

Clevedon and Clevtec
(divisions of Clevedon Fasteners Limited)
Terms and Conditions of Purchase

1. Definitions

1.1 "Agreement" means the agreement between Buyer and Vendor consisting of the Purchase Order, these Terms and Conditions of Purchase, any special terms and conditions of purchase agreed and signed by the parties and any other documents (or parts of them) specified in any of these documents.

1.2 "Associates" means, in relation to a party, its subsidiary undertakings, any parent undertaking and the subsidiary undertakings of such parent undertaking and any other companies or other legal entities in which any such companies hold a controlling interest from time to time.

1.3 "Buyer" means Clevedon Fasteners Ltd, trading as Clevedon or Clevtec as the case may be; the company placing the Purchase Order.

1.4 "Confidential Information" means information belonging to Buyer and/or any of its Associates, including, without limit, its business and financial information, research and development information (including, without limit, data, studies, protocols, study designs, test or study results, data analyses), strategies, operations, products, services, processes, techniques, technology (including, without limit, specimens, designs, drawings, photographs, software, equipment, programs), know how, trade secrets, customers, suppliers (including, without limit, any orders, agreements, communications, correspondence, specifications, estimates, calculations, models, forecasts), counterparties, the terms of the Agreement and the fact of its existence and any and all proprietary information in whatever form held and any ideas, methods, discoveries, inventions, concepts, or other related Intellectual Property Right (as defined below), received by or disclosed to Vendor or its representatives in any form or that results from Vendor's performance under the Agreement.

1.5 "Deliverables" means any deliverables resulting from Services.

1.6 "Goods" means any Goods specified in the Agreement.

1.7 "Intellectual Property Rights" means patents, trade marks whether registered or unregistered, registered designs and all applications for registration of any of them, copyrights or design rights, any moral right, any know how, any trade or business name, any right to bring an action for passing off or any right, whether subsisting now or in the future, which is similar or analogous to any of these in any part of the world.

1.8 "Purchase Order" means Buyer's Purchase Order.

1.9 "Services" means any Services specified in the Agreement.

1.10 "Vendor" means the person, firm or company to whom the Purchase Order is issued.

2. Terms and Conditions

2.1 All orders are made on these Terms and Conditions which override and exclude any other terms stipulated, incorporated or referred to by Vendor, whether in any quotation, acknowledgement of the Purchase Order, delivery note or invoice, or in any negotiations or any course of dealing established between Vendor and Buyer. No modification of these Terms and Conditions or any other provision of the Agreement shall be effective unless made by an express written agreement between the parties. If there is a conflict between these Terms and Conditions and the special terms set out in the Agreement, the order of priority shall be, as applicable: (1) the special terms set out in the Agreement, (2) the Purchase Order, and (3) these Terms and Conditions.

3. Warranties

3.1 All Goods and/or Deliverables manufactured or supplied shall be of the best quality, material and workmanship, without fault and accord in all respects with the specifications and drawings referred to in the Agreement and the patterns or samples (if any) supplied by the Buyer.

3.2 All Services shall be performed with all reasonable skill and care, consistent with the highest standards of the Vendor's industry and to the best of the Vendor's skill and ability.

3.3 All obligations under the Agreement shall be performed in accordance with applicable current and future laws and regulations. Vendor shall obtain any and all consents, authorisations, licences and releases necessary for the supply of Goods and Services.

3.4 Vendor shall not offer any person any gift, entertainment, payment, loan or gratuity or other advantage that may influence the award of a contract.

3.5 Vendor shall comply with the United Kingdom Bribery Act 2010, the Clevedon Fasteners Ltd Code of Conduct and Anti-Bribery Policy. Any breach of the Bribery Act 2010, the Code of Conduct and/or the Anti-Bribery Policy shall, without prejudice to any right or remedy the Buyer may have and shall give the Buyer the right to terminate the Agreement and/or the Purchase Order without any liability to the Vendor.

4. Inspection, Delivery, Warranty and Rejection

4.1 Vendor shall have adequate procedures in place to ensure compliance with the Agreement prior to delivery. Buyer's representatives shall have the right to inspect all Goods at Vendor's works and the works of permitted sub-contractors at all reasonable times and to reject Goods that do not comply with the Agreement. Any such inspection, checking, approval or acceptance given on behalf of Buyer shall not relieve Vendor and/or its sub-contractors from any obligation under the Agreement.

4.2 Vendor shall protect all Goods supplied from deterioration or contamination during transportation or storage. Vendor shall consult with Buyer on the most appropriate storage conditions for the Goods supplied.

