



STANDARD TERMS AND CONDITIONS OF SALE Fifteenth Edition

1. GENERAL

- 1.1 Any form of Quotation howsoever made by CPI TMD Technologies Limited (hereafter "the Company") is, unless otherwise stated, subject to alteration or withdrawal by notice, in writing, to the Purchaser until any Contract arising from it (hereafter "the Contract") has been duly accepted in writing by both the Purchaser and the Company.
- 1.2 Any Quotation made, and each Contract accepted by the Company, shall be governed only by these General Conditions of Contract and any Special Conditions (collectively called 'Conditions') which Conditions shall apply to a Contract to the exclusion of all other conditions save such as may be implied by law and in any conflict between the Special and General Conditions, the Special Conditions shall take precedence. No variation of these Conditions shall apply except in so far as expressly agreed to, in writing, by the Company and the Purchaser. If the Purchaser's order contains or refers to other Conditions of Contract, then such other Conditions shall have no effect whatsoever other than by the Company's specific written agreement.
- 1.3 References to Contracts herein shall also cover Orders as appropriate.

2. ACCEPTANCE OF QUOTATIONS AND ORDERS

- 2.1 Quotations include only such goods, accessories and work as are specified therein and shall be valid for the period stated in the quotation. Where no such period is given, 30 days validity from quotation date shall apply.
- 2.2 No binding contract shall be deemed to have been affected by the Purchaser's acceptance of a quotation until his order has been accepted by the Company in writing.
- 2.3 The Purchaser's order shall be accompanied by sufficient information including any end user documentation to enable the Company to proceed with the order forthwith. If such information does not accompany the order, the Company shall at its sole discretion be entitled to return the order, or vary the price and delivery quoted to the extent rendered necessary by such omission and the Company shall not be in breach of contract arising from such insufficient information.
- 2.4 Any goods and/or services to be provided by the Purchaser shall be provided in due time according to the Contract or, if no time is specified, within a sufficient time to enable the work to proceed to programme and the Company shall not be in breach of contract associated with such late provision of goods and/or services.

3. ACCEPTANCE OF EQUIPMENT, GOODS AND SERVICES

Equipment, goods and services are deemed to be accepted by the Purchaser after a period of 14 days has elapsed from the date of delivery.

4. SPECIFICATIONS AND PERFORMANCE

- 4.1 All descriptions, statements, drawings and other particulars, however issued by, or on behalf of the Company, including those in non-English language format, are intended to provide a general indication of the goods described therein and the Company shall not be bound by any such descriptions, statements, drawings or other particulars contained in any documents issued by the Company unless expressly incorporated in the Contract.
- 4.2 The Purchaser warrants that equipment to be supplied by them, or a supplier nominated by them for, or in connection with the Contract, shall be sufficient and suitable for its purpose.

5. TESTS

The Company's products are inspected and submitted to the Company's standard tests. Additional tests, if required by the Purchaser or their customer, shall be charged as extras. If any tests are to be carried out in the presence of the Purchaser, providing the Company gives 7 days' notice of the place, time and date, then the Company shall be entitled to carry out such tests in their absence, the Purchaser being deemed to be present.



6. SERVICES

Where any part of the contract work is to be carried out on premises occupied or controlled by the Purchaser, the Purchaser shall provide at their cost, and ensure the availability and readiness of, all means of access to the site and equipment, labour, lifting gear, temporary platforms, piping and trucking, electrical and other power, and all other additional services required for the prompt execution of the contract work. Additionally, the Purchaser shall ensure that the Company, its employees, agents and sub-contractors are provided with a safe working environment which is at all times in accordance with the provisions of the applicable legislation as amended, and are advised of any specific rules applying to the site and any equipment to be used. The Purchaser shall indemnify the Company against any liability costs loss or damage incurred by the Company due to or arising from a breach of this condition.

7. DELIVERY

7.1 Any time stipulated for delivery shall not be of the essence of the Contract. Times quoted for dispatch or completion represent best estimates only and are not binding on the Company. The Company will however make every reasonable endeavour to meet delivery times.

7.2 The risk in goods which are the subject of any Order shall pass on delivery or, in the case of delivery by instalments, on delivery of each instalment, but the property in such goods shall not pass until the full purchase price thereof, including any interest due, value added tax, charges for packaging, storage and carriage or any other amount payable by the Purchaser hereunder, shall have been paid to the Company.

