

SERPECON LTD
TERMS OF PURCHASE FOR GOODS AND SERVICES (THE "CONDITIONS")

1. INTERPRETATION AND DEFINITIONS**1.1 In these Conditions:**

- (a) the singular includes the plural and vice versa.
- (b) words importing a gender include every gender and references to persons include an individual, company, corporation, firm or partnership.
- (c) references to any statutory provision shall include references to the same as from time to time amended, substituted or re-enacted and shall include any subordinate legislation.
- (d) headings are inserted for convenience only and shall not affect the interpretation of these Conditions; and
- (e) the words and phrases other, including and in particular shall not limit the generality of any preceding words.

1.2 In these Conditions, the following definitions apply:

Affiliate: means in relation to any entity, that entity and any entity Controlling, Controlled by, or under common Control with, the relevant entity.

Bespoke Deliverable: means any Deliverable created specifically for the purposes of the Contract.

Business Day: means any day (other than Saturday or Sunday) on which clearing banks are open for business in the City of London.

Confidential Information: means all information disclosed (whether in writing, verbally or otherwise and whether directly or indirectly) by one party to another party including, without limitation, the existence of the Contract and the transactions contemplated in it, any information relating to Goods and/or Services, operations, processes, plans or intentions, client information, product information, market opportunities and business affairs or those of clients or other contacts that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure.

Control: means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity and

Controlling and Controlled shall be construed accordingly.

Contract: means the contract between us and you for the sale of the Goods and/or the supply of the Services.

Deliverables: all documents, products and materials delivered or to be delivered by you or your agents, subcontractors and personnel as part of or in relation to the Goods and / or Services in any form, including without limitation computer programs, data, reports and specifications (including drafts) and Deliverable means any item of them.

Delivery: means delivery of an Order in accordance with Condition 4.1.

Delivery Location: means the delivery location stated in the Order or as otherwise instructed by us.

Force Majeure Event: means an event or circumstances preventing or delaying a party from performing all or any of its obligations under a Contract, which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of that party, including an act of God, war, riot, civil commotion, terrorist act, explosion, malicious damage, fire, flood or storm but excluding:

- (a) acts within the reasonable control of the relevant party (which shall include acts or omissions arising from failure to instigate reasonable preventative plans or steps); and
 - (b) industrial action strikes or lockouts in respect of the relevant parties' personnel.
- Goods:** means the goods (or any part of them) to be supplied pursuant to the Contract.
- Insolvency Event:** means:
- (a) any distress, execution or other process levied upon any of the assets of the relevant party.
 - (b) the other party suspends, or threatens to suspend, payment of its debts or is, or is deemed, unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986.
 - (c) the relevant party convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) other than a solvent liquidation for the purposes of reorganisation or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or

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any part thereof, or documents are filed with the court for the appointment of an administrator of the relevant party or notice of intention to appoint an administrator is given by the relevant party or its directors or by a qualifying floating charge holder, or a resolution is passed or a petition presented to any court for the winding up of the relevant party or for the granting of an administration order in respect of that party, or any proceedings are commenced relating to the insolvency or possible insolvency of that party; or

(d) any event occurs, or proceeding is taken, with respect to the relevant party in any jurisdiction in which that other party is incorporated, resides or carries on business that has an effect equivalent or similar to an event mentioned in (a) to (c) above.

Intellectual Property Rights means:

(a) patents (including rights in, and/or to, inventions);

(b) trademarks, service marks, trade names and business names (in each case including rights in goodwill attached thereto).

(c) design rights.

(d) rights in and/or to internet domain names and website addresses.

(e) copyright (including future copyright).

(f) database rights.

(g) rights in and to confidential information (including know how and trade secrets); and

(h) all other intellectual property rights, in each case subsisting at any time in any part of the world (whether registered or unregistered) and (i) any pending applications or rights to apply for registrations of any of these rights that are capable of registration in any country or jurisdiction and (ii) any similar or analogous rights to any of these rights, whether arising or granted under the laws of England & Wales or in any other jurisdiction.

Order: means our purchase order for the Goods and/or Services as set out in our purchase order form, or in our written acceptance of your quotation, as the case may be.

Product Recall: means Goods withdrawal, recall, stock recovery, suspension or warning.

Regulatory Requirements: means in relation to any jurisdiction where the Goods and/or Services are intended to be marketed and/or supplied and/or sold, all applicable laws, enactments, orders, regulations, code of practice, guidance and other instruments relating to the Goods and/or Services (including the design, manufacture, packaging, labelling, storage, handling, marketing, sale, import, export and/or Delivery of the Goods and/or supply of the Services) imposed by any governmental, regulatory or trade body from time to time.

Services: means the services (or any part of them) to be provided pursuant to the Contract.

