of the Goods are not to specification, have sustained damage, lack relevant certifications, or there are any shortages in relation to the Order the Buyer shall notify the Seller of such shortages or faulty goods.
- 5.1.1. Goods will be inspected in accordance with the buyer's quality management system and/or manufacturer's specification, as indicated on the order.
- 5.2. In the event of notification by the Buyer in accordance with Clause 5.1 the following provisions shall have effect:
- 5.2.1. The Buyer shall be entitled to reject all faulty Goods not to specification or damaged, in which case:
- 5.2.1.1. The Seller shall be responsible for collecting the faulty Goods, at its own expense, from the Buyer's Premises;
- 5.2.1.2. The Buyer shall bear no liability whatsoever for any loss or further damage caused to the faulty Goods in the period from delivery to the Buyer's Premises to collection by the Seller;
- 5.2.1.3. All sums payable by the Buyer in respect of the faulty Goods shall cease to be payable;
- 5.2.1.4. The Seller shall repay to the Buyer all sums paid by the Buyer in respect of the faulty Goods; and
- 5.2.1.5. The Buyer shall be entitled to recover damages from the Seller in respect of any losses caused to the Buyer as a result of the Goods being faulty.
- 5.2.2. In relation to any shortages in the Order:
- 5.2.2.1. All sums payable by the Buyer in respect of those Goods which are missing shall cease to be payable;
- 5.2.2.2. The Seller shall credit the Buyer immediately all sums paid by the Buyer in respect of the missing Goods; and
- 5.2.2.3. The Buyer shall be entitled to recover damages from the Seller in respect of any losses caused to the Buyer as a result of the shortages in the order.
- 5.2.3. The Seller shall, on request by the Buyer, immediately replace the damaged Goods or complete the Order in relation to the shortages in it, at the Seller's own expense; and/or
- 5.2.4. The Buyer reserves the right to cancel, without notice, the whole or any unexecuted part of the Order, in which case the rights and remedies itemised in Clause 4.2 shall be available to the Buyer.
- 5.3. In the event that, on inspection in terms of Clause 5.1, there is found to be an excess of Goods in relation to the Order the Buyer shall be entitled, at its discretion, in respect of any such excess to:
- 5.3.1. Reject the excess Goods by notice in writing to the Seller, in which case:
- 5.3.1.1. The Seller shall be responsible for collecting the excess Goods, at its own expense from the Buyer's Premises;
- 5.3.1.2. The Buyer shall bear no liability whatsoever for any loss or damage caused to the excess Goods in the period from delivery to the Buyer's Premises to collection by the Seller; and
- 5.3.1.3. no sum shall be due to the Seller in relation to such excess Goods and in the event that sums are inadvertently paid to the Seller for the excess Goods, after notification in accordance with Clause 5.3.1, the Seller shall repay to the Buyer immediately all such sums;
- 5.3.2. Accept such excess Goods by notification of such acceptance to the Seller, in which case the Buyer shall pay to the Seller the price of such excess Goods in accordance with Clause 3.
- 5.3.3. Signature by the Buyer on any delivery note of the Seller is evidence only of the number of packages received. In particular, it is not evidence of the correct quantity of Goods received or that the Goods delivered are in good condition or of the correct quality or acceptance of the Goods.

6. PACKAGING

- 6.1. The Seller is required to clearly mark all returnable and re-useable packaging and containers with the return address.
- 6.2. Unless instructed by the buyer, the seller shall, without charge to the buyer, arrange collection of all Returnable packaging within 21 days of the date of delivery to the buyer's premises.
- 6.3. Packaging not collected within this time will be returned to the seller at the seller's expense or otherwise Disposed of.
- 6.4. It is the seller's responsibility to ensure all items are packaged in such a way to ensure that the optimum / minimum use of packaging materials is achieved without compromising its protective effectiveness.
- 6.5. The seller is responsible for indicating all packaging materials identified under COSHH, REACH and SVHC regulations by supplying the appropriate Safety Data Sheets (SDS) for these items.

7. PROPERTY

- 7.1 Property and risk in the Goods shall pass to the Buyer on formal acceptance of the Goods delivered in accordance with Clause 4.1 This Clause shall not affect the Buyer's right to reject the Goods in terms of Clause 5.