7.3 If delivery is ex-works, the Customer shall collect the goods within 7 days of receipt of notification that they are ready for dispatch and, in default, the Customer shall be charged and shall pay on demand, by way of addition to the Contract Price, such reasonable storage charges as the Company may determine.

7.4 Times for dispatch and completion shall be extended by the requisite periods if delay is caused by, or due to, any cause or event beyond the control of the Company. No damages will be paid by the Company arising from late delivery.

8. RISK

The risk in goods which are the subject of any Order shall pass on delivery or, in the case of delivery by instalments, on delivery of each instalment, but the property in such goods shall not pass until the full purchase price thereof, including but not limited to any interest due, value added tax, charges for packaging, storage and carriage or any other amount payable by the Purchaser hereunder, shall have been paid to the Company.

9. EXPORT ORDERS

9.1 Unless otherwise agreed, delivery shall be FCA CPI TMD (INCOTERMS® 2010) by the carrier or freight forwarder stipulated or agreed in the Order or Contract. If no such stipulation, or agreement has been made, the Company's selected choice of carrier or freight forwarder will be used. The responsibility of the Company shall cease immediately the goods are received by the carrier or freight forwarder.

9.2 The Company shall not be required to give notice relating to insurance mentioned in Section 32(3) of the Consumer Rights Act, 2015.

9.3 The Purchaser shall obtain all necessary Import Licences and shall indemnify the Company against any loss incurred in respect of goods shipped or landed without valid Import Licences.

9.4 Delivery is subject to any necessary Export Licences being granted, and the Purchaser shall afford the Company every assistance in obtaining such licences. The Company accepts no liability arising from delay or failure in the granting of such Licences.

9.5 Delivery times stated for export orders are from the time a valid Export Licence is obtained by the Company. When goods are ordered for export from a Purchaser's U.K. address or by their U.K. agent, then the Purchaser or their agent shall be responsible for obtaining the said Export Licences.

9.6 The Customer is responsible for complying with applicable UK export regulations, International Traffic in Arms Regulations (ITAR) and Export Administrative Regulations (EAR).

10. LIFE AND SUITABILITY

Unless specifically agreed otherwise, no condition is made or to be implied, nor is any warranty given or to be implied, as to the life or wear of the goods supplied, or that such goods shall be suitable for any particular purpose or for use under any specific conditions, notwithstanding that such purpose or conditions be known or made known to the Company. The Company accepts no responsibility for the failure of any of its products which are subjected to testing on the Purchaser's unproved equipment.

11. SHORTAGE OF DELIVERY, NON-DELIVERY OF GOODS AND DAMAGE

No claim of damage to, or shortage of delivery, or non-delivery of, goods shall be entertained unless, in the case of damage or shortage of delivery, a separate notice in writing is given to the carrier concerned and to the Company within



three working days of the receipt of goods, followed by a complete claim in writing within seven days of receipt of the goods; in the case of non-delivery, notice in writing is given to the carrier concerned and to the Company and a complete claim in writing made within fourteen days of the date of consignment.

Where goods are accepted from the carrier without being checked, the delivery book of the carrier must be signed "not examined". In respect of damage to goods, the Company's liability shall be limited to the replacement or repair of the goods within a reasonable time.

12. TERMS OF PAYMENT

- 12.1 Home Orders - Payment is due 30 days from date of invoice.
- 12.2 Export Orders – Unless otherwise agreed, Irrevocable confirmed letter of credit established in Sterling at a London bank, all costs to be paid by Purchaser, providing for payment at sight upon presentation of shipping documents. The opening of such letter of credit shall be a condition precedent to the Company's obligations under this Contract.
- 12.3 The Company reserves the right to claim interest and costs on overdue debt in accordance with current legislation

13. VALUE ADDED TAX

Prices stated in the Quotation are exclusive of current UK Value Added Tax, and current UK Value Added Tax shall if applicable be added to invoices at the appropriate rate.

14. PRICES

- 14.1 Prices refer only to such Equipment and Services as are specified in the Contract. They shall not be varied except as expressly provided in the Contract.

Import Duty shall be included in the prices for the equipment and services and can only be excluded when the Company receives written evidence that the Contract is Duty Free.