4.3 The date of delivery of the Goods and/or Deliverables shall be specified in the Purchase Order (as amended, if applicable). The time for delivery is of the essence. Vendor shall ensure that all advice or delivery notes clearly state the Buyer's part number, order number and line number. Delivery shall only be deemed to have occurred when Goods and/or Deliverables have been delivered correctly documented,

complete (except where partial delivery is expressly agreed in advance) and in good and correct packaging at the address stated in the Purchase Order, as applicable. Unless otherwise agreed, title and risk in the Goods and/or Deliverables remain with the Vendor until they are delivered when risk and title to the Goods shall pass to the Buyer.

4.4 If delivery is delayed because of anything beyond the reasonable control of the Vendor and the Vendor immediately gives written notice to the Buyer giving full details of the reason for the delay, the Buyer may without liability, at its sole discretion, grant a reasonable extension of time or cancel the Agreement in whole or part and refuse to accept any subsequent delivery of Goods and/or Deliverables without prejudice to any other right or remedy which the Buyer may have.

4.5 If Goods and/or Deliverables are incorrectly delivered, Vendor is responsible for any additional expense incurred in delivering them to their correct destination. Buyer is not liable for any additional costs arising because of Vendor's failure to deliver to agreed due dates and/or failure to meet the specification in the Purchase Order.

4.6 If Goods and/or Deliverables delivered by Vendor do not conform in every respect with the Agreement (whether because of a different quality or quantity measurement to that required by the Agreement or because they are not of satisfactory quality or are unfit for the purpose for which they are required or otherwise) Buyer shall have the right to reject such Goods and/or Deliverables within a reasonable time of their delivery and

to purchase replacements elsewhere but without prejudice to any other right which Buyer may have against Vendor. Before exercising its right to purchase elsewhere, Buyer shall give Vendor a reasonable opportunity to repair, rework or replace rejected Goods and/or Deliverables with Goods and/or Deliverables which conform to the Agreement. Payment shall not prejudice Buyer's right of rejection. Rejected Goods or Deliverables must be credited immediately in full and repaired/reworked or replacement Goods or Deliverables may be invoiced upon redelivery.

4.7 All Goods and Services shall be supplied with a repair/rework or replace warranty for 12 months from putting into service or 18 months from delivery or performance (as applicable), whichever shall be the shorter, including without limitation, for any defects which occur due to Vendor's incorrect instructions as to use, incorrect use of data, inadequate or faulty materials or workmanship, any other breach of Vendor's obligations, express or implied or any failure to conform to the Agreement. Repaired/reworked and replacement Goods and/or Services shall also be subject to the warranty stated above for a period of 12 months from the date of delivery, reinstallation or passing of tests, whichever is relevant, after repair/rework or replacement. Such warranty is given without prejudice to any other right or remedy of Buyer.

4.8 Any Goods supplied in excess of orders are subject to rejection and, in such an event, will be returned at the Vendor's risk and expense.

5. Price and Terms of Payment

5.1 The price is stated in the Purchase Order, inclusive of packaging, packing, carriage, customs clearance, costs, duties and insurance, unless expressly agreed otherwise, and exclusive of VAT (or sales tax where applicable). If Vendor wishes to request a price increase, this must be set out in a written notice to the Buyer together with satisfactory documentary evidence justifying the increase, including a detailed cost breakdown. No price increases shall apply without Buyer's prior written agreement. No expenses are payable unless Buyer has given advance written approval thereof. All requests for reimbursement for expenses must be accompanied by documentation in a form and detail sufficient to satisfy the tax authorities' requirements on recognition of expenses for corporate tax purposes.

5.2 After Buyer has accepted the Goods and/or Deliverables, Vendor may invoice Buyer for the supply of Goods and/or Services as agreed with Buyer in the Purchase Order, setting out the Purchase Order number, actual number of hours worked, itemised reimbursable costs and any applicable VAT (or sales tax where applicable) as a separate line item on the invoice in accordance with the applicable tax legislation. Undisputed invoices shall be paid within 60 (sixty) days of [date of receipt of invoice] unless otherwise agreed in the Purchase Order. Vendor shall not withhold supplies for any reason without the Buyer's written agreement. Without prejudice to any other right or remedy, Buyer may set off any amount owing from Vendor to Buyer against any amount payable by Buyer to Vendor whether under the Agreement or any other contract between them.

5.3 If either party fails to make any payment under the Agreement on or before the due date, the party entitled to payment may charge interest at the rate of 4 per cent per annum above the base rate from time to time of the Bank of England on the outstanding amount from the due date until the date of payment (both before and after any court judgment). Such interest shall accrue on a daily basis and the parties agree that it is a substantial remedy and is in substitution for any statutory interest

and compensation arising out of late payment that may otherwise be applicable to the Agreement.

6. Variations

6.1 Buyer shall have the right, from time to time during the Agreement, to provide a written notice to Vendor to vary the quantities, delivery dates or destinations of the Goods and/or Deliverables and Vendor shall carry out such variations and be bound by the same terms and conditions, so far as applicable, as though these variations were stated in the Agreement.