8 CONFIDENTIALITY AND THE BUYER'S PROPERTY

- 8.1 The Seller shall keep in strict confidence all know-how (technical, commercial or otherwise), specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Seller by the Buyer or its agents, and any other confidential information concerning the Buyer's business or its products which the Seller may obtain. The Seller shall restrict disclosure of such confidential material to such of its employees as need to know the same for the purpose of discharging the Seller's obligations to the Buyer.
- 8.2 All materials, equipment, tools, copyright, rights in designs and/or any other intellectual property rights in all drawings, specifications and/or data supplied by the Buyer to the Seller shall at all times be and remain the exclusive property of the Buyer.
- 8.3 The Seller agrees that any information, drawings, know-how, specifications, designs, concepts, techniques, developments, inventions, technologies, works, software and/or other work products generated or developed in the course of work performed under these Terms and Conditions by the Seller and any Intellectual Property and/or other proprietary rights therein or thereto shall vest in the Buyer.
- 8.4 The Seller agrees to assign or shall cause to be assigned to the Buyer all right, title and interest to any and all such items and rights as are described in clauses 8.2 and 8.3 above and agrees to promptly do everything necessary to perfect such rights and to protect the Buyer's interest therein.
- 8.5 The items described in Clauses 8.2 and 8.3 above shall be held by the Seller in safe custody at its own risk and maintained and kept in good condition by the Seller until provided to the Buyer, and shall not be disposed or used other than to fulfil an Order or otherwise in accordance with the Buyer's written instructions or authorisation. The Seller shall provide and or return all such material (including all copies) to the Buyer immediately on the Buyer's first written request.
- 8.6 This Clause 8 shall survive the termination of any contract incorporating these Terms and Conditions, howsoever arising

9 WARRANTY

- 9.1 The Seller warrants to the Buyer that the Goods and all of their components, where applicable, are of the nature, quality, substance, quantity and in accordance with the specification and description ordered by the Buyer.
- 9.2 The Seller warrants to the Buyer that as from the date of delivery for a period of 12 months or as otherwise agreed, the Goods and all of their components are free from any defects in design, workmanship, construction or materials.
- 9.3 In the event of a breach of the warranty contained in this Clause 8 by the Seller, the Buyer shall notify the Seller of such breach advising the Seller that it must within 14 days of such notification:
- 9.3.1 Repair any defective Goods, at the Seller's expense;
- 9.3.2 Replace any defective Goods, at the Seller's expense; or
- 9.3.3 Credit the Buyer for the Price applicable to the Goods to which the breach relates.
- 9.4 In the event that the Goods are repaired or replaced in terms of Clauses 9.3.1 or 9.3.2, the Seller warrants those repaired or replaced Goods for a further period of 12 months from the returned delivery date of the repaired or replaced item on the same terms as those which applied to the Goods originally supplied.
- 9.5 The Seller warrants to the Buyer that the Goods comply with all British and EU statutory and other Regulatory legal requirements applicable to such Goods.

10 INDEMNITY

- 10.1 The Seller shall keep the Buyer indemnified in full against all direct, indirect or consequential liabilities (all three of which terms include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss, damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by the Buyer as a result of or in connection with:
- 10.1.1 Defective workmanship, quality or materials;
- 10.1.2 An infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods; and
- 10.1.3 Any claim made against the Buyer in respect of any liability, loss, damage, injury, cost or expense sustained by the Buyer's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance under these Terms and Conditions by the Seller.
- 10.2 If any sum is due from or payable by the Seller as a result of operation of Clause 10, such sum may be deducted from any sum then due or to become due to the Seller under any order or transaction placed or entered into by the Buyer with the Seller.

11 LIABILITY AND REMEDIES

- 11.1 It is expressly understood that neither the Buyer nor the Seller are "consumers" (as defined in the Unfair Contract Terms Act 1977).

12 FORCE MAJEURE

- 12.1 If the performance of the Seller's obligations is delayed or hindered by circumstances outside the Seller's control amounting to a "force majeure event" (as defined in Clause 12.3), the following provisions shall apply:
- 12.1.1 The Seller shall as soon as reasonably practicable give the Buyer written notice giving full details of the reasons for delay and an estimate of its likely duration;
- 12.1.2 The Seller shall use its best endeavours to overcome the difficulties caused by the "force majeure event" and shall keep the Buyer informed of such endeavors; and
- 12.1.3 The Buyer shall have the option to terminate this contract if delivery is not made within a period of one month of the due date of delivery and the Seller shall reimburse the Buyer for all expenditure incurred as a result of the termination including any increase in the price of Goods purchased from a third party of similar quantity, quality and description to the Goods.
- 12.2 If due to a "force majeure event" there is a shortage of Goods of a type to be supplied under this contract resulting in there being less Goods delivered than were ordered by the Buyer, the Buyer may in its sole discretion accept such Goods and pay the relative proportion of the Price or reject such Goods and be entitled to an immediate refund of the price.
- 12.3 In this Clause "force majeure event" means events outside the Seller's reasonable control including, but not limited to, strikes, sit-ins, trade disputes, walkouts or any other actual or threatened industrial action, breakdown of plant, machinery or interruption of power supplies, fire, flood, war, civil war or intervention by governmental authority.