Specification: means the requirements of the Goods and/or Services as set out in the Order or as otherwise agreed in writing by the parties (e.g. in a supplier framework agreement) and / or the technical specifications, warranty documentation and/or the documents detailing the requirements of the Goods and/or Services (including but not limited to any catalogue or sales literature) and, in the event of any inconsistency, any specification attached to the Order or agreed in writing by Serpecon and the Supplier shall take precedence over any catalogue or sales literature.

We, Serpecon: means the Serpecon Party entering into the relevant Order as the purchaser of Goods and/or

Services. Serpecon Operations Manual: the manual which sets out how you should transact business with us as made available to you from time to time.

Serpecon Party: means Serpecon Ltd and its Affiliates from time to time and/or any of them.

You: means the entity which supplies or is required to supply the Goods and/or Services, as specified in the Order.

2. CONTRACT FOR GOODS AND/OR SERVICES

2.1 These Conditions set out the terms and conditions under which you shall supply the Goods and/or Services to Serpecon for the benefit of itself and all Serpecon Parties from time to time. These Conditions apply to the Contract to the exclusion of any other terms that you seek to impose or incorporate in any invoice, delivery note or other similar document, or which are implied by trade, custom, practice or course of dealing. Each of these Conditions applies to the supply of both Goods and/or Services except where the application to one or the other is specified.

2.2 An Order constitutes an offer by Serpecon to purchase the Goods and/or Services in accordance with these Conditions. You shall be deemed to accept an Order, and a separate Contract shall come into existence, on the earlier of your written acceptance of the Order and your starting or continuing to fulfil the Order.

2.3 We may amend, vary or cancel any Order by written notice to you at any time without liability before the relevant part of the Order is fulfilled and you shall be deemed to accept any changes to an Order on receipt of such written notice.

3. SUPPLY OF GOODS AND/OR SERVICES

3.1 You warrant, undertake and represent that the Goods and any Deliverables:

- (a) will be sold to Serpecon with good title and free from any lien or encumbrance;
- (b) shall conform in all respects with any samples supplied to Serpecon and no such Goods shall vary from the sample unless expressly agreed in writing between Serpecon and you;
- (c) shall conform to their description, the Specification, and the quality, quantity, description and other particulars stated in the relevant Order or (in the absence of any applicable Specification) any specification which may be inferred from your description of the Goods;
- (d) shall be of satisfactory quality (within the meaning of the Sale of Goods Act 1979), fit for any purpose held out by you and any purpose expressly or impliedly made known to you by any Serpecon Party and each Serpecon Party relies on your skill and judgment in this respect; and
- (e) be free from defects (including latent defects) in design, materials and workmanship;

3.2 To the extent that you have designed or will design the Goods, you:

- (a) shall be responsible for the design of the Goods;
- (b) shall be responsible for the selection of components and materials in relation to the Goods;
- (c) shall exercise, and will continue to exercise, all reasonable skill, care and diligence to be expected of a competent professional designer who is experienced in carrying out such work for projects of a similar size, complexity and nature to the project for which the Goods are intended; and
- (d) warrant and undertake that the Goods will perform satisfactorily.

3.3 To the extent that you have manufactured or will manufacture the Goods, you:

- (a) shall manufacture the Goods using all reasonable skill and care in accordance with best industry practice;
- (b) confirm that you are approved to, and shall at all times comply with, ISO9001 and ISO14001 standards; and
- (c) shall ensure that the manufacture of the Goods shall comply with all relevant Regulatory Requirements including, without limitation, all applicable laws and regulations relating to your employees, their welfare, safety and working environment.

3.4 You warrant, undertake and represent that the Services:

- (a) will be delivered in accordance with the Specification and with all reasonable skill and care and the highest standards attained by companies offering services the same or comparable to the Services; and
- (b) will be carried out by suitably qualified and competent personnel.

3.5 You shall:

- (a) co-operate with Serpecon, and comply with our reasonable instructions;
- (b) observe, and ensure that your employees, consultants and subcontractors observe all health and safety rules and regulations and any security requirements applicable at any Serpecon Party's premises;
- (c) notify us as soon as you become aware of any health and safety hazards or issues which arise in relation to the Goods and/or Services;
- (d) obtain, and at all times maintain, all necessary permissions, authorisations, permits, licences and consents required under or in connection with its obligations in the relevant Contract;
- (e) comply with all relevant legislation and Regulatory Requirements in relation to the Contract;
- (f) supply the Goods and/or provide the Services at any site(s) and at the times specified by Serpecon;
- (g) only use equipment which is in good working order and fit for purpose and conforms to all relevant standards, or any reasonable Serpecon requirements;
- (h) ensure that the Goods and/or Services shall comply with all relevant Regulatory Requirements and shall (i) on request provide Serpecon with evidence of such compliance; and (ii) notify Serpecon immediately of any actual or suspected breach;
- (i) promptly provide any and all support as required by Serpecon, at no additional charge, in relation to any product issues and/or warranty claims which arise in connection with the Goods and/or Services.

3.6 You shall promptly notify Serpecon in writing of any changes to the design, manufacture or specification of the Goods.

