

1. Interpretation

- 1.1 'Buyer' means VISION ENGINEERING LTD. or VISION ENGINEERING INC.
- 1.2 'Vendor' means the person, firm or company to whom the Purchase Order is issued.
- 1.3 'Goods' includes all goods (and, as the context requires, all services) covered by the Purchase Order.
- 1.4 'Purchase Order' means the Buyer's Purchase Order which specifies that these conditions apply to it.
- 1.5 'The Contract' means the contract between the Buyer and the Vendor consisting of the Purchase Order, these Terms, any other documents (or parts of them) specified in the Purchase Order and any other terms and conditions agreed in accordance with Clause 2 below.
- 1.6 'Contract Price' means the unit price of items supplied under the Contract.
- 1.7 'Terms' means these Terms and Conditions of Purchase.
- 1.8 'Intellectual Property Rights' means the following in any part of the world:
 - (a) Patents, trademarks, registered designs and all applications for registration of them;
 - (b) Copyrights or design rights;
 - (c) Any moral right;
 - (d) Any know how;
 - (e) Any trade or business name;
 - (f) Any right to bring an action for passing off;
or any right which is similar or analogous to any of the above.
- 1.9 References to the neuter include the masculine and feminine and to the singular include the plural and vice versa.
- 1.10 The headings do not affect the interpretation of these Terms.

2. Terms and Conditions

All orders by the Buyer are made on these Terms which override and exclude any other terms stipulated, incorporated or referred to by the Vendor, whether in any quotation, any acknowledgement of the Purchase Order or invoice, or in any negotiations or any course of dealing established between the Vendor and the Buyer. All Contracts hereafter made between the Vendor and the Buyer shall be deemed to be made subject to these Terms.

No modification of these Terms or any other Contract provision shall be effective unless made by an express written agreement between the parties. The signing by the Buyer of any of the Vendor's documentation shall not imply any modifications of these Terms.

3. Quality

All Goods 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 Purchase Order and the patterns or samples (if any) supplied by the Buyer. Services shall be performed in accordance with all best practice within the relevant industry and with all reasonable skill and care.

The Buyer reserves the right to visit the Vendor's premises and carry out an appraisal or audit of the Vendor's quality systems to verify the Vendor's ability to conform or actual conformance to its documented quality programme or the requirements of the latest international standards relating to quality management.

The Vendor may be required to submit a quality plan and/or initial sample inspection report for approval by the Buyer.

Where any government, EU or other regulatory authority prescribes safety or quality regulations with which any Goods supplied must comply, the Vendor shall ensure compliance with such regulations.

The Vendor warrants that it has all necessary licences and consents to carry out its obligations under the Contract.

4. Delivery Date

- 4.1 The date of delivery of the Goods shall be that specified in the Purchase Order or any revisions or amendments later made by the Buyer to the Purchase Order. The time for delivery is of the essence. The Vendor shall provide such programmes of manufacture and delivery as the Buyer may reasonably require and the Vendor shall give notice to the Buyer as soon as practicable if such programmes are or are likely to be delayed. Delivery shall only be deemed to have occurred when Goods have been delivered correctly documented and in good and correct packaging at the address stated in the Purchase Order.
- 4.2 Without prejudice to Clause 4.1 above, if such delivery is delayed through any cause beyond the reasonable control of the Vendor and if, immediately such cause arises, the Vendor notifies the Buyer in writing of the cause with reasonably full particulars, the Buyer may, at its sole discretion, grant a reasonable extension of time.
- 4.3 If delivery is not made on the due date or within an extension of time granted in accordance with Clause 4.2 above then the Buyer may cancel the Contract in whole or part and refuse to accept any subsequent delivery of Goods without prejudice to any other right or remedy which the Buyer may have.

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5. Incorrect Delivery

All Goods must be delivered at the delivery point specified in the Purchase Order. If Goods are incorrectly delivered, the Vendor is responsible for any additional expense incurred in delivery them to their correct destination.

6. Insurance, Passing of Property and Risk

The property, title to and risk in the Goods remain with the Vendor until they are delivered in accordance with Clause 4 above, whereupon title to the Goods passes to the Buyer. The Vendor shall maintain adequate insurance for the Goods whilst they remain at its risk.

7. Price and Terms of Payment

The Contract Price is as stated in the Purchase Order or other written agreement by the Buyer and is fixed (and includes the cost of packaging, insurance and the carriage of the Goods).

Claims for pricing increases must be submitted to the Buyer in writing giving reasonable notice and supported by adequate documentary evidence together with a detailed cost breakdown. No price increase shall apply without the Buyer's written agreement.

Unless previously agreed all prices include delivery to the Buyer. Value Added Tax, where applicable, shall be shown separately on all invoices as a strictly net extra charge.