13 WAIVER

- 13.1 No failure by the Buyer to enforce any of the Terms and Conditions shall constitute a waiver of its rights hereunder.

14 AMENDMENT

- 14.1 The Terms and Conditions may be subject to amendment. The Buyer will provide 10 days' notice to the Seller and if the Seller does not confirm acceptance of the change within five days the Buyer will deem that acceptance has occurred

15 ASSIGNATION AND SUBCONTRACTING

- 15.1 The Seller shall not assign, sub-contract or transfer the Order or part thereof to any third party without the written consent of the Buyer. The Supplier shall remain responsible for the sub-contractors acceptance, delivery, quality and omissions.

16 OBSOLESCENCE

The Seller guarantees supply for all of the Products covered by this Purchase. If at any time during the supply of the Goods the continuity of supply becomes compromised or is affected by obsolescence, The Seller will advise the Buyer within forty five (45) calendar days or sooner, written notice of any issue in the continuity of supply and advise the Buyer of the prospective alternative supply for approval. The Buyer may, within thirty (30) calendar days following receipt of such notice, notify the Seller in writing of its intention to return any or all Products so discontinued or rendered obsolete which remain the inventory of the Buyer and the Buyer shall receive a credit for the Products equal to the price paid by for the same items provided on condition that the Products are returned within fifteen (15) calendar days to the seller.

17 GOVERNING LAW

- 17.1 The interpretation of these Terms and Conditions are subject to the laws of England and both the Buyer and the Seller shall submit to the exclusive jurisdiction of the English Courts except that the Buyer may be entitled to proceed in any jurisdiction where proceedings may be lawfully brought.

19. TRADE COMPLIANCE AND ITAR

The Seller shall abide by and be in full compliance with all applicable export control laws and regulations. No information or materials shall be transferred to the Buyer unless in full compliance with all applicable export control laws and regulations; Export Control Order 2008, International Arms and Traffic Regulations (ITAR) and any other country specific export regulation.

20. MODERN SLAVERY ACT 2015

In performing its obligations under the agreement, the Seller shall ensure that each of its Suppliers shall:

- (a) comply with all applicable laws, statutes, regulations in force from time to time including but not limited to the Modern Slavery Act 2015; and
- (b) take reasonable steps to ensure that there is no modern slavery or human trafficking in the Suppliers or subcontractors supply chains or in any part of their business

21. ANTI BRIBERY ACT

The Seller undertakes to abide by and comply with all applicable laws and regulations relating to anti-bribery and anti-corruption, including the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act 1977.

22. COMPLIANCE

The buyer will not tolerate bribery. Offering bribes to employees or representatives of the buyer will be treated seriously and may be reported to the appropriate authorities. The buyer complies with the Ethical Trading Initiative (further details can be found at www.Ethicaltrade.org) therefore should the buyer reasonably suspect that any supplier (or its subcontractors) fail to comply with the standards expected by the Ethical Trading Initiative it reserves the right to serve immediate notice of termination of contract.

SPECIAL CONDITIONS:

The following conditions are in addition to the Standard Terms and Conditions above.

BREXIT

If a Brexit Trigger Event occurs, [either party OR the impacted party] may:

- 1.1 require the other party to negotiate in good faith an amendment to this agreement to alleviate the Brexit Trigger Event; and
- 1.2 if no such amendment is made to this agreement within 30 days, terminate this agreement by giving the other party not less than 20 days and not more than 40 days written notice, then termination can apply under this clause.

A Brexit Trigger Event means any of the following events occurring [at any time after the UK ceases to be a Member State of the European Union]:

- 2.1 an adverse impact on a party's ability to perform the agreement in accordance with its terms and the law;
- 2.2 an increase in the costs incurred by a party in performing the agreement since the price for the for products or services was last agreed;
- 2.3 the price of the products or services under this agreement is at least 5% lower than the market value for similar products or services an impact on the Supplier;
- 2.4 the price of the products or services under this agreement exceeds the market value for similar products or services by at least 5% (an impact on the Customer).