4. DELIVERY

4.1 Unless otherwise agreed between Serpecon and you, delivery of an Order shall be completed when you unload those Goods comprised within an Order at the Delivery Location ("Delivery") at which point title and risk in the Goods shall pass to Serpecon (subject to title having passed to Serpecon earlier in accordance with Condition 4.12).

4.2 Unless stated to the contrary in any Order, Delivery of the Goods shall be delivery duty paid (DDP) to the Delivery Location in accordance with Incoterms 2010.

4.3 Time is of the essence in respect of deliveries of Goods and performance of Services. Such Delivery and performance shall be on the times and dates specified in the relevant Order and otherwise shall be made during normal business hours, or as instructed by Serpecon.

4.4 At any time prior to Delivery, Serpecon may inspect and test the Goods in accordance with Condition 10.3. If the inspection or testing indicates that the Goods do not, or are unlikely to, conform to the Contract, you shall rectify such non-conformity prior to Delivery. No inspection or testing by Serpecon shall constitute acceptance that the Goods meet the requirements of the Contract.

4.5 All Goods shall be securely packed free of charge. The Supplier shall submit full instructions for use and clear warnings with respect to anything which may reasonably be done or omitted to be done in relation to the Goods which could render them unsafe or unfit.

4.6 Serpecon may reject any Goods delivered which do not accord with the Contract and shall not be deemed to have accepted any Goods without reasonable time to inspect them following Delivery or, if later, within a reasonable time after latent defects in the Goods become apparent.

4.7 Goods may only be delivered by instalments as instructed by Serpecon, in which case the Contract will be treated as a single contract and not severable. If Goods are delivered to Serpecon in excess of the quantities ordered, we shall not be obliged to pay for the excess, which shall remain at the Supplier's risk (and title shall remain with you) and shall be returned at your cost.

4.8 Where it is agreed that the Goods are to be delivered by instalments, they may be invoiced and paid for separately. However, failure by you to deliver any one instalment on time or at all or any defect in an instalment shall entitle Serpecon to the remedies set out in Condition 5.

4.9 Where the Goods are to be imported into the UK, you shall obtain all export and import certificates, permissions and licences required.

4.10 You shall be responsible for any Goods and Serpecon Materials stored at your premises and, where such items belong to Serpecon, they shall at all times be kept separate and clearly identified as such. You shall ensure the security of, and preserve the quality of, any Goods and Serpecon Materials while in storage including, without limitation, by keeping them in clean and dry conditions.

4.11 Serpecon shall not be obliged to return any packaging material. However, the proper recovery/recycling of waste resulting from electrical and/or electronic Goods will be managed by you at no additional cost to Serpecon (other than the reasonable costs of transport).

4.12 If Serpecon resells the Goods prior to title passing, it shall do so in accordance with this Condition 4 and title to the Goods shall pass from you to Serpecon immediately before the time at which resale by Serpecon occurs. Serpecon may only resell the Goods before title has passed if such a sale is a sale of your property on Serpecon's own behalf as principal (not as your agent), made in Serpecon's ordinary course of business.

5. REMEDIES

5.1 If the Goods are not delivered or the Services not provided by the due date set out in the Order or as otherwise instructed by Serpecon, then, without limiting any other rights and remedies of any Serpecon Party, and whether or not it has accepted the Goods and/or the Services, Serpecon may (at its option) exercise any one or more of the following remedies:

- (a) terminate the Contract;
- (b) refuse any late Delivery of the Goods which you attempt to make; and / or
- (c) claim damages for any other costs, claims, loss, damages, liabilities and/or expenses incurred by Serpecon which are in any way attributable to your failure to carry out your obligations under the Contract (including but not limited to any costs incurred by Serpecon in obtaining substitute goods from a third party).

5.2 If the Goods are not supplied in accordance with, or the Services do not comply with the provisions of Condition 3 then, without limiting any other rights and remedies of any Serpecon Party, and whether or not it has accepted the Goods and/or the Services, Serpecon may (at its option) exercise any one or more of the following remedies:

- (a) terminate the Contract;
- (b) reject the Goods (in whole or in part) and return them to you at your own risk and expense;
- (c) require you to repair or replace the Goods free of charge or at Serpecon's option remove the Goods (including but not limited to making good any damage thereby caused) and refund the full price paid; and / or
- (d) remedy the problems with the Services at your cost; and/or
- (e) claim damages for any other costs, claims, loss, damages, liabilities and/or expenses incurred by Serpecon which are in any way attributable to your failure to carry out your obligations under the Contract (including but not limited to any costs incurred by Serpecon in obtaining substitute goods from a third party).

5.3 These Conditions shall apply to any repaired or replacement Goods or substituted or remedial Services supplied by you.