6.2 Where Vendor receives any written notice of variation from Buyer which requires an amendment to the price, Vendor shall promptly give written notice to Buyer giving the amount of any such price amendment by applying the same level of pricing as that contained in Vendor's tender or quotation (as the case may be). If, in the opinion of Vendor, any such variation is likely to prevent Vendor from fulfilling any of its obligations under the Agreement, Vendor shall give written notice of this to Buyer and Buyer shall decide whether or not the variation shall be carried out and shall give written instructions to Vendor to proceed with the Agreement as varied. No variations shall have effect until Buyer gives such written instructions.

7. Indemnity

7.1 Vendor shall indemnify Buyer and its Associates against any costs (including legal costs on a full indemnity basis), charges, damages, penalties, interest and claims in relation to:

7.1.1 defective design, workmanship, quality or materials;

7.1.2 any actual or alleged infringement of Intellectual Property Rights by the use or supply of any Goods and/or Deliverables (except where the infringement is directly due to Vendor having followed a design or instruction provided to Vendor by Buyer or due to use of Goods and/or Deliverables in a manner or for a purpose prohibited by Vendor, or which is due to the use of Goods in association or combination with any other article or material not supplied by Vendor (unless Vendor is aware of such use));

7.1.3 any claim made against Buyer by Buyer's employees, agents or customers or any third party to the extent that this was caused by or arises from the supply of Goods and/or Services; and

7.1.4 any act or omission of the Vendor its employees, agents or sub-contractors in supplying, delivering and/or installing the Goods and/or any act or omission of the Vendor its employees, agents or sub-contractors in connection with the performance of the Services.

8. Ownership of Intellectual Property Rights

8.1 All Intellectual Property Rights created by Vendor specifically for the purposes of the Agreement are hereby assigned to and belong to Buyer and Vendor shall do all such things and execute all such documents as may be reasonably required by Buyer to ensure that all such Intellectual Property Rights are effectively assigned to Buyer. Vendor hereby assigns absolutely to Buyer all such Intellectual Property Rights as are capable of legal assignment by the Agreement Any Confidential Information and any Intellectual Property Rights in Confidential Information shall remain the property of Buyer and/or its Associates.

9. Tools and Drawings

9.1 All tools, equipment, patterns, drawings, specifications and documentation supplied by the Buyer to the Vendor shall remain the property of the Buyer together with all intellectual property rights of whatever nature therein and all such items shall be used solely for the purpose of the Agreement and returned to the Buyer forthwith on request or upon completion of the Agreement whichever is earlier. In the event

that the Vendor fails so to return such tools, equipment, patterns, drawings, specifications and documentation the Buyer is hereby irrevocably authorised without any requirement as to notice to enter upon the premises of the Vendor for the purpose only of recovering the said tools, equipment, patterns, drawings, specifications and descriptive matter.

9.2 Risk in such tools, equipment, patterns, drawings, specifications and documentation shall pass to the Vendor upon delivery of the same to the Vendor or collection by the Vendor and shall remain with the Vendor until the same are returned to the Buyer's premises or collected by the Buyer as the case may be. The Vendor shall indemnify the Buyer in full against any and all loss and/or damage of such tools, equipment, patterns, drawings, specifications and documentation and shall insure the same whilst at its risk.

10. Confidentiality

10.1 Vendor shall keep the Confidential Information confidential and not disclose to any third party, use or copy or otherwise reproduce the Confidential Information for any purpose except where necessary for the proper performance of the Agreement.

10.2 Vendor shall limit access to Confidential Information to only its officers and employees to the extent necessary for the proper performance of the Agreement and shall ensure that all such persons are subject to confidentiality obligations at least as restrictive as the provisions of this clause 10.

10.3 The confidentiality obligations in clauses 10.1 and 10.2 shall not apply to Confidential Information which:

10.3.1 is in or comes into the public domain, except as result of Vendor's breach of the Agreement;

10.3.2 Vendor can show was lawfully in its or its Associates' possession and was being used by it or its Associates or was recorded in its/their files before receipt from or on behalf of Buyer or its Associates and which is or becomes free from any restriction relating to its subsequent disclosure or use by Vendor;

10.3.3 Vendor can show was independently developed by Vendor without reference to any Confidential Information, as evidenced by Vendor's contemporaneous written records; or

10.3.4 is required to be disclosed by Vendor by applicable law or regulation or by any competent court, tribunal or governmental or regulatory authority, provided that subject to compliance with the law Vendor informs Buyer in advance of any such disclosure and co-operates with Buyer in limiting the scope of such disclosure to that so required.

10.4 Vendor will immediately on request by Buyer (but in any event upon the termination of the Agreement for any reason either return to Buyer or destroy or permanently erase all or any documents, materials or other media, in whatever form, containing, referring to or otherwise embodying Confidential Information, together with all copies, compilations and analysis of such Confidential Information made by Vendor.