- 14.2 Should the Purchaser request, and the Company agree to, any variation to the Equipment, or of the Services the subject of the Contract, or to the terms and conditions subject to which the Equipment shall be supplied, or the Services shall be performed by the Company which may involve extra cost to the Company, or should the Company incur extra cost owing to suspension of the work by the Purchaser's instructions or lack of instructions or for any other cause for which the Company is not responsible, such extra cost may be charged by the Company and, if so charged, shall be paid for by the Purchaser.

15. DELAY AND SUSPENSION

In the event of the Purchaser's order being delayed, or work thereon being suspended at the Purchaser's instructions, or due to lack of instructions from the Purchaser, the Purchaser shall indemnify the Company against all loss, damage, cost, penalty or expense of whatever kind and howsoever arising directly from such delay or suspension.

16. FORCE MAJEURE

- 16.1 The Company shall not be liable for any delay in performance hereunder due to any reason whatsoever beyond the control of the Company and also, but without thereby limiting the generality of the foregoing war, invasion, act of foreign enemy, hostilities (whether war is declared or not), embargoes, acts of God, natural disasters, acts of government or equivalent authority, civil war, rebellion, civil strife, terrorism, strikes and/or industrial disputes. Performance of the Contract shall be deemed suspended during such delay and the time for completion shall be extended for a period corresponding to the effects of such delay.
- 16.2 The Company shall discuss with the Purchaser ways of completing performance of the Contract, and if the Contract becomes impossible to perform due to any of the events set out in Clause 16.1 above, the Company may terminate the Contract and in this event the Purchaser shall pay to the Company such portion of the Contract Price as is proportionate to the work done by the Company in, or towards, performance of the Contract, up to the date of such cancellation.

17. LIABILITY

- 17.1 If the Company, its agents or subcontractors are on site as provided in Clause 6, the Company shall indemnify the Purchaser in respect of any claim made against the Purchaser arising from work executed by the Company, its agents, or subcontractors for the Purchaser or use of the Equipment by the Purchaser causing:
- (i) Personal injury or death of any person whomsoever and
 - (ii) Any damages to or loss of property, real or personal in so far only as such death, personal injury, damage or loss is due to a negligent act of the Company, its agents or subcontractors.
- 17.2 The Company's liability hereunder (save in the case of death or personal injury caused by the Company's proven negligence) in respect of any one occurrence, or series of occurrences originating from one source, shall be the lower of GBP(£)1,000,000 or the Contract Price.
- 17.3 The Company shall not in any case be liable under this Contract for any consequential or indirect loss or damage



howsoever arising.

- 17.4 Save as set forth in this Clause, the Company shall not be liable to the Purchaser for any loss, damage, death or injury of any kind howsoever arising.

18. LIABILITIES UNDER WARRANTIES

A warranty is only valid when the product is properly used under normal conditions, within published ratings, and in accordance with the Operating Instructions. If a specific warranty is given, it shall form part of the Special Conditions of Contract and applies from the time of delivery from the Company's premises. If no specific conditions are agreed in writing, the Company's General Condition of Warranty (available on request) shall apply. The Company reserves the right to repair or replace products, or parts thereof, returned under warranty, or to give pro-rata credit for the difference between the warranted hours of operation and the hours recorded at failure if a product is agreed to suffer from defective material or workmanship. If a product returned under warranty is found upon test to perform satisfactorily to the agreed specification, then the Purchaser shall be liable for any cost incurred in investigating the alleged defect as well as the return shipping charges. The Company's decision on all matters relating to alleged defects shall be final. Any warranty or remedy provided as aforesaid shall be, except with respect to implied warranties as to title, in lieu of all other conditions and warranties expressed and implied including, but not limited to, any condition or warranty for fitness for particular purposes, merchantability or usefulness, and the remedy shall be the sole remedy available to the Purchaser.

19. PATENTS

The Company shall indemnify the Purchaser against all damages and costs awarded against the Purchaser by a court of competent jurisdiction in final judgement or in settlement for infringement of any patent, registered design, registered trade mark or copyright subsisting at the date of acceptance of the order in the United Kingdom, by the use or sale of such articles, but this indemnity shall not apply to any infringement which is due to the association or combination of such articles with any other article, apparatus or device not supplied by the Company. This indemnity is conditional upon the Purchaser giving to the Company prompt written notice of any claim for infringement, and permitting the Company (at its expense) to conduct any litigation or negotiations in respect thereof. The foregoing states the Company's entire liability for patent, design, trade mark and copyright infringement and the Company's liability for such infringement shall not exceed the total contract price. The Purchaser shall indemnify the Company in a like manner in respect of, and to the extent that, any infringement is due to departures from the Company's standard specifications, designs or methods resulting from any technical instructions of the Purchaser. The Company shall not be obliged to supply any articles which at any time it may consider give rise to an unacceptable risk of infringement, notwithstanding anything contained elsewhere in these conditions.

