

VERICON SYSTEMS LIMITED

TERMS AND CONDITIONS OF TRADE

1. APPLICATION

1.1 The Supplier shall supply and the Customer shall purchase the Goods and Services in accordance with the quotation, specification schedule and accepted order which shall be subject to these Terms and Conditions; and

1.2 The Contract shall be to the exclusion of any other terms and conditions subject to which any such quotation is accepted or purported to be accepted or any such order is made or purported to be made, by the Customer.

2. DEFINITIONS

2.1 The **Contract** means the contract for the purchase and sale of the Goods and/or the supply of Services under these terms and conditions.

2.2 The **Conditions** means the terms and conditions of trade set out in this document and includes any special terms and conditions agreed in writing between the Customer and VS.

2.3 The **Customer** means the person or Company who accepts a quotation or offer made by VS for the Sale of Goods and/or the Supply of Services, or whose order for the Goods and/or the supply of Services is accepted by VS.

2.4 The **Delivery Date** means the date on which it is agreed that the Goods and/or the supply of Services are delivered as stipulated in any written correspondence between the Customer and VS.

2.5 The **Goods** means the goods (including any instalment of the goods or any parts of them) which VS is to supply in accordance with these Conditions, howsoever ordered by the Customer.

2.6 The **Services** means the Services to be provided to the Customer by VS as set out on the quotation, specification or accepted order.

2.7 The **Supplier** means Vericon Systems Limited, hereafter referred to as VS. Registered address: Unit 5 Churchill Industrial Estate, Churchill Road, Cheltenham, GL53 7EG. Any reference to VS means Vericon Systems Limited.

2.8 **Writing** means any communications effected by letter or electronic mail.

2.9 Any reference in this Agreement to a Statute or provision of a statute shall be construed as a reference to that statute or provision as amended, re-enacted or extended at the relevant time.

2.10 The headings in this Agreement are for convenience only and shall not affect their interpretation.

3. PRICES & QUOTATIONS

3.1 The price stated in VS' quotations to Customers is valid for a maximum of 30 days. Prices may be subject to variation without notice after this unless stipulated otherwise in the quotation.

3.2 It is the Customer's responsibility to determine whether the Goods and/or the supply of Services chosen by the Customer are suitable for contemplated use whether or not such use is known to VS. Any technical advice furnished by VS, its representatives or agents, is given without charge and only on the basis that it is followed at the Customer's own risk.

3.3 All illustrations, photographs, drawings etc. accompanying VS' quotations or contained on the website, in catalogues, price lists or advertisements must be regarded as approximate representations only and are not binding in detail unless stated so to be in our quotation. Small deviations there from shall not vitiate the contract or be made the basis of any claim against VS.

3.4 VS reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable safety or other statutory or regulatory requirements or, where the Goods and/or the supply of Services are to be supplied to VS' specification, which do not materially affect their quality or performance.

3.5 Where VS undertakes any surveys in connection with the Contract, such surveys will be visual surveys of the lighting requirements only and will not represent a full survey of the existing electrical supply within the premises. In the absence of a full electrical supply survey, the Customer must note the warranty exclusions in Clause 8.4.3 and the Limited Liability in Clause 9.5.

3.6 Where the Customer supplies VS with drawings and/ or specifications, it is the Customer's responsibility to ensure that these items are accurate and complete. VS reserve the right to amend the quotation to encompass any errors or omissions notified by the Customer.

3.7 Where the Customer has supplied VS with drawings and/ or specifications and after the Customer has placed the order with VS, the drawings and/or specifications are found to be inaccurate or incomplete, VS shall only proceed with the original order, notwithstanding that this order may be incorrect. Any amendments to the original order may only be made on receipt of a Variation Order acceptance from the Customer to VS.

4. ORDERS RECEIVED FROM CUSTOMERS

4.1 VS shall accept orders from the Customer to manufacture Goods and/or the supply of Services as per the Customer's written orders, VS quotation or written specification. Orders for the Goods and/or the supply of Services shall be made in writing to VS.

