

SHENTON GLOBAL LTD TERMS AND CONDITIONS OF PURCHASE (2017 Revision)

1. Definitions

In these terms and conditions of purchase all references to “Purchaser” are to Shenton Global Ltd trading as Shenton Group whose registered office and main place of business is at Shenton House, Walworth Road, Walworth Business Park, Andover SP10 5LH who is issuing the Purchase Order (“Order”) and all references to “Supplier” are to the person, company, firm or other body to whom the Order is issued. “Goods” means the goods specified in the Order and all parts or components of them and all work done by the Supplier as specified in the Order.

2. General

The Order is liable to cancellation unless accepted by the Supplier within 10 working days of the date of the Order. Acceptance of the Order constitutes a contract which is subject to these terms and conditions of purchase. No variation amendment of or addition to the Order by the Supplier shall form part of this contract unless otherwise expressly agreed by the Purchaser in writing.

3. Documentation

3.1 Packing Notes must accompany all Goods

3.2 Invoices must be issued in duplicate submitted to Shenton Group, Shenton House, Walworth Road, Walworth Business Park, Andover UK SP10 5LH

3.3 The Purchaser's Order number must be quoted by the Supplier on all invoices, advice notes, correspondence, packing lists, and containers.

4. Warranties

4.1 The Supplier expressly warrants that all Goods and services covered by the Order will be in exact accordance with such Order description or specification and free from defect in material and/or workmanship; and notwithstanding the foregoing warranty, all materials and articles covered by the Order shall be fit for the purpose and of satisfactory quality. Such warranties shall survive delivery and shall not be deemed waived either by reason of the acceptance of the said Goods or services or by payment for them. Any deviation from the Order or specifications furnished hereunder or any other acceptance or alteration must be approved in writing by the Purchaser.

4.2 All Goods and the performance of any services shall comply with all current and applicable legislation, regulations or other legal requirements.

4.3 It is a condition of the Order that the Goods supplied pursuant to the Order conform with the requirements of the electromagnetic compatibility directive and that the CE mark is applied to the Goods or packaging to indicate compliance.

4.4 It is a condition of the Order that the Supplier accepts all producer responsibilities for the Goods as defined by the Waste Electrical and Electronic Equipment Regulations 2006 together with any separate or supplemental implementation of the European Parliament and Council Directive on Waste Electrical and Electronic Equipment. All Goods must be appropriately marked and confirm with the WEE Regulations and all other relevant environmental legislation as at the date of supply.

4.5 All services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for the Purchaser to expect in all the circumstances.

4.6 The Supplier will at all times maintain insurance with a reputable insurance company against all insurable liability under this contract.

5. Indemnity

5.1 The Supplier shall indemnify the Purchaser in full against all liability, loss, damage, costs and expenses (including legal expenses consequential or economic loss) awarded against incurred or paid by the Purchaser as a result of or in connection with:

5.1.1 Breach of any warranty given by the Supplier in relation to the Goods or services;

5.1.2 Any claim that the Goods or services infringe, or their importation, use or re-sale, infringes the patent, copyright, design right, trademark or other intellectual property rights of any other person, except to the extent that the claim arises only because of the strict compliance by the Supplier with any specification supplied by the Purchaser;

5.1.3 Any liability under the Consumer Protection Act 1987 or similar equivalent or replacement legislation in respect of the Goods;

5.1.4 Any Act or omission of the Supplier or its employees, agents or sub-contractors in supplying or delivering the Goods or services.

5.2 The Supplier shall indemnify, defend and hold harmless the Purchaser in respect of any personal injury or death of any employee or sub-contractor of the Purchaser or damage to or loss of property of the Purchaser or its employees or sub-contractors howsoever caused in relation to the provision of services or the supply of Goods by the Supplier.

6. Rights of Third Parties

For the avoidance of doubt the provision of the Contracts (Rights of Third Parties Act 1990) shall not apply to any term or condition hereof and nothing contained in this contract shall confer on any third party any benefit or the right to enforce any term or condition of the contract.

7. Delivery

The time of delivery of Goods or the provision of services and the rate of deliveries requested by the Purchaser are of the essence of the Order and the Purchaser reserves the right of alteration or cancellation in the event of failure to deliver Goods or provide services at the specified time and rate, together with all consequential rights. The acceptance by the Purchaser of any quantity of Goods smaller than the specified instalment shall not constitute any waiver of right on the part of the Purchaser to cancel the balance of the Order. The Purchaser will deduct from the invoice amount any excess costs resulting from the Supplier's

disregard of the Purchaser's forwarding instructions if any. All deliveries must be carriage paid, unless prior agreement has been made in writing. The Supplier shall be responsible at all times for providing proof of delivery of Goods, originals of which proof may be requested by the Purchaser at any time and which the Supplier shall supply forthwith upon receipt of such request.