5.4 Serpecon's rights and remedies under these Conditions are in addition to any implied by statute and common law.

6. COMPLIANCE

6.1 If a Product Recall is required by relevant Regulatory Requirements or deemed appropriate by Serpecon, you shall (at your cost) promptly provide Serpecon with all necessary assistance to enable the Product Recall to be conducted with due urgency either by Serpecon or you. You will immediately notify Serpecon if you become aware of any facts or circumstances which could give rise to a Product Recall, (including, for the avoidance of doubt, any customer complaints you have received from your other customers in relation to goods which are substantially similar to the Goods).

6.2 You shall comply with the Serpecon Operations Manual and any and all policies and procedures of Serpecon which are relevant to the performance of the Contract as notified to you by Serpecon from time to time.

6.3 You shall comply with site rules including all health and safety rules and regulations and any other security requirements that apply at the premises where the Services are to be performed / the Delivery Location.

7. PRICE AND PAYMENT

7.1 The price for Goods and/or Services shall be as stated in the Order and exclusive of value added tax but inclusive of all other charges and costs.

7.2 On or after Delivery of the Goods in accordance with the Contract and/or the completion of the Services (or part of the Services as stated in the relevant Order or as otherwise agreed by Serpecon), the Supplier shall issue a commercial tax invoice or, if applicable, a zero-rated invoice issued by a VAT registered business covered by Intrastat in respect of such Goods and/or Services (each an "Invoice"). The Invoice shall be delivered to such address as Serpecon notifies from time to time and shall quote the Order reference and be in the form and contain such information as is required by Serpecon.

7.3 Serpecon shall pay all compliant and undisputed Invoices within 60 days (or such other period agreed by Serpecon in writing) from the end of the month in which the relevant Invoice was received.

7.4 If any sum under the Contract is not paid when due then it shall bear interest from the due date until payment is made in full, both before and after any judgment, at the then base rate of Lloyds Bank plc per annum.

7.5 We may, without prejudice to other rights or remedies of any Serpecon Party, set off any amount owed by you under any contract against any amount payable to you.

8. INTELLECTUAL PROPERTY

8.1 Except as expressly provided in this Condition 8, you will have no other rights whatsoever in respect of the Intellectual Property Rights of Serpecon.

8.2 Serpecon shall license its Intellectual Property Rights to you solely for the purpose of you performing, and to the extent necessary for you to perform, your obligations under the Contract. This licence is not transferable or sub-licensable without the prior written consent of Serpecon, and shall terminate automatically on expiry or termination of the Contract.

8.3 All Serpecon Parties' trademarks and other Intellectual Property Rights shall remain the absolute property of the relevant Serpecon Party. Any benefit or goodwill derived by or arising out of the use of such trademarks or other Intellectual Property Rights shall accrue to the relevant Serpecon Party. You shall, at the request of Serpecon at any time, undertake such acts and execute any documents reasonably required by Serpecon to vest such property (including any and all such benefit and goodwill) in Serpecon or the relevant Serpecon Party (as directed by Serpecon).

8.4 In respect of the Goods and / or Deliverables that are to be transferred you warrant that you have full, clear and unencumbered title to the Goods and / or Deliverables and that at the date of delivery to Serpecon, you will have full and unrestricted rights to sell and transfer the Goods and / or Deliverables to Serpecon in accordance with the Contract.

8.5 In respect of the Deliverables that are to be licensed to Serpecon under the Contract, you warrant that you have appropriate consent and permissions to license all such Deliverables in accordance with the Contract, and that at the date of delivery to Serpecon, you will have full and unrestricted rights to license all such Deliverables to Serpecon in accordance with the Contract.

8.6 You hereby grant to Serpecon, with effect from the date of delivery, an irrevocable, non-exclusive, world-wide, royalty-free and sub-licensable licence to use the Deliverables (not being Bespoke Deliverables) and perform any act in relation to such Deliverables which would, in the absence of a licence constitute infringement or unauthorised use of any Intellectual Property Rights.

8.7 If any item used by you or on your behalf in the performance of a Contract becomes, or is likely to become, the subject of an infringement or misappropriation claim or proceeding, you shall, in addition to the other rights Serpecon may have under this Contract, promptly at your expense: (a) secure the right for you and/or Serpecon to continue using the item in accordance with this Contract; or (b) subject to Serpecon giving its written consent, replace or modify the item to make it non-infringing, provided that any such replacement or modification shall not degrade the performance, functionality or quality of the affected item.

8.8 You hereby assign to Serpecon, with full title guarantee and free from all charges, encumbrances and third-party rights, all Intellectual Property Rights in the Bespoke Deliverables and/or arising as a result of the performance of the Contract. You acknowledge and agree that all such Intellectual Property Rights shall belong to Serpecon and you shall do and execute, or arrange for the doing and executing of, any other act and document reasonably requested of you by Serpecon to vest ownership in all such Intellectual Property Rights in Serpecon free from all charges, encumbrances and third-party rights.