Unless stated in the Purchase Order or otherwise agreed in writing the Vendor may not submit its invoice for the Goods until delivery has been validly made.

Unless otherwise stated in the Purchase Order, payment is due within 60 days of receipt of a valid and undisputed invoice by the Buyer. Time of payment is not of the essence.

The Vendor shall not withhold supplies for any reason without the Buyer's written agreement.

Without prejudice to any other right or remedy, the Buyer may set off any amount owing from the Vendor to the Buyer against any amount payable by the Buyer to the Vendor whether under this Contract or any other Contract between them.

8. Acceptance

If Goods delivered by the Vendor do not conform in every respect with the Contract (whether because of a different quality or quantity measurement to that required by the Contract or because they are not of satisfactory quality or are unfit for the purpose for which they are required or otherwise) the Buyer shall have the right to reject such Goods within a reasonable time of their delivery and to purchase replacements elsewhere but without prejudice to any other right which the Buyer may have against the Vendor. The making of payment shall not prejudice the Buyer's right of rejection. However, rejected Goods must be credited immediately in full and repaired or replacement Goods may be invoiced upon redelivery. Before exercising the said right to purchase elsewhere, the Buyer shall give the Vendor a reasonable opportunity to replace rejected Goods with Goods which conform to the Contract.

The Vendor shall ensure that all advice or delivery notes clearly state the Buyer's:-

- a. Part number.
- b. Quantity
- c. Order number.
- d. Line number.
- e. Part issue number/revision number.

The Buyer is not liable for any additional costs as a result of the Vendor's failure to deliver to agree due dates or failure to meet the specification in the Purchase Order.

The Vendor shall ensure that the component packaging is clearly identified with:-

- a. Part number
- b. Goods revision level (If applicable)
- c. Quantity per package

9. Variations

The Vendor shall not alter any of the Goods, except as directed in writing by the Buyer, but the Buyer shall have the right, from time to time during the Contract, by notice in writing to direct the Vendor to add or to omit, or otherwise vary, the Goods and the Vendor shall carry out such variations and shall carry out such variations and be bound by the these Terms, so far as applicable, as though the said variations were stated in the Contract.

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Where the Vendor receives any such direction from the Buyer which requires an amendment to the Contract Price, the Vendor shall promptly advise the Buyer in writing to that effect giving the amount of any such amendment and apply the same level of pricing as that contained in the Vendor's tender or quotation (as the case may be).

If, in the opinion of the Vendor, any such direction is likely to prevent the Vendor from fulfilling any of its obligations under the Contract, the Vendor shall so notify the Buyer and the Buyer shall decide as soon as possible whether or not the same shall be carried out and confirm its instructions in writing and modify the said obligations to such an extent as may be justified. Until the Buyer confirms its instructions they shall be deemed not to have been given.

10. Polymer and Plastic material:

Definitions:

Recycled Plastics – Those plastics composed of post-consumer material or recovered material only, or both, that may or may not have been subjected to additional processing steps of the types used to make products such as recycled-regrind, or reprocessed or reconstituted plastics.

Regrind – A non contaminated product or scrap such as sprues and runners that have been reclaimed by shredding and granulating for use in-house.

Reconstituted Plastic – A material made by chemical or thermal breakdown of plastic waste into components followed by their conversion into a final composition by chemical action.

Reprocessed Plastic – Regrind or recycled-regrind material that has been processed for reuse by extruding and forming into pellets or by other appropriate treatment.

Under no circumstances can the can polymer or plastic products being supplied to the Buyer be subject to the following processes, Recycled, Re-Grind, Reconstituted, or Reprocessed.

The Vendor of the material shall maintain records that facilitate tracing the identity of the material used in the moulding/fabrication of the parts from its receipt from the material supplier, through storage, handling, moulding, finishing operations, and shipping.

11. Indemnity

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

- (a) Defective workmanship, quality or material;
- (b) Any actual or alleged infringement of Intellectual Property Rights by the use or supply of any Goods (except where the infringement is directly due to the Vendor having followed a design or instruction provided to the Vendor by the Buyer); or
- (c) Any claim made against the Buyer for any liability, loss damage, injury, cost or expense sustained by the Buyer, the Buyer's employees, agents or customers or any third party to the extent that this was caused by or arises from the Goods.

12. Ownership of Intellectual Property Rights

All Intellectual Property Rights created by the Vendor specifically for the purposes of the Contract shall belong to the Buyer and the Vendor assigns absolutely to the Buyer all such Intellectual Property Rights and shall do all such things and execute all such documents as may be reasonably required by the Buyer to ensure that the Intellectual Property Rights are effectively assigned to the Buyer.