20. INTELLECTUAL PROPERTY RIGHTS

- 20.1 For the purposes of this Contract, "Intellectual Property Rights" means patents, trademarks, service marks, design rights, registered designs, applications for any of the foregoing, copyright, know-how, confidential information, software and firmware, trade or business names and other similar protected rights in any country.
- 20.2 The Company retains full ownership of all Intellectual Property Rights already made or evolved by it in preparing its quotation, or during the course of any work on any contract or order resulting therefrom.
- 20.3 The Intellectual Property Rights in all drawings, plans, designs, specifications, reports, manuals, handbooks and other documents supplied or disclosed to the Purchaser by or on behalf of the Company, and the property in the information contained therein, shall at all times remain vested in the Company, and the Purchaser shall neither disclose such documents or information to third parties, nor use them otherwise than for the operation and repair of the articles supplied under the contract, without the express written permission of the Company.

21. IPR AND LICENCE FOR SOFTWARE

- 21.1 Upon Delivery of the Equipment to the Purchaser, the Purchaser shall, under the terms of this Agreement, receive a perpetual licence to use the Software and Firmware subject to the restrictions herein.
- 21.2 The Purchaser's right to use the Software and Firmware is restricted to use of the Software and Firmware in conjunction with the Equipment or otherwise in support of use of the Equipment. The Purchaser shall make no attempt to modify or decompile the Software and Firmware. The Purchaser may assign its rights to use the Software and Firmware to another buyer of the Equipment, provided that any such buyer accepts the obligations imposed upon the Purchaser hereunder mutatis mutandis.
- 21.3 In the event that the Purchaser should sell the Equipment, including the software and Firmware, to a buyer without notice as to the above licence terms and restrictions, the Purchaser shall fully indemnify the Company against any loss, damage, injury or expense resulting from any such breach of obligation, and shall provide all reasonable assistance to the Company in protecting the Company's rights as owner of the Software and Firmware.

22. TERMINATION OF CONTRACT

- 22.1 Either party may terminate this contract by giving at least 30 days written notice to the other party if they:
- a) Commit a breach of this contract and in the case of a breach which is capable of remedy, they fail to remedy the breach within 14 days after being notified in writing, or



- b) Becomes insolvent, or has a liquidator, receiver, manager or administrative receiver appointed.
- c) Require termination for convenience at any time providing thirty (30) days written notice.

22.2 In the event of termination by the Purchaser in accordance with 22.1 above, the Purchaser will pay the Company for the upfront costs for the preparation of the contract plus the costs incurred in the course of the performance of the contract together with other unforeseen and unavoidable expenditures such as non-recurring engineering plus a reasonable level of profit. Title to the goods and material will pass upon payment by the Purchaser, less any payments already made to the Company.

22.3 Under no circumstances shall the Company be liable for indirect, special or punitive damages or loss arising from or in connection with this clause.

23. LEGAL CONSTRUCTION

23.1 The construction, validity and performance of this Contract shall be governed by the laws of England and any dispute arising shall be submitted to the jurisdiction of the English Courts.

23.2 If any part, term or provision of this Contract, not being of a fundamental nature, be held illegal or unenforceable, the validity or enforceability of the remainder of this Contract shall not be affected.

23.3 This Contract constitutes the complete and exclusive statement of the Contract between the Purchaser and the Company with respect to the supply of goods and services and other matters provided for herein.

Representations or statements not contained or referred to in this Contract shall not be binding upon the Company as a condition, warranty, representation or otherwise.

23.4 The waiver or modification by either party of any term or condition of this Contract shall not void, waive or modify any other terms or conditions. The failure of either party to insist, in any one or more instances, upon the performance of any Terms of this Contract shall not be construed as a waiver or relinquishment of that party's right to such performance or to future performance of such terms.

23.5 This Contract is personal to the Purchaser who shall not assign or part with any interest in it, or grant any right under it, without the prior written consent of the Company.

23.6 Headings have been included for convenience only and shall not be used in construing any provision herein.

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