9. INSURANCE, LIABILITY AND INDEMNITY

9.1 You shall maintain in force, with a reputable insurance company, adequate professional indemnity insurance, product liability insurance and public liability insurance to cover such liability as may arise under or in connection with the Contract having regard to your obligations under the Contract, and shall, on Serpecon's request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

9.2 You shall indemnify and hold harmless each Serpecon Party against all loss, damages, claims and expenses which it may directly or indirectly suffer or incur at any time ("Loss") arising from or relating to:

- (a) any defect in the design, quality or workmanship of the Goods;
- (b) any claim that the Goods and/or Services and/or Deliverables, or the use or possession or resale of, or any other dealings in, the same by Serpecon and/or any of its Affiliates and/or any third party infringes a third party's Intellectual Property Rights or other rights;
- (c) any wilful abandonment or fraudulent or dishonest act or omission by you;
- (d) any third-party claim made for Loss sustained due to your negligence or breach of the Contract;
- (e) any Product Recall; or
- (f) any breach of the Contract (including, for the avoidance of doubt, any failure to comply with the terms of the Serpecon Operations Manual or any requirements set out in the Order or Specification).

9.3 Nothing in these Conditions shall limit or exclude either party's liability for:

- (a) death or personal injury resulting from negligence;
 - (b) fraud or fraudulent misrepresentation;
 - (c) breach of the terms implied by section 12 of the Sale of Goods Act 1979 and/or section 2 of the Supply of Goods and Services Act 1982;
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- (d) defective products that arises under the Consumer Protection Act 1987 and/or the General Product Safety Regulations 2005;
- (e) the indemnity contained in Conditions 9.2 and 15.4.

10. INFORMATION, AUDIT RIGHTS AND INSPECTIONS

10.1 You shall, at your own cost, provide Serpecon and Serpecon's employees with such technical and after-sales support, instructions, training, product information sheets, product safety sheets, operational manuals, user guides and such other information as Serpecon may reasonably require in order to ensure the safe and efficient handling, use and maintenance of the Goods by Serpecon's employees and customers. You warrant that the information provided is accurate.

10.2 You shall maintain full, true and accurate copies of all records (whether in a physical or electronic form) documenting the performance of your obligations under the Contract until seven (7) years following the Contract or until such time as required by applicable laws and regulations. You shall at all times ensure that Serpecon and its personnel are allowed full access to all information, property, records and/or materials relevant to the performance of any Contract.

10.3 You will permit Serpecon and Serpecon's employees and/or agents access to premises from where the Goods are being manufactured or supplied or where data or information relevant to the Goods is held upon reasonable notice for the purpose of inspecting, auditing, verifying, monitoring and/or testing the manner and performance of your obligations under the Contract and you shall allow Serpecon to take copies of or extracts from such books and records following any request from Serpecon.

10.4 You will fully investigate any customer complaints which we notify to you and will provide Serpecon with a report into the complaint (in a form reasonably satisfactory to Serpecon) as follows:

- (a) in relation to a customer complaint which relates to a safety issue, within 5 Business Days of request; and
- (b) in relation to any other customer complaints, within 15 Business Days of request.

11. SERPECON MATERIALS

11.1 You acknowledge that all materials, equipment, tooling, drawings, specifications and data supplied by Serpecon to you ("Serpecon Materials") and all rights in Serpecon Materials belong to Serpecon and are to be utilised exclusively for the production and sale of Goods and/or Deliverables for Serpecon. You will be responsible for proper maintenance and storage of the Serpecon Materials, maintaining them in good condition until returned to Serpecon, and not dispose or use the same other than in accordance with Serpecon's written instructions or authorisation.

12. CONFIDENTIALITY

12.1 Each party agrees and undertakes that it will treat all Confidential Information disclosed to it by the other party in connection with any Contract as strictly confidential and shall use it solely for the purpose contemplated by the relevant Contract and shall not without the prior consent of the other party, publish or otherwise disclose to any third party any such Confidential Information except for the purposes contemplated by the relevant Contract.

12.2 The obligations of confidentiality set out in this Condition 12 shall not apply to any information or matter which:

- (a) is in the public domain other than as a result of a breach of these Conditions;
- (b) was in the possession of the receiving party prior to the date of receipt from the disclosing party or was rightfully acquired by the receiving party from other sources;
- (c) is required to be disclosed by law, by a competent court or body, the rules of any stock exchange or
- (d) was independently developed without reference to the Confidential Information.

13. TERMINATION

13.1 Serpecon may, without prejudice to any other rights and remedies of any Serpecon Party, terminate the Contract at any time with immediate effect by written notice to you if you:

- (a) commit a material breach of any term of the Contract which is irremediable or if remediable is not remedied within 10 Business Days after being notified in writing to do so;
 - (b) suffer an Insolvency Event;
 - (c) suspend or cease, or threaten to suspend or cease, to carry on all or a substantial part of your business;
 - (d) suffer a change of Control; or
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(e) do not comply with Your obligations under Condition 15, Condition 16 and/or Condition 17.

13.2 Termination of any Contract shall be without prejudice to any other rights which any Serpecon Party may have under that Contract and without prejudice to any rights and liabilities which any Serpecon Party may have accrued prior to the date on which termination takes effect.