13. Progress and Inspection

The Buyer's representatives shall have the right to progress and inspect all Goods at the Vendor's works and the works of any permitted sub-contractors at all reasonable times and to reject any Goods that do not comply with the terms of the Contract. However, any inspection, checking, approval or acceptance given on behalf shall not relieve the Vendor or its sub-contractors from any obligation under the Contract.

14. The Buyer's Rights in Specifications, Plans, Drawings, Patterns etc. and Confidentiality

Any specifications, plans, drawings, patterns or designs supplied by the Buyer to the Vendor in connection with the Contract shall remain the property of the Buyer, and any information derived therefrom or otherwise communicated in connection with the Contract shall be regarded by the Vendor as secret and confidential and shall not, without the consent in writing of the Buyer, be published or disclosed to any third party, or made use of by the Vendor except for the purpose of implementing the Contract.

15. Responsibility for Information

The Vendor shall be responsible for any errors or omissions in any drawings, calculations, packing details or other particulars supplied by them, whether such information has been approved by the Buyer or not, provided that such errors or emissions are not due to inaccurate information provided in writing by the Buyer.

16. Assignment and Sub-Contracting

The Vendor shall not assign or sub-contract any of its rights or obligations under the Contract, nor shall it assign or charge the benefit of any debt owed by the Buyer to the Vendor without the Buyer's written consent. The Vendor shall be responsible for all work done and goods supplied by sub-contractors. The Buyer may assign any of its rights or obligations under the Contract.

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17. Copies of Sub-Contracts

Upon request, copies of all sub-contractor purchase orders and other contractual documentation between the Vendor and its sub-contracts relating to the Contract shall be made available to the Buyer.

18. Deterioration

The Vendor shall protect all Goods supplied against the Purchase Order that might deteriorate during transportation or storage. The Vendor shall notify the Buyer of the most appropriate storage conditions for the Goods supplied.

19. Free Issue Materials

Where the Buyer for the purposes of the Contract issues materials free of charge to the Vendor such materials shall be and remain the property of the Buyer. The materials shall be at the Vendor's own risk. The Vendor shall keep them in safe custody and separately identified from its own third party materials. The Vendor shall maintain all such materials in good order and condition subject, in the case of tooling, patterns and the like, to fair wear and tear. The Vendor shall use such materials solely in connection with the Contract. Any surplus materials shall be disposed of at the Buyer's discretion. Waste of such materials arising from bad workmanship or negligence of the Vendor shall be made good at the Vendor's expense, without prejudice to any other of the rights of the Buyer. The Vendor shall deliver up such materials whether further processed or not, to the Buyer on demand.

20. Warranty

The Vendor shall as soon as reasonably practicable and at the Buyer's option, repair or replace all Goods which are or become defective during the 12 months from putting into service or 18 months from delivery, whichever shall be the shorter including without limitation, defects which occur due to the Vendor's incorrect instructions as to use, incorrect use of data, inadequate or faulty materials or workmanship, any other breach of the Vendor's obligations, express or implied or any failure to conform with the Contract. Repaired and replacement Goods shall themselves be subject to the foregoing warranty for a period of 12 months from the date of delivery, reinstallation or passing of tests (if any) whichever is appropriate after repair or replacement. This warranty is given by the Vendor without prejudice to any right or remedy which shall have accrued or shall thereafter accrue to the Buyer.

21. Termination

The Buyer may at any time by notice in writing immediately terminate the Contract in whole or in part without compensation to the Vendor if any of the following events occur:-

- (a) The Vendor commits a breach of any of the terms of the Contract;
- (b) If the Vendor being an individual (or, where the Vendor is a firm, any partner of that firm) shall become bankrupt or shall have a receiving order or administration order made against him or shall make any arrangement with or for the benefit of his creditors or shall purport to do so (or suffers anything analogous in his jurisdiction);
- (c) If the Vendor being a company or other corporate body is insolvent or unable to pay its debts as they fall due or shall pass a resolution for winding-up, or a petition shall be presented to a court either for the appointment of an administrator or for the winding-up of the Vendor, or if a receiver or manager or administrative receiver shall be appointed, or if circumstances shall arise which entitle the court or creditor to appoint a receiver or manager or which entitle the court or creditor to appoint a receiver or manager or which entitle the court to make a winding-up order or appoint an administrator (or suffers anything analogous in its jurisdiction);
- (d) The Vendor ceases or threatens to cease to carry on its business; or
- (e) Control of more than 50% of the voting rights in the Vendor is transferred.

The Buyer reserves the right to terminate the Contract at any time by giving Seven days notice in writing, in which case you will immediately stop any production. Goods ready for delivery at the time of cancellation shall be delivered and paid for. Goods in the process of production at the Buyer's option may either be completed and delivered and paid for or alternatively reasonable compensation may be paid in respect of the cost of materials and labour involved in production up to the time of termination of the order.

