

## PURCHASE ORDER TERMS AND CONDITIONS

### 1. Interpretation

#### 1.1. In these Conditions:

1.1.1 **“Buyer”** means Aquionics Inc.

**“Conditions”** means the standard terms and conditions of purchase set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in Writing between the Buyer and the Seller

1.1.3. **“Contract”** means the contract for the sale and purchase of the Goods and the supply and acquisition of the Services and shall consist of the Order, these Conditions, and any other terms, conditions or documents which the Buyer and Seller agree in Writing shall form part of the Contract

1.1.4. **“Delivery Address”** means the address for delivery stated on the Order

1.1.5. **“Goods”** means the goods (including any instalment of the goods or any part of them) described in the Order

1.1.6. **“Order”** means the Buyer’s purchase order to which these Conditions are annexed

1.1.7. **“Price”** means the price of the Goods and/or the charge for the Services as stated in the Order

1.1.8. **“Seller”** means the person so described in the Order

1.1.9. **“Services”** means the services (if any) described in the Order

1.1.10. **“Specification”** means any specification, plans, drawings, requirements, standards, data or other information relating to the Goods or Services either supplied by the Buyer to the Seller or by the Seller to the Buyer and whether part of or attached to the Order or otherwise

1.1.11. **“Writing”** means any legible reproduction of words or numbers in a permanent and tangible form (including letters, faxes and emails but excluding mobile phone text messages)

1.2. Any reference in these Conditions to a statute or a 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 and any subordinate legislation for the time being in force made under it.

1.3. The headings in these Conditions are for convenience only and shall not affect their interpretation.

1.4. Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and references to any gender shall include all other genders.

1.5. The words **“other”**, **“include”** and **“including”** do not connote limitation in any way.

### 2. Basis of purchase

2.1. The Order constitutes an offer by the Buyer to purchase the Goods and/or acquire the Services specified in the Order subject to these Conditions.

2.2. These Conditions shall apply to the Contract to the exclusion of any other terms and conditions on which any quotation has been given to the Buyer and to the exclusion of any other terms

that the Seller seeks to impose or incorporate or which are implied by trade, custom, practice or course of dealing.

2.3. The Buyer may withdraw the offer constituted by the Order at any time unless it has been unconditionally accepted by the Seller in Writing.

2.4. No variation to the Contract (including the Order or these Conditions) shall be binding unless agreed in Writing between the authorised representative of the Seller and a director of the Buyer.

### **3. Specifications**

3.1. The quantity, quality and description of the Goods and the Services shall, subject as provided in these Conditions, be as specified in the Order and/or in any applicable Specification supplied by the Buyer to the Seller or agreed in Writing by the Buyer.

3.2. In the event of any discrepancy or conflict between the contents of a Specification produced by the Seller and the contents of a Specification produced by the Buyer, the Specification produced by the Buyer shall take precedence over the Specification produced by the Seller.

3.3. Any Specification supplied by the Buyer to the Seller, or specifically produced by the Seller for the Buyer, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of the Buyer. The Seller shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or such disclosure or use is required by law or is necessary for the purpose of the Contract.

3.4. The Seller shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods and the performance of the Services.

3.5. The Seller shall not unreasonably refuse any request by the Buyer to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to despatch, and the Seller shall provide the Buyer with all facilities reasonably required for inspection and testing.

3.6. If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all respects with the Contract, and the Buyer so informs the Seller within 14 days of inspection or testing, the Seller shall take such steps as are necessary to ensure compliance.

3.7. The Goods shall be marked in accordance with the Buyer's instructions and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

### **4. Price of the goods and services**

4.1. The Price of the Goods and the Services shall be as stated in the Order and, unless otherwise so stated, shall be:

- 4.1.1. exclusive of any applicable tax (which shall be payable by the Buyer subject to receipt of a Tax invoice); and
  - 4.1.2. inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts or levies other than tax.
- 4.2. No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in Writing.

## **5. Terms of payment**

- 5.1. The Seller shall be entitled to invoice the Buyer on or at any time after delivery of the Goods or performance of the Services, as the case may be, and each invoice shall quote the number of the Order.
- 5.2. Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods and the Services within 30 days after the end of the month of receipt by the Buyer of a proper invoice or, if later, after acceptance of the Goods or Services in question by the Buyer.
- 5.3. The Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Seller.