13.3 The provisions of Conditions 1, 3, 4, 5, 6, 8 - 13, 15 - 20 shall survive termination of any Contract.

13.4 On termination of the Contract(s) for any reason, you shall immediately deliver to Serpecon:

(a) all materials and all copies of data and information provided by Serpecon to you for the purposes of the Contract; and

(b) all specifications, programs (including source codes) and other documentation existing at the date of such termination, whether or not then complete. All Intellectual Property Rights in such materials shall automatically pass to Serpecon, who shall be entitled to enter your premises to take possession of them.

14. FORCE MAJEURE

Neither party shall be liable to the other for any delay or failure in performing its obligations under the Contract to the extent caused by a Force Majeure Event provided that party uses all reasonable endeavours to cure any such events or circumstances and resume performance under the Contract. If any events or circumstances prevent you from carrying out your obligations under the Contract for a continuous period of more than 10 Business Days, Serpecon may (without prejudice to any other rights and remedies of any Serpecon Party) terminate this Contract immediately by giving written notice to you.

15. DATA PROTECTION

For the purposes of this Condition 15 the following definitions apply:

Personal Information means Personal Data which is provided or otherwise made available to you by or on behalf of the relevant Serpecon Party in connection with these Conditions

Processing has the meaning given under the Regulation (and Process, Processed and Processes shall be construed accordingly)

Controller, Processor, Personal Data and Data Subject have the meanings given under the Regulation.

Data Privacy Laws means all laws that relate to data protection, privacy, the use of information relating to individuals, and/or the information rights of individuals including, without limitation, the Data Protection Act 2018, the Directive and the Regulation, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all laws implementing them, in each case as may be replaced, extended or amended, as well as all applicable formal or informal guidance, rules, requirements, directions, guidelines, recommendations, advice, codes of practice, policies, measures or publications of the Information Commissioner's Office, other relevant regulator, and/or relevant industry body, in each case in any relevant jurisdiction(s)

Directive means the European Commission Directive 95/46/EC with respect to the processing of Personal Data;

Personal Data Breach has the meaning given under the Regulation.

Regulation means the General Data Protection Regulation (EU) 2016/679.

15.1 For the purposes of this Agreement, the parties acknowledge that the relevant Serpecon Party shall be the Controller and you shall be the Processor to the extent that Personal Information is Processed in connection with the Contract.

15.2 In respect of any Processing of Personal Information that you undertake for and on behalf of any Serpecon Party in accordance with the Contract, you shall:

(a) Process such Personal Information only (i) for the purpose of performing your obligations under this Agreement and as set out in the register maintained pursuant to Condition 15.2(b); (ii) for such other purposes as may be instructed by Serpecon or agreed with you as otherwise notified in writing from time to time; (iii) and in accordance with the Data Privacy Laws;

(b) Maintain a data processing register which shall include (i) the subject matter and duration of the Processing, (ii) the nature and purpose of the Processing; (iii) the type of Personal Data and categories of Data Subjects;

(c) Implement appropriate technical and organisational measures to protect the Personal Information against unauthorised or unlawful Processing and against accidental loss, destruction, damage, alteration or disclosure in accordance with Data Privacy Laws;

- (d) not otherwise modify, amend, remove or alter the contents of the Personal Information or disclose or permit the disclosure of any of the Personal Information to any third party without the prior written authorisation of Serpecon;
- (e) maintain up to date records of your processing activities performed on behalf of the Serpecon which shall include the categories of processing activities performed, information on cross border data transfers and a general description of security measures implemented in respect of the Personal Information;
- (f) keep the Personal Information separate from any data that you Process on behalf of any other third party (including but not limited to business continuity measures and processes for regularly testing, assessing and evaluating the effectiveness of such security measures);
- (g) unless otherwise required by Data Privacy Laws, you shall return or delete, at Serpecon's sole discretion, all Personal Information upon the termination of the processing activities carried out under this Agreement, and promptly provide Serpecon with a confirmation in writing that you have done so;
- (h) ensure that only those personnel who need to have access to the Personal Information are granted access to such Personal Information (and only for the purposes of the performance of this Agreement) and that all of the personnel required to access the Personal Information are reliable and have been informed of the confidential nature of the Personal Information and comply with the obligations set out in this Condition 15;
- (i) not appoint a third party or sub-processor without the prior written consent of Serpecon, which consent may be withheld at Serpecon's absolute discretion or given subject to conditions, and ensure a written agreement is entered into with the relevant sub-third party or contractor which imposes the same obligations on the third party or subcontractor as are imposed on you in this Condition 15;
- (j) not transfer Personal Information to a country or territory outside the European Economic Area except with the prior written consent of Serpecon;
- (k) immediately notify Serpecon if you receive: (i) a request from a Data Subject to access that Data Subject's Personal Data; or (ii) a complaint or request relating to the Data Privacy Laws;
- (l) immediately notify Serpecon in the event you become aware of any Personal Data Breach or any other breach of the Data Privacy Laws; and
- (m) permit without charge reasonable access by Serpecon to all records, files, tapes, computer systems, or any other information howsoever held by you in respect of your activities pursuant to the Contract for the purposes of reviewing compliance with the Data Privacy Laws.