4.2 During the continuance of this agreement, VS shall purchase such quantities of the Goods and/or the supply of Services as may be ordered by the Customer from time to time, subject to the terms of this agreement. No order which has been accepted by VS may be cancelled by the Customer except with the agreement of VS on the terms that the Customer shall indemnify VS in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by VS as a result of cancellation.

4.3 VS agrees to take all such steps as may reasonably be required to fulfil its obligations under this Agreement in the normal course of business.

4.4 VS shall not be obliged to provide specific dates to the Customer with regard to the supply or delivery of the Goods and/or the supply of Services.

5. MANUFACTURE, DELIVERY AND ACCEPTANCE OF GOODS AND/OR THE SUPPLY OF SERVICES

5.1 VS shall use all reasonable endeavours to manufacture sufficient stocks of the goods to fulfil its obligations under this agreement.

5.2 Delivery of goods shall be made by the Customer collecting goods from the premises of VS, unless the Customer has contracted VS to deliver to their location. VS will charge for any such deliveries made by their representatives or agents.

5.3 VS shall use all reasonable endeavours to deliver each of the Customer's orders for the Goods and/or the supply of Services on a date specified in the order, but the date and time of the delivery shall not be of the essence of the contract. If despite those endeavours, VS is unable for any reason to fulfil any delivery of the Goods and/or the supply of Services on the specified date, VS shall not be deemed to be in breach of this Agreement or have any liability to the Customer in this respect.

5.4 If the Customer fails to take delivery of the Goods and/or the supply of Services or any part of them on the Delivery Date and/ or fails to provide any instructions, documents, licences, consents or authorisations required to enable the Goods and/or the supply of Services to be delivered on that date, VS shall be entitled, upon giving written notice to the Customer, to store or arrange for the storage of the Goods and then risk in the Goods shall pass to the Customer, delivery shall be deemed to have taken place and the Customer shall pay to VS all costs and expenses including storage and insurance charges arising from such failure.

5.5 All crates, pallets and other packing materials are charged extra unless otherwise stated by VS. The charges for crates and pallets may be credited upon return of crates and pallets in good condition to VS premises.

6. RISK AND PROPERTY

6.1 Risk of damage or loss to the Goods shall pass to the Customer at:

6.1.1 In the case of Goods to be delivered at the premises of VS, the time when VS' notifies the Customer that the Goods are available for collection;

6.1.2 In the case of Goods to be delivered otherwise than at VS' premises, the time

of delivery, or if the Customer wrongfully fails to take delivery of the Goods, the time when VS has tendered delivery of the Goods. The time of delivery is determined as the time the goods are handed to the couriers.

6.1.2 In the case of being installed by VS, the time that VS notifies the Customer that the installation is complete.

6.1.3 Notwithstanding delivery and the passing of risk in the Goods, or any other provision of this Agreement, legal and beneficial title of the Goods shall not pass to the Customer until VS has received in cash or cleared funds payment in full of the price of the Goods.

6.2 Until payment has been made to VS in accordance with this Agreement and title in the Goods has passed to the Customer, the Customer shall be in possession of the Goods as Bailee for VS and the Customer shall store the Goods separately and in an appropriate environment, shall ensure that they are identifiable as being supplied by VS and shall insure the Goods against all reasonable risks.

7. FAULTY GOODS

7.1.1 Customers must examine all goods promptly on arrival and before the goods or any part thereof have been used, treated, processed or dealt with in any manner.

7.1.2 VS will make good by repair, or at its sole option, replacement of any goods proven to be defective by reason of defective design, materials or workmanship, provided that any claim by the Customer shall be notified in writing to VS within fourteen days of delivery. Within seven days of notifying VS, the Customer shall at its own expense return such goods as are alleged to be defective to VS premises. Within fourteen days of receipt of the goods, VS will investigate the claim and it shall, at its sole option, either: -

7.1.3 Repair or replace such goods that are found to be defective; or

7.1.4 Substitute other goods as nearly identical to the defective goods as the circumstances permit.

7.1.5 Such repair, replacement or substitution shall be made free of charge.

7.1.6 VS will not be liable for the costs involved in the removal of defective goods from any place where they are installed or affixed or for the cost of installing or affixing repaired or replacement goods, unless confirmed in writing to the Customer by VS.