## **6. Delivery**

- 6.1 The Goods shall be delivered to, and the Services shall be performed at, the Delivery Address on the date or within the period stated in the Order, or as may be specified by the Buyer to the Seller in accordance with Clause 6.2, in all cases during the Buyer's usual business hours.
- 6.2. Where the date of delivery of the Goods or period of performance of the Services is to be specified after placing the Order, the Buyer shall give the Seller reasonable notice in Writing of the specified date or period for delivery.
- 6.3. The time of delivery of the Goods and of performance of the Services is of the essence of the Contract.
- 6.4. A packing note quoting the number of the Order, part number of the product and quantity must accompany each delivery or consignment of the Goods and must be displayed prominently.
- 6.5. If the Goods are to be delivered, or the Services are to be performed, by instalments, the Contract will be treated as a single contract and not severable.
- 6.6. The Buyer shall be entitled to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer has had a reasonable time after any latent defect in the Goods or non compliance and damage that becomes apparent when the buyer comes to use the Goods. Payment in part or in full for the Goods or Services does not imply that the Buyer has accepted them.
- 6.7. The Seller shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services.

- 6.8. The Buyer shall not be obliged to return to the Seller any packaging or packing materials for the Goods, whether or not any Goods are accepted by the Buyer.
- 6.9. If the Goods are not delivered or the Services are not performed on the due date in accordance with clauses 6.1 and 6.2 then, without prejudice to any other remedy, the Buyer shall be entitled (a) to deduct from the Price or (if the Buyer has paid the Price) to claim from the Seller by way of liquidated damages for delay 2 per cent of the Price for every week's delay, up to a maximum of 20 per cent or (b) to cancel the Order and/or the Contract in whole or in part.
- 6.10 If the Buyer cancels the Order in accordance with Clause 6.9, the Buyer shall not be liable to the Seller for any Goods or Services which the Seller has not supplied or completed, by the time the Order is cancelled, and the Buyer shall also be entitled to apply any other monies due to the Seller on any account whatsoever towards the cost of remedying the Seller's breach of Contract.

## **7. Title and Risk**

- 7.1. Without affecting the Buyer's rights to reject the Goods under Clause 6, title in the Goods will pass to the Buyer on delivery, unless payment is made prior to delivery, when it shall pass to the Buyer once payment has been made and the Goods have been appropriated to the Contract. Risk in the Goods will only pass to the Buyer when they have been accepted by the Buyer.
- 7.2. If Goods are rejected by the Buyer after payment for them title in such Goods will only revert to the Seller on receipt by the Buyer of a full refund of the sum paid for such Goods.

## **8. Warranties**

- 8.1. The Goods or Services supplied in fulfilment of the Order shall, without limitation and in addition to any terms regarding fitness for purpose, quality and conformity with the description or sample which may be implied by statute or common law:
- 8.1.1. conform in all respects to any Specification and any sample;
  - 8.1.2. be fit for any purpose held out by the Seller or made known to the Seller in Writing at the time the Order is placed;
  - 8.1.3. be of sound material and workmanship and free from all defects in all designs, materials or workmanship, whether latent or patent; and
  - 8.1.4. be supplied with accurate and sufficient information and instructions as to use to ensure that when put to use they will present no risk to health or property.
- 8.2. The Seller warrants to the Buyer that the Services (if any) will be performed by appropriately qualified and trained personnel, with the due care, skill and diligence to be expected of a competent supplier of the types of Services to be supplied to the Buyer. The Seller shall ensure that such personnel will be fully covered by the Seller's employer liability insurance while at the Buyer's premises.
- 8.3. Without prejudice to any other remedy, if any Goods or Services are not supplied or performed in accordance with the Contract, then the Buyer shall be entitled:

- 8.3.1. to require the Seller to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within 7 days; or
- 8.3.2. at the Buyer's sole option, and whether or not the Buyer has previously required the Seller to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid.

## **9. Liability**

- 9.1 The Seller shall be liable to the Buyer and shall indemnify the Buyer in full for loss or damage suffered by Buyer arising out of (i) breach of any warranty given by the Seller in relation to the Goods or Services and (ii) loss of or damage to the property of any person (including the Buyer's property) or the death of or injury to any person, to the extent that such loss, damage, death or injury is caused by any wrongful act, negligence or default on the part of the Seller, its employees, agents or sub-contractors, or to the extent that such loss, damage, death or injury arises as a direct consequence of the supply of the Goods or Services.
- 9.2 The Seller shall insure its liability under clause 9.1 in full and produce to the Buyer upon demand satisfactory evidence that the level of cover is adequate and the relevant policy or policies are in force.