Any termination of the Contract by the Buyer under this clause shall not prejudice or affect any right of action or remedy which shall accrue thereafter to the Buyer. Any provisions which are expressly or impliedly intended to be enforceable after termination (including without limitations Clauses 10,11,13,15 and 19) shall continue to be enforceable.

21. Remedies

Without prejudice to any other rights or remedies which the Buyer may have under the Conditions of this Contract or otherwise, if any Goods are not supplied in accordance with, or the Vendor fails to comply with, any of the Conditions of this Contract, the Buyer shall be entitled to avail itself of one or more of the following remedies at its discretion, whether or not any part of the Goods have been accepted by the Buyer:

to cancel the Contract in whole or in or in part and to recover any payments made by the Buyer under the Contract; to reject the Goods (in whole or in part) and return them to the Vendor at the risk and cost of the Vendor on the basis that a full refund for the Goods so returned shall be paid forthwith by the Vendor;

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- (a) at the Purchaser's option to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods or to supply replacement Goods and carry out any other necessary work to ensure that the Conditions of the Contract are fulfilled;
- (b) to refuse to accept any further deliveries of the Goods but without any liability to the Supplier;
- (c) to carry out at the Supplier's expense any work necessary to make the Goods comply with the Contract, including obtaining the Goods in substitution from another Supplier; and
- (d) to claim such damages as may have been sustained in consequence of the Supplier's breaches of the Contract.

22. General

- 21.1 No conditions submitted or referred to by the Vendor when tendering shall form part of the Contract unless otherwise agreed in writing by the Buyer.
- 21.2 If any term or provision in the Contract is held to be illegal or unenforceable, in whole or 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 Contract but the enforceability of the remainder of the Contract shall not be affected.
- 21.3 The Buyer's failure to insist upon strict performance of any provision of the Contract shall not be deemed to be a waiver thereof or of any right or remedy for breach of a like or different nature.
- 21.4 Any waiver by the Buyer of a breach or default by the Vendor will not be deemed a waiver of any subsequent breach or default.

23. Export and Delivery Requirements

23.1 Labelling and packaging

- (a) Immediately on dispatch of any consignment of Goods (unless otherwise agreed by the Buyer in writing, the Vendor shall send notification to the Buyer's UK Freight Forwarder and such notification shall specify the reference number of this Purchase Order, the date and port of dispatch, the means of transport, the intended port of arrival, the shipper name, the airwaybill number (if appropriate), the number of packages, the net, gross and tare weight of the Goods, the country of origin of the goods, including the commodity code and clearance instruction provided by the Buyer.
- (b) The Vendor shall ensure that each delivery is accompanied by a delivery note which shows the Purchase Order number, date of order, number of packages, the net, gross and tare weights of the goods and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.
- (c) The Vendor shall ensure that the Goods shall be packed and marked in a proper manner. The details of the contents shall be clearly marked on each container and all containers of hazardous materials shall bear prominent and adequate warnings in English and must be accompanied by emergency information in English, in the form of written instructions, labels or similar markings. Unless otherwise agreed, no packaging materials will be returned.
- (d) If Goods are delivered to the Buyer in excess of the quantities ordered the Buyer shall not be bound to pay for the excess and any excess will be, and will remain at, the Vendor's risk and will be returnable at the Vendor's expense.

24. Bribery Act Requirements

24.1 The Vendor shall in connection with this Contract:

- (a) comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 ;
- (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
- (c) comply with the Buyer's policies on bribery, as updated from time to time, Relevant Policies are held in the Buyers premises and our subsidiaries and are available upon request.
- (d) have its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements and will enforce them where appropriate;
- (e) promptly report to the Buyer any request or demand for any undue financial or other advantage of any kind received by the Vendor in connection with the performance of this agreement;
- (f) immediately notify the Buyer (in writing) if a foreign public official becomes an officer or employee of the Vendor or acquires a direct or indirect interest in the Vendor (and the Vendor warrants that it has no foreign public officials as officers, employees or direct or indirect owners at the date of this agreement); and
- (g) indemnify the Buyer against any breach of this clause 24.

24.2 The Vendor shall ensure that any person associated with the Vendor who is performing services or providing goods in connection with this agreement does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Vendor in this clause. The Vendor shall be responsible for the observance and

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performance by such persons of the Relevant Terms, and shall be directly liable to the Buyer for any breach by such persons of any of the Relevant Terms.

24.3 Breach of this clause 24 shall be deemed a material breach of these Terms.

25. Law and Jurisdiction

This Contract shall be governed by and construed in accordance with English law and the parties submit to the non-exclusive jurisdiction of the English courts.