15.3 You shall remain liable for any Processing carried out by any third party or sub-processor appointed by you.

15.4 You shall indemnify and keep indemnified and defend at your own expense each Serpecon Party against all costs, claims, damages and expenses incurred by such Serpecon Party or for which that Serpecon Party may become liable due to any failure by you or your employees or agents to comply with any of your obligations under this Condition 15.

15.5 The provisions of this Condition 15 shall apply during the continuance of the Contract and indefinitely after its expiry or termination.

16. ANTI-BRIBERY AND CORRUPTION

You shall:

16.1 comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption including the Bribery Act 2010;

16.2 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 United Kingdom;

16.3 have and shall maintain in place its own policies and procedures, including Adequate Procedures (as defined by the Bribery Act 2010), to ensure compliance with such legislation;

and 16.4 promptly report to Serpecon any request or demand for any undue financial or other advantage of any kind received by you in connection with the performance of the Contract.

17. MODERN SLAVERY

For the purposes of this Condition 17, the phrase Slavery and Human Trafficking shall have the meaning given to it in Section 54 (12) of the Modern Slavery Act 2015 (the "MSA").

17.1 Without prejudice to the generality of Condition 3.5(e), you shall and shall procure (where relevant) that all persons who are performing services or providing goods in connection with, or which will or may be used in performing or to support the performance of a Contract in any part of the world (collectively, its "Supply Chain") shall at all relevant times:

- (a) comply with the provisions of the MSA and all applicable laws, regulations, codes and guidance made under it or relating to it, and ensure that all your relevant personnel have received appropriate training on the same;
- (b) comply with any Serpecon policy relating to modern slavery and/or human trafficking as required by Serpecon;
- (c) take all reasonable steps to ensure that Slavery and Human Trafficking are not taking place in its business or its Supply Chain; and
- (d) immediately notify Serpecon if it has reason to believe that it or any member of its Supply Chain is engaged in Slavery and Human Trafficking or is in breach, or is likely to breach, the MSA or any provision of this Condition 17 (or would do so if it were a party to a Contract), or if it receives a communication from any person alleging any of the foregoing.

17.2 You shall ensure that each of your sub-contractors shall be bound in writing by terms equivalent in all respects to those set out in this Condition 17. You shall provide evidence in writing of the Supplier's compliance with this Condition

17.2 promptly on Serpecon's request.

17.3 On Serpecon's reasonable request, you shall make, and shall require any relevant member of your Supply Chain to make, such adjustments to its processes that relate to staff hiring and supplier selection as Serpecon reasonably considers to be desirable to address any risk of non-compliance with the MSA or this Condition 17.

18. ADVICE AND RECOMMENDATIONS

18.1 You warrant, represent and undertake that:

- (a) you have exercised and will exercise all reasonable care and skill in providing advice and recommendations to any Serpecon Party;
- (b) such advice and recommendations shall be true and accurate; and
- (c) you have taken into account and will take into account, in providing advice and/or recommendations to any Serpecon Party, any specific requirement made known to you by any Serpecon Party.

18.2 You acknowledge that each Serpecon Party has relied and will rely on your advice and recommendations to such Serpecon Party.

19. GENERAL

19.1 You shall not, without Serpecon's prior written consent, assign, transfer or charge, or subcontract all or any of its rights or obligations under the Contract. Serpecon may assign and/or transfer and/or charge, and/or subcontract the whole or any part of its rights and/or obligations under the Contract to any Serpecon Party without your consent. If Serpecon does consent to a subcontracting it will not relieve you of any of your obligations under the Contract.

19.2 Delay or failure in exercising any right or remedy in connection with these terms will not operate as a waiver of that right or remedy. No waiver will be effective unless it is in writing and signed by the party granting it.

19.3 Nothing in these Conditions shall be construed to create a partnership, joint venture, agency or employment relationship of any kind between the parties.

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

19.5 The Contract shall be governed by English law and each party irrevocably submits to the non-exclusive jurisdiction of the English courts in respect of any dispute.

19.6 No person other than Serpecon, any Serpecon Party or you are entitled to enforce the terms of the Contract, whether under the Contracts (Rights of Third Parties) Act 1999 or otherwise. A Serpecon Party who is not a party to the Contract may enforce its terms under the Contracts (Rights of Third Parties) Act 1999. The parties to the Contract may by agreement rescind or vary the Contract without the consent of any person who is not a party to the Contract.

19.7 Any written notice under the Contract shall be given by hand or by tracked delivery addressed to the registered office of the relevant party.

19.8 Without prejudice to Condition 2.3, no variation to the Contract shall be binding unless agreed in writing by both parties.