7.1.7 VS will not be liable for any costs or charges where the Customer elects to have a third-party repair or replace any alleged defective goods, unless VS has investigated the claim and has confirmed in writing to the Customer that such action is acceptable to VS.

8. LIMITED WARRANTY POLICY

8.1 All product complaints are subject to testing and investigation to enable continuous product improvement.

8.2 This document sets out the limited warranty policy of VS. This policy is applicable only to products manufactured by VS. Products manufactured by third parties will be subject to that third parties' warranty policy. The warranty policy is subject to the provisions below:

WARRANTY PERIOD

8.3.1 Subject to the provisions as set out in this document, the Customer receives the warranty as detailed below:

8.3.2 VS warrants that its Products, when delivered in new condition and in original packaging, will be free of defects in material and workmanship for the warranty period below. The determination of whether the Product is defective shall be made by VS in its sole discretion with consideration given to the overall performance of the Product.

Type	Warranty Period
Product Only	12 months
Product and Installation by VS	First 12 months for product and installation.

8.3.3 The warranty period starts on the date of invoice.

8.3.4 The Customer shall not rely on any other documentation.

VERICON SYSTEMS LIMITED

TERMS AND CONDITIONS OF TRADE

8.4 WARRANTY TERMS

- 8.4.1 VS warranty is given to the Customer buying the goods from VS. The warranty cannot be transferred by the Customer to any other person or company.
- 8.4.2 "Product Only" warranty applies when the products have been properly installed, wired and comply with relevant values, ranges, specifications and standards, codes or instructions.
- 8.4.3 This limited warranty does not apply to loss or damage to the Product caused by: negligence; abuse; mishandling; improper installation, storage or maintenance; damage due to fire or acts of God; vandalism; civil disturbances; power surges or spikes; improper power supply; corrosive environment installations; induced vibration; harmonic oscillation or resonance associated with movements of air currents around the Product; alteration; accident; failure to follow any installation, operating, maintenance or environmental instructions prescribed by VS.
- 8.4.4 The limited warranty is void if the product is not used for the purpose for which it is intended or where personnel not authorised by VS have made repairs or alterations without the written consent of VS.
- 8.4.5 Where a product is returned to VS under warranty, VS will inspect the product and if it is found to have failed the warranty, VS will, at its sole option, repair or replace the product of defective parts of that product or reimburse the Customer the purchase price. Repairs or replacement of product or parts does not include the cost of de-installation and re-installation unless specifically covered by the Warranty Period.
- 8.4.6 VS reserves the right to utilise new, reconditioned, refurbished, repaired, remanufactured products or parts in the warranty repair or replacement process. Such products or parts will be comparable in function and performance and warranted for the remainder of the original warranty period.
- 8.4.7 Where VS elects to replace the product but the original product is no longer available, a comparable product may be supplied. There may be differences in design and/or specification.
- ### 8.5 WARRANTY CLAIMS
- 8.5.1 Warranty claims must be reported to VS within 14 days of discovery and should include detailed description of the product, area of installation, installation and invoice date. Products covered under the "Product" warranty should be returned to VS, carriage paid, for inspection and resolution. For claims covered by the "Product and Installation" warranty, VS will confirm the action to be taken upon receipt of notification of a warranty claim.
- 8.5.2 In the event a warranty claim is not upheld, VS reserve the right to charge for investigative and remedial works including any costs incurred in de-installation and re-installation, under a "Product and Installation by VS" warranty.
- ### 9. LIMITS OF LIABILITY
- 9.1 VS shall not be liable to the Customer for any pure economic loss, loss of profit, loss of business, depletion of goodwill or otherwise, in each case whether direct, indirect, contingent or consequential, or any claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the contract.
- 9.2 VS' aggregate liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Contract shall be limited to the Contract Price.
- 9.3 VS' aggregate liability in respect of defective products in any event will be limited to the monies paid to VS for that defective product.
- 9.4 The Customer grants VS irrevocable licence to access the product that is subject to a warranty claim to enable investigative and remedial works to take place, notwithstanding that the products are to be returned to VS for such investigation when subject to a "Product Only" warranty claim.
- 9.5 VS cannot accept any liability for electrical supply conditions including system spikes, over-voltage/ under-voltage or any other existing scenarios that counter the correct workings of its products.