8. Packaging

The Purchaser will accept no responsibility or payment made in respect of containers, packing cases, packing materials, cable drums, pallets or stillages but every care will be taken to ensure their return, carriage forward. Returnable packing must be shown as such on all documents.

9. Assignment of Interest

9.1 The Order is placed on the condition that the Supplier shall not assign it or any interest therein, including any payment due or to become due with respect thereto without the Purchaser's prior written consent.

9.2 The Purchaser may assign, transfer or novate any of its rights and obligations under this contract and the Supplier shall at the Purchaser's request enter into an assignment, transfer or novation agreement with the Purchaser and such other party as the Purchaser shall specify.

10. Set-Off

The Purchaser shall be entitled at all times to set-off any amount owing from the Supplier to the Purchaser or any associated Company of the Purchaser against any amounts due or owing to the Supplier with respect to this Order.

11. Termination/rejection

11.1 If the Supplier defaults in any of its obligations under the contract, becomes insolvent, has a receiver appointed of its business or is compulsorily or voluntarily wound up or if the Purchaser bona fide believes that any of such events may occur the Purchaser shall be entitled, at its discretion without prejudice to any other remedy, to suspend the performance of or terminate the contract and in the event of termination to keep or take possession of any Goods or of any items belonging to the Supplier and to enter any premises of the Supplier for that purpose.

11.2 If any Goods or services do not conform to the Order on any grounds at all (including without limitation by reason of quality or being unfit for the purpose for which they are required) the Purchaser shall be entitled at its discretion without prejudice to any other remedy to exercise any one or more of the following rights:

reject the Goods or services in whole or in part;

permit the Supplier to replace, repair or reinstate the Goods so that they conform to the Order; and

carry out or have carried out at the Supplier's expense such work as is necessary to conform with the Order.

11.3 If the Purchaser terminates the contract the Supplier shall return to the Purchaser all payments made and if the Purchaser rejects any Goods or services the Supplier shall return all payments already made for the rejected Goods or services.

Where on termination the Purchaser elects to keep or take any Goods it shall account to the Supplier for them at a proportion of their price or their value to the Purchaser whichever is less but otherwise no compensation shall be payable to the Supplier on termination or rejection.

11.4 None of the demand for or the acceptance of payments under this contract or the failure by the Purchaser to enforce any of the terms or conditions of this contract at any time or for any period will release or exonerate or in any way affect the liability of the Supplier or be a waiver of: these terms or conditions the right of the Purchaser at any time afterwards to enforce each and every term and condition of this contract; or any penalty attached to their non-performance.

12. Price and Terms of Payment

12.1 The price of the Goods and the services shall be as stated in the Order and unless otherwise stated shall be:

12.1.1 exclusive of any applicable Value Added Tax; and

12.1.2 inclusive of all charges of packaging, packing, shipping, carriage, insurance and deliver and any duties or levies other than Value Added Tax.

12.2 No increase in the price may be made (whether on account of increased material, labour or transport costs, fluctuation in the rate of exchange or otherwise) without the prior consent of the Purchaser in writing.

12.3 Payment of the price shall be made 60 days from the last day in the month in which the Goods were received or the services were provided or the delivery of the Supplier's invoice if later.

12.4 Invoices received after the 7th day of the month following the month of supply of the Goods or services will be treated as though the supply was in the following month.

12.5 Unless otherwise agreed a separate invoice must be rendered for each individual consignment of Goods or performance of services and all invoices must quote the Purchaser's Order number.

13. Force Majeure

The Purchaser reserves the right to suspend acceptance of delivery of either Goods or services during any period in which the Purchaser's business may be disrupted by strikes, lock-outs or other incidents of whatever kind beyond the Purchasers control.

14. Designs and Intellectual Property

14.1 The trademarks used in relation to or relating to the Goods, and all patterns, designs, drawings and other documents prepared in connection with the Order or the contract or supplied to the Supplier and copyright and design rights and all other intellectual property rights in those documents shall belong to the Purchaser.