## **10. Title and Intellectual Property Indemnity**

- 10.1 The Seller warrants specifically that the Seller has the right to pass title in the Goods, and that the Goods are free from any charge, lien or other right in favour of any third party.
- 10.2 The Seller shall indemnify the Buyer in full against all actions, claims, proceedings, demands, costs, damages, losses and expenses arising from or incurred as a result or in consequence of the infringement or alleged infringement of any patent, trade mark, trade name, design right, copyright, moral right or any other intellectual property right arising from the provision of the Goods or Services, except where the Goods are manufactured to a design supplied by the Buyer and any claim or allegation made results exclusively to that design.

## **11. Force Majeure**

- 11.1 The Buyer shall not be liable to the Seller for any failure by the Buyer to take delivery of the Goods or accept the Services or any part thereof where this failure is caused by any circumstances beyond the Buyer's reasonable control.

## **12. Compliance**

- 12.1 It is a condition of the Contract that all Goods or Services supplied by the Seller or the use of these will not give rise to the breach by any person of any statute, statutory instrument, regulation, by-law or any other enactment having the force of law in the UK, and also that they will not infringe the rights of any third party.
- 12.2 Without limiting the generality of Clause 12.1, it is a condition of this Contract that the Seller complies in full with all duties imposed upon the Seller by the Health and Safety at Work Act 1974, and all regulations and orders made under that Act and ensure that the Seller's employees, agents and sub-contractors perform in full any duties imposed upon them by the

same Act. It is also a condition of the Contract that the Seller complies in full with all regulations concerning the classification, packaging and labelling of substances hazardous to health and provides Buyer with such information about such substances supplied under the Contract (whether as the Goods or Services themselves or as part of them) as Buyer may require for the purpose of discharging its obligations under the Control of Substances Hazardous to Health Regulations 1988. The Seller shall also specifically inform Buyer if the Goods or Services contain substances which are hazardous to health, or where special precautions are necessary to avoid endangering the health and safety of any person. Without limiting the Seller's legal obligations in respect of such substances the Seller shall supply these in adequately secure containers upon which the nature of the hazard, plus complete and accurate instructions as to use, are clearly stated.

- 12.3 Where the Seller's employees, sub-contractors or agents are required to enter the Buyer's premises, it is a condition of the Contract that the Seller makes them aware of and that they observe the site rules and safety regulations applicable at such premises.
- 12.4 the Buyer may, by notice in writing to the Seller, object to the continued presence on the Buyer's premises of any of the Seller's employees, agents or sub-contractors who disobey the site rules and safety regulations, misconduct themselves, or act or perform their duties generally in a manner which is unsatisfactory to the Buyer. Upon receipt of such notice the Seller shall immediately remove such persons from the premises.
- 12.5 The Seller shall provide adequate supervision to ensure that the Goods or Services are supplied to the Buyer's satisfaction and in accordance with the Contract. Upon request from the Buyer, the Seller shall nominate a representative responsible for such supervision and advise the Buyer of his name forthwith.
- 12.6 The Seller is responsible for the works, temporary works, materials, packaging materials, construction of plant and items which are brought onto the Buyer's premises and for any waste created by the Seller or its employees, agents or sub-contractors on those premises, and for the repair and making good of all loss of and damage to those premises and removal of such waste from those premises. This repair and making good must be carried out entirely at the Seller's own expense except to the extent that any loss or damage is the result of any wrongful act or default by the Buyer, the Buyer's employees or agents.
- 12.7 The Seller shall be deemed to have examined the Buyer's premises and the Contract (including but not limited to these Conditions) and the site rules and safety regulations referred to in Clauses 12.3 and 12.4.

### **13. Set Off**

- 13.1 Any sums recoverable from the Seller under this Contract may be deducted from the amount of any sum due from the Buyer to the Seller under this Contract or any other contract or dealing between the Buyer and the Seller.

### **14. Termination**

- 14.1. The Buyer shall be entitled to cancel the Order in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery or performance, in which event (i) if such notice is given more than 10 days in advance of the date for delivery

or performance the Buyer shall have no liability to the Seller and (ii) if such notice is given 10 days in advance or less than 10 days in advance of the date for delivery or performance the Buyer's sole liability in respect of Goods shall be the reasonable costs to the Seller of restocking the cancelled Goods and in respect of Services shall be 10% of the Price for the cancelled Services, and in both cases the Seller shall have no other claim against the Buyer in respect of the cancellation.