- 9.6 Where VS engage a third-party contractor for installation works as part of a "Product and Installation" contract purchased from VS, the Customer agrees not to later employ that third party contractor directly, without VS' written consent. The warranty is declared void in its entirety where solicitation of VS contractors occurs without VS prior approval.
- 9.7 VS reserve the right to modify this warranty from time to time. All orders placed are subject to the warranty that is in force at the time an order is accepted by VS.
- ### 10. TERMS OF PAYMENT
- 10.1 Payment is required with order.
- 10.2 Credit accounts may be opened at the sole discretion of VS, subject to satisfactory credit references being obtained. Payment for goods purchased on account shall become payable in accordance with the Payment Terms detailed on the front of each invoice. In the event of there being a default by the Customer in making payment, the entire balance of the account shall become payable immediately.
- 10.3 VS reserves the right to charge interest and compensation in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 (and as amended) on overdue amounts and suspend or cancel deliveries if payment is not made on the due date. The time of payment shall be of essence to this Agreement.
- 10.4 Payment is to be made in Pounds Sterling.
- 10.5 The Customer is not entitled to withhold or off-set payment of any amount due to VS whether in respect of any claim by the Customer in respect of any goods supplied by VS or for any other reason which is contested or for which liability is not admitted by VS.
- 10.6 Where the Customer defaults on payments, VS shall have the right to suspend any further deliveries of Goods and/or the supply of Services until payment is received or terminate the contract in its entirety by giving the Customer notice in writing.
- ### 11. TITLE TO GOODS
- 11.1 Goods shall remain the sole and absolute property of VS as legal and equitable owner until VS has received, in cleared funds, payment in full of all amounts owing to VS by the Customer on any accounts whatsoever. This includes payment of VAT at the prevailing rate. VS may maintain an action for the price of the goods notwithstanding that VS retains ownership of them.
- 11.2 The Customer shall notify VS immediately upon demand by VS of the place(s) where the goods are situated.
- 11.3 The Customer shall afford to VS access to the goods during all normal business hours whether they are upon land occupied or owned by the Customer or its Customers and the Customer shall deliver all goods to VS at its request and allow VS to remove the same. For this purpose, the Customer hereby grants an irrevocable right and licence to VS, its representatives or agents to enter upon the said land with or without vehicles during normal business hours.
- ### 12. INTELLECTUAL PROPERTY
- 12.1 All designs, specifications, inventions, patents, know-how, new technology, improvements and all similar matters made, designed or developed by VS in connection with the Contract shall be the sole property of VS.
- 12.2 All material, drawings, patterns, gauges, samples, specifications and other technical data prepared by VS in connection with the Contract shall be and shall at all times remain the property of VS. The Customer shall not use any such material, drawings, patterns, specifications and data except in connection with the Contract.
- 12.3 Notwithstanding Conditions 12.1 and 12.2, the Customer shall be responsible for ensuring that any designs, specifications, inventions, patents, know-how, improvements and similar materials and all information provided to VS pursuant to Condition 12.2 is adequate and suitable for the supply of the Goods and/or Services to the standards set out in these Conditions and any other standards specified in writing by the Customer.
- 12.4 VS shall ensure that all illustrations, performance details, examples of installations and methods of assembly and all other data and information provided by VS shall be complete and accurate.