19.9 In the event of conflict or inconsistency, the documents comprising a Contract shall be interpreted in the following order of priority: the Order, the Specification, the Serpecon UK Conditions of Purchase and the Serpecon Operations Manual.

20. OWN-BRAND SPECIAL CONDITIONS

These Conditions 20A to 20D will apply if you supply Own-Brand Goods. For the purposes of these Conditions 20A to 20D the following definitions apply:

Design means: (i) all intellectual property rights relating to the design of the Own-Brand Goods (including, without limitation, relevant designs, drawings and specifications); (ii) relevant packaging; and (iii) the tools, machinery and equipment required for use in connection with the manufacture of the Own-Brand Goods together with such additional tools, machinery and equipment as may be required from time to time.

Own-Brand Goods means Goods to be manufactured, packaged and sold by you to Serpecon in accordance with the Contract and which are branded with the Serpecon Branding.

Standard Design means a standard product Design developed by you to which Serpecon Branding will be applied.

Serpecon Branding means certain trademarks, trade names, signs, emblems and logos of Serpecon, whether registered or unregistered.

Serpecon Design means a Design commissioned by Serpecon.

20A DESIGN AND SPECIFICATION

20A.1 You shall not make any changes to the design, manufacture or specification of the Own-Brand Goods without Serpecon's prior written approval.

20A.2 Either party may request changes to the Specification. Any change request shall be made in writing and sent to the other party's representative. Change requests shall set out a detailed explanation of the change, the proposed timetable for the change, and the effect on the Specification. The parties shall implement agreed changes as soon as reasonably practicable. Pricing of new Own-Brand Goods shall be in a manner consistent with the calculation of the prices of existing Own-Brand Goods.

20A.3 Unless otherwise stated in the Specification, you agree to indemnify Serpecon in full for any losses, damages, claims or expenses which Serpecon may suffer directly or indirectly arising out of or in connection with any "defect" in the Own-Brand Goods as defined in the Consumer Protection Act 1987.

20B. SERPECON BRANDING

20B.1 The Own-Brand Goods may incorporate Serpecon Branding in the manner indicated in the Specification. You shall comply strictly with the directions of Serpecon regarding the form and manner of the application of the Serpecon Branding. Apart from the Serpecon Branding, no other trade mark or logo may be affixed or used in relation to the Own- Brand Goods.

20B.2 The Serpecon Branding shall be and remain the absolute property of Serpecon. Serpecon grants you a non-exclusive, non-transferable licence to use the Serpecon Branding solely and strictly for the proper operation of the Contract and in such manner as not adversely to affect Serpecon's reputation or goodwill. This licence will terminate upon expiry of the Contract.

20B.3 Any benefit or goodwill derived by or arising out of the use of the Serpecon Branding shall accrue to, and be assigned to, Serpecon. You shall not, at any time, claim any right or property in the Serpecon Branding or any other words or logo using the Serpecon Branding, or register or cause to be registered or claimed in any part of the world any trade mark, service mark, trade name, copyright, sign, emblem, logo or design which is identical or similar to, or contains the Serpecon Branding.

20C. DESIGN AND EXCLUSIVITY

20C.1 If we tell you (in the Specification or elsewhere) that the Own-Brand Goods will be supplied by you to a Serpecon Design:

- (a) the Serpecon Design shall vest in and be the absolute property of Serpecon;
- (b) any benefit or goodwill derived by or arising out of the use of the Serpecon Design shall accrue to, and be assigned to, Serpecon;

(c) you shall use the Serpecon Design exclusively for the manufacture of the Own-Brand Goods, and the supply of such Own-Brand Goods to Serpecon, in accordance with the Contract; and

(d) you shall not under any circumstances, directly or indirectly, manufacture or supply the Own-Brand Goods using the Serpecon Design to or for the benefit of any other person.

20C.2 If we tell you (in the Specification or elsewhere) that the Own-Brand Goods will be supplied by you to a Standard Design:

(a) the Standard Design shall remain vested in you and you shall grant to Serpecon all necessary rights so that Serpecon can fully benefit from the Contract;

(b) you shall manufacture and supply the Own-Brand Goods to the extent that they incorporate Serpecon Branding to Serpecon on an exclusive basis; and

(c) you shall not under any circumstances, directly or indirectly, manufacture or supply the Own-Brand Goods incorporating Serpecon Branding to or for the benefit of any other person.

20D. ADDITIONAL TERMINATION PROVISIONS

20D.1 On the termination or expiry of the Contract, you shall cease to manufacture the Own-Brand Goods and you shall have no claim against us for compensation for loss of any description arising out of or in connection with the termination of the Contract.

20D.2 Upon the termination or expiry of the Contract, all Confidential Information and all drawings, data, material and other documents including, without limitation, samples, formulae, specifications, catalogues and advertising materials relating to the Own-Brand Goods and any copies of the same produced exclusively for and/or owned by Serpecon in your possession or under its control shall also be immediately returned to Serpecon.