14.2 The Supplier shall use all drawings and documents only for the purposes of the contract and shall return them carriage paid to the Purchaser on the Purchaser's request at any time or if no request is made on completion of the contract.

14.3 The Supplier warrants that the sale of or licence and warranty of Goods or materials supplied pursuant to this Order will not infringe any United Kingdom or foreign patent, registered design, trademark, copyright, design right or other right generally and undertakes to indemnify the Purchaser's against all damages, costs and expenses and all judgements, decrees or orders arising out of any such infringements or alleged infringements, including all costs and expenses of and incidental to the defence of legal proceedings in connection therewith. Unless otherwise agreed in writing, all copyright and other intellectual property rights in the Goods arising from any services supplied by the Supplier to the Purchaser shall be the property of and are hereby assigned to the Purchaser on delivery.

14.4 Acceptance of the terms hereof shall be deemed an absolute assignment of all such rights in Goods or works arising from the services supplied by the Supplier to the Purchaser with full title guarantee and free from all charges liens and other incumbrances.

The Supplier hereby agrees at the Purchaser's cost to execute or complete any form of consents or agreements reasonably required by the Purchaser to formalise or enforce the rights granted herein;

14.5 Unless otherwise agreed in writing the Supplier hereby grants to the Purchaser and its associated companies an irrevocable royalty-free licence to use, copy or modify such Goods or works with right to sub-license those works to third parties for the purposes intended by the Purchaser and notified to the Supplier from time to time.

15. Confidential Information

15.1 The Supplier shall not at any time whether before or after the termination of this contract divulge or use any unpublished technical information deriving from or provided by the Purchaser or any other confidential information in relation to the Purchaser's affairs or business or method of carrying on business.

15.2 The Supplier shall during this contract and after its termination keep confidential and not (except as authorised or required for the purposes of this contract) use or disclose or attempt to use or disclose to any person any information supplied to the Purchaser by the Supplier for the purposes of this contract.

16. Passing of Title and Risk

16.1 Subject to clause 16.2 below title in all components and materials for the Goods and tools to be used exclusively in connection with the contract shall pass to the Purchaser as soon as they are allocated by the Supplier to the contract and in all documents of any kind including drawings, designs, test certificates of quality, parts lists and manuals as soon as they are prepared or obtained by the Supplier. The Supplier shall clearly mark and store all such items so that they can be identified as the property of the Purchaser make them available for inspection by the Purchaser at any time and comply with all instructions of the Purchaser with regard to them.

16.2 Notwithstanding the earlier passing of title, risk in the Goods shall not pass to the Purchaser until the physical delivery of the Goods in accordance with the Order.

17. Free issue materials

All materials (including without limitation any tools, drawings, patents, gauges, samples and specifications made available by the Purchaser to the Supplier in connection with the contract) shall be and remain the property of the Purchaser and the Supplier shall: keep those materials in good order and condition and be responsible for any loss of or damage to them use those materials only for the purposes of the contract; and return those materials carriage paid to the Purchaser on the Purchaser's request at any time or if no request is made on completion of the contract.

18. Inspection and testing

18.1 The Purchaser's representative and any representative of the Purchaser or sub-purchaser and any government department shall be entitled on the Purchaser's authority to inspect or test the Goods supplied pursuant to this contract at any reasonable time at the premises of the Supplier. The Supplier shall grant to the Purchaser a right of access to the premises (or any other premises of the Supplier) where the Goods are located for the purpose of undertaking such inspection or test or the Goods.

18.2 The Purchaser shall give adequate notice to the Supplier of all tests. No inspection or test or failure to inspect or test shall constitute acceptance of the Goods or affect any liability of the Supplier under the contract.

19. Notice

Any notice required or permitted to be given by either party to the other under these conditions shall be in writing, addressed to the other party at its registered office or principal place of business or such other address as may have been notified pursuant to this provision to the party giving the notice.

20. Joint and several liability

If the Supplier is more than one person each person has joint and several obligations under these terms and conditions.

21. Severance of conditions

If any of these terms and conditions or any portion of the same shall be held to be invalid or unenforceable in whole or in part under any enactment or rule of law, such term or condition or portion of the same shall to that extent only be deemed not to form part of these terms and conditions and the validity and enforceability of all the remaining terms and conditions shall not be affected.

22. Governing Law and Jurisdiction

This contract shall be governed and construed in accordance with the laws of England and Wales and any dispute arising hereunder shall be subject to the jurisdiction of and be determined by the English Courts.