13. CONFIDENTIALITY

- 13.1 Each Party undertakes that, except as provided by sub-Clause 13.2 or as authorised in writing by the other Party, it shall at all times during the continuance of the Contract and five years after its termination:
- 13.1.1 keep confidential all Confidential Information;
- 13.1.2 not disclose any Confidential Information to any other person;
- 13.1.3 not use any Confidential Information for any other purpose other than as contemplated by and subject to these Terms and Conditions and the Contract;
- 13.1.4 not make any copies of, record in any way or part with possession of any Confidential Information; and
- 13.1.5 ensure that none of its directors, officers, employees, agents or advisers does any act which, if done by that Party, would be a breach of the provisions of sub-clauses 13.1.1 to 13.1.4 above.
- ### 13.2 Either Party may:
- 13.2.1 disclose any Confidential Information to:
- 13.2.1.1 any sub-contractor or supplier of that Party;
- 13.2.1.2 any governmental or other authority or regulatory body; or
- 13.2.1.3 any employee or officer of that Party or of any of the aforementioned persons, parties or bodies;
- to such an extent only as is necessary for the purposes contemplated by these Terms and Conditions and the Contract, or as required by law, and in each case subject to that Party first informing the person, party or body in question that the Confidential Information is confidential and (except where the disclosure is to any such body as is mentioned in sub-Clause 13.2.1.2 above or any employee or officer of any such body) obtaining and submitting to the other Party a written undertaking from the person in question, as nearly as practicable in the terms of this Clause 13, to keep the Confidential Information confidential and to use it only for the purposes for which the disclosure is made; and
- 13.2.2 use any Confidential Information for any purpose, or disclose it to any other person, to the extent only that it is at the date of the Contract, or at any time after that date becomes, public knowledge through no fault of that Party, provided that in doing so that Party does not disclose any part of that Confidential Information which is not public knowledge.
- 13.3 The provisions of this Clause 13 shall continue in force in accordance with their terms, notwithstanding the termination of the Contract for any reason.
- ### 14. FORCE MAJEURE
- 14.1 In the event that either party is prevented from fulfilling its obligations under this Agreement by reason of supervening event beyond its control including but not limited to war, national emergency, flood, earthquake, strike or lockout the party shall not be deemed to be in breach of its obligations under this Agreement. The party shall immediately give notice of this to the other party and must take all reasonable steps to resume performance of its obligations.
- 14.2 The previous clause shall not apply with respect to strikes or lockouts where such action has been induced by the party so incapacitated.
- 14.2.1 If the period of incapacity exceeds 6 months, then this Agreement shall automatically terminate unless the parties first agree otherwise in writing.
- ### 15. EXPORT TERMS
- 15.1 Where the Goods are supplied for export from the United Kingdom, the conditions of this clause shall (subject to any special terms agreed in writing between the Customer and VS) apply notwithstanding any other provisions of these Conditions.
- 15.2 The Customer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties thereon. Payment of all amounts due to VS shall be made as agreed in writing by the Customer and VS before delivery and in the absence of such agreement payment shall be made proforma.

VERICON SYSTEMS LIMITED
TERMS AND CONDITIONS OF TRADE

16. INSOLVENCY OF CUSTOMER

If:

- 16.1 the Customer makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or
- 16.2 an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Customer; or
- 16.3 the Customer ceases, or threatens to cease, to carry on business; or
- 16.4 VS reasonably apprehends that any of the events mentioned above is about to occur in relation to the Customer and notifies the Customer accordingly; If this clause applies then, without prejudice to any other right or remedy available to VS, VS shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Customer, and if the Goods and/or the supply of Services have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.
- 16.5 In the event of insolvency of the Customer, VS claims Retention Of Title on all goods ordered and delivered to the Customer, where payment has not been made, such goods to be returned to VS.

17. LAW AND JURISDICTION

- 17.1 These Terms and Conditions and the Contract (including any non-contractual matters and obligations arising therefrom or associated therewith) shall be governed by, and construed in accordance with, the laws of England and Wales.
- 17.2 Any dispute, controversy, proceedings or claim between the Parties relating to these Terms and Conditions or to the Contract (including any non-contractual matters and obligations arising therefrom or associated therewith) shall fall within the jurisdiction of the courts of England and Wales.