10.5 To the extent that the parties have signed a separate non-disclosure agreement which relates to the same disclosures contemplated in relation to the Agreement, the obligations of confidentiality contained in the non-disclosure agreement shall be deemed to be continuing obligations of confidentiality in addition to the obligations contained in the Agreement. To the extent that there is a conflict between a non-disclosure agreement and the Agreement, the Agreement shall prevail.

11. Assignment and Sub-Contracting

11.1 Vendor shall not assign, transfer or sub-contract its rights and/or obligations under the Agreement or any of them, nor shall it assign, transfer or charge the benefit of any debt owed by Buyer to Vendor without Buyer's written consent. Vendor shall

be responsible for all work done and goods supplied by sub-contractors. Upon request, copies of sub-contracts and/or purchase orders shall be provided to Buyer.

12. Termination

12.1 The Buyer may at any time by written notice terminate the Agreement in whole or in part without compensation to the Vendor if any of the following events occur:

12.1.1 Vendor commits a breach of any of the terms of the Agreement;

12.1.2 a receiver, administrator, liquidator or trustee in bankruptcy is appointed over the Vendor, or if any analogous insolvency event occurs in any jurisdiction in which Vendor operates;

12.1.3 Vendor ceases or threatens to cease to carry on its business; or

12.1.4 control of more than 50% of the voting rights in the Vendor is transferred.

12.2 Any termination of the Agreement by the Buyer under this clause shall not prejudice or affect any right of action or remedy of the Buyer which shall have accrued or shall accrue after termination. Any provisions which are expressly or impliedly intended to be enforceable after termination (including without limitation clauses 7, 8, 9, 10, 11, and 13) shall continue to be enforceable.

13. General

13.1 Nothing in the Agreement shall be construed to create a partnership, joint venture, principal/agent or employer/employee relationship between Vendor and Buyer. The relationship of Vendor to Buyer will be one of independent contractor. Vendor shall not represent itself as being an employee of any company in the Buyer's group of companies or as having authority to obligate Buyer or any company in the Buyer's group of companies by contract or otherwise, or as being connected with or interested in the business of the Buyer's group of companies, whether directly or indirectly.

13.2 If any term or provision in the Agreement is held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of the Agreement but the enforceability of the remainder of the Agreement shall not be affected.

13.3 Buyer's failure to insist upon strict performance of any provision of the Agreement shall not be deemed to be a waiver thereof or of any right or remedy for breach of a like or different nature. Any waiver must be written and signed by the waiving party and will not be deemed a waiver of any subsequent breach or default.

13.4 Vendor shall not provide any company in Buyer's group of companies and/or any third party with any personal data (as defined in any applicable data protection legislation), unless Buyer gives its written agreement in advance.

13.5 Vendor shall maintain all records required in accordance with the applicable legislation and shall take reasonable and precautions to prevent damage, contamination, loss or alteration to such records.

13.6 Except as provided in the Agreement and except for an Associate of the Buyer who has an interest under the Agreement, any party who is not a party to the Agreement may not benefit from or enforce any clause of the Agreement, unless such rights are mandatory under the applicable legislation.

13.7 Any notice in connection with the Agreement must be set out in a written document in English. It shall be validly given with respect to each Party if delivered by hand, pre-paid recorded delivery post, by professional courier or by facsimile transmission (provided that a hard copy is delivered by hand or pre-paid recorded delivery post within 24 hours of transmission).

13.8 The Agreement and any claim or dispute arising out of or in connection with it (including non-contractual disputes and claims) shall be governed by and interpreted in accordance with English law and the parties irrevocably submit to the exclusive jurisdiction of the English Courts for all purposes in connection with the Agreement.

13.9 The Buyer shall be entitled to set off against the price any sums owed to the Buyer by the Vendor.

13.10 The Vendor shall insure and keep insured the Goods and/or Services for the period of the Agreement against all risk of loss or damage in a minimum sum of £10,000,000 on any one claim and with unlimited liability on the public liability policy. The Vendor shall produce the relevant policies and evidence of payment of premium from time to time upon request from the Buyer and shall require the insurance company to place an endorsement on the policy noting the Buyer's interest.

13.11 Where the Vendor requires access to the Buyer's premises for the purposes of installation of the Goods and/or performance of the Services the Buyer shall provide reasonable access and all services necessary to permit the Vendor to fulfil its obligations under the Agreement at mutually convenient times. The Vendor will commit no act or omission at the Buyer's premises which would render the Buyer liable to any person and the Vendor shall observe all regulations and provisions in force relating to the safety of persons using the Buyer's premises.

13.12 If the Vendor is a partner in an unincorporated partnership or an unincorporated sole trader, the Vendor's data will be transferred the Buyer's financiers for the purpose of providing finance. Their details are available upon request