14.2. The Buyer shall be entitled to terminate the Contract without liability to the Seller (other than that expressly set out in clause 14.3 below) by giving notice in Writing to the Seller at any time if:

14.2.1. the Seller is in breach of any of its obligations under the Contract; or

14.2.2. the Seller has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or any proceedings are commenced relating to the insolvency or possible insolvency of the Seller; or

14.2.3. an encumbrancer takes possession, or a receiver and/or manager, administrator or administrative receiver is appointed, of the undertaking of the Seller or any part thereof; or

14.2.4. the Seller ceases, or threatens to cease, to carry on business; or

14.2.5. the Buyer reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly.

14.3. Following termination of the Contract in accordance with clause 14.2 the Buyer shall pay to the Seller a fair and reasonable proportion of the price payable under the Contract in consideration of such Goods or Services which the Seller has already supplied to the Buyer's satisfaction and which the Buyer wishes to retain.

14.4. Termination of the Contract by the Buyer under this Clause will not limit, restrict or extinguish any rights which the Buyer may have against the Seller whether arising as a result of the termination or otherwise.

## **15. Bribery and Corruption**

The Seller agrees to:

15.1. Comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including, but not limited to local and national laws in the country of sale.

15.2. Comply with the Halma plc. Group Code of Conduct relating to bribery and corruption which may be found on the Halma website (<http://www.halma.com/responsibility/ethics>)

15.3. Maintain complete and accurate records of all transactions and payments related to this purchase, any contract governed by the terms of this Contract and, on reasonable request, disclose details of those transactions and payments.

- 15.4. Immediate inform the Buyer if it suspects or becomes aware of any breach of Clause 15 by one of its employees, subcontractors, agents, consultants or other intermediaries and provide detailed information about the breach.
- 15.5. Indemnify, keep indemnified and hold harmless (on a full indemnity basis) the buyer against all costs, expenses and losses that the buyer incurs or suffers as a result of any breach by either party of any of its obligations under this Clause. In addition, if the Seller breaches the Bribery and Corruption clause the Buyer shall have the right to terminate the Contract without notice and with immediate effect and will be in no way liable to the Seller in respect of such termination for payment or damages or any other form of compensation.

## **16. General**

- 16.1. The Order is personal to the Seller and the Seller shall not assign or transfer or purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the Contract.
- 16.2. All communications between the parties (including any notice required or permitted to be given by one party to the other) under or in connection with the Contract shall be in Writing addressed to the relevant person and either delivered by hand or sent by first class post, fax or email to an address, fax number or email address previously communicated (by any means) by the receiving party to the sending party.
- 16.3. Failure or delay by the Seller in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.
- 16.4. No waiver by the Seller of any breach of, or any default under, any provision of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 16.5. If any provision of the Contract is held by any competent authority to be invalid or unenforceable in whole or in part it shall (to the extent that it is invalid or unenforceable) be deemed to be severable and the validity of the other provisions of the Contract and the remainder of the provision in question shall not be affected.
- 16.6. The parties do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.
- 16.7. The seller shall comply with all applicable laws, statutes and regulations, from time to time in force, including the UK's Modern Slavery Act 2015 and Bribery Act 2010. The seller shall comply with Halma's Code of Conduct.
- 16.8. The buyer may terminate the agreement with immediate effect by giving written notice to the seller if the seller commits a breach of Clause 16.7
- 16.9. Subject to Clause 16.11, the parties will attempt to settle all and any disputes or differences arising out of or in connection with the Contract, or its breach, termination or invalidity, by mediation in accordance with the Centre for Dispute Resolution (CEDR) Model Mediation Procedure. To initiate a mediation a party must give notice in Writing to the party with whom

the dispute or difference has arisen, requesting mediation in accordance with this sub-clause. The mediation will start not later than 28 days after the date of that notice. If there is any point in the conduct of the mediation (including any disagreement over the nomination of the mediator) which the relevant parties cannot agree within 14 days of that notice, CEDR will, at the request of any one of them, decide that point for them, having consulted with them.

- 16.10. If the parties, having attempted to settle the dispute or difference in accordance with sub-clause 15.8 fail to do so within 60 days of the parties' request to the Centre for Dispute Resolution for a mediation either party may issue court proceedings.
- 16.11 The Contract shall be governed by the laws of North Carolina, and the Seller agrees to submit to the exclusive jurisdiction of the North Carolina courts.