

VIPER INNOVATIONS LTD
TERMS AND CONDITIONS OF PURCHASE ORDER

1 Introduction and Definitions:

- "Customer" means Viper Innovations Ltd.
"Location" means the place at which the Work is to be delivered or performed in accordance with the Purchase Order.
"Purchase Order" means these terms and conditions of purchase order and the order form which, unless expressed to the contrary herein, shall constitute the entire contract between the parties.
"Supplier" means the person, firm or company supplying the Work to the Customer.
"Work" means the goods and/or services as detailed in the Purchase Order.

- (a) This contract is made between the Customer and the Supplier under which the Customer agrees to purchase the Work on the terms and conditions set out below.
(b) These terms and conditions will override and take the place of any other terms and conditions contained in any document or other communication used by the Supplier including without limitation, any supply terms ordinarily used by the Supplier.
(c) If a contract reference is contained in the Purchase Order and/or the Supplier has entered into a contract with the Customer to which this Purchase Order applies, then the terms and conditions of that contract shall apply to this Purchase Order. In case of conflict the terms of that relevant contract shall take precedence.
(d) No variation or addition to these terms and conditions will form part of this contract unless made or specifically accepted by the Customer in writing.
(e) Performance of the Work by the Supplier shall be deemed conclusive evidence of the Supplier's acceptance of these terms and conditions.

2 Acknowledgement:

The Supplier will acknowledge this Purchase Order in writing and confirm the Work will be performed in accordance with the instructions set out in the order form. Failure to acknowledge this Purchase Order will result in the Supplier accepting these terms and conditions and any attachments by implication. Clause 1(b) above shall apply to any terms and conditions attached to an acknowledgement.

3 Prices:

- 3.1 Prices shall be charged in accordance with the provisions of the Purchase Order (or contract if a contract is referred to in the Purchase Order and/or the Supplier has entered into a contract with the Customer to which this Purchase Order applies).
3.2 Prices shall be in pounds sterling unless an alternative currency is specified on the order form.
3.3 Prices shall include the cost of performance of the Work at any location (in addition to the Location) indicated by Customer.
3.4 Prices tendered by the Supplier when offering to perform the Work for the Customer will be fixed unless agreed to the contrary by both parties in writing. Any proposed increases must be accepted in writing by a duly authorised officer of the Customer before the price increase is applied to any delivery or invoice. In the absence of such acceptance the previously agreed price shall apply. Any proposal for an increase in prices shall be in writing and shall state the reasons for the proposed increase.
3.5 The Supplier will pass on to the Customer in the form of reduced prices any reduction in direct or indirect costs it might incur from time to time in connection with the Work.
3.6 The Supplier will keep such accounts and records as are necessary to substantiate any claim for increased prices. The Supplier shall, at the request of the Customer, furnish the Customer with any accounts or records so kept, verified in such manner as the Customer may require and such other information as the Customer may require before any price alteration may be agreed. Following any claim or proposal by the Supplier for increased prices, the Customer shall be free to:
(a) refuse the proposal and terminate the contract and cancel the Purchase Order forthwith with no compensation or liability of any description to the Supplier but without prejudice to any rights of the Customer already accrued;
(b) refuse the proposed increase;
(c) accept the proposed increase with effect from a date indicated in writing to the Supplier by the Customer; or
(d) accept a part of the proposed price increase with effect from a date indicated in writing to the Supplier by the Customer.

4 Damage or Loss in Transit:

The Supplier shall repair to the satisfaction of the Customer or replace free of charge any goods relating to the Work damaged or lost in transit. In such cases delivery shall not be deemed to have taken place until repaired or replacement goods are received. Those goods which on delivery, installation, initial operation, use or inspection are found to be damaged or defective shall at the Customer's option be replaced or repaired at the cost of the Supplier or the purchase price refunded provided that the Supplier shall not be liable for any damage caused to the goods by reason of the negligence of the Customer, its agents or servants. The Supplier shall in the case of major defects or damage be entitled to inspect the goods within a reasonable period of having been given written notice thereof.

5 Variation:

- 5.1 The Supplier shall accept any reasonable variation in scope, specification, quantity or delivery in relation to the Work requested by the Customer. The price may be adjusted by the Customer, at its sole discretion, to reflect the variation.
5.2 Neither party shall be bound by any variation to the Purchase Order unless and until it is confirmed by an official order amendment issued by the Customer to the Supplier in writing.

6 Risk:

The risk in any goods which form all or part of the Work shall pass to the Customer when delivered in accordance with the terms of the Purchase Order provided delivery is acknowledged by an authorised member of the Customer's staff in writing.

7 Passing of Property:

Unless otherwise provided in this Purchase Order or separately in writing by the Customer, the property in the goods shall pass to the Customer on delivery without prejudice to the right of rejection which may accrue.

8 Intellectual Property:

- 8.1 All intellectual property rights (including without limitation copyright in any software delivered) which are created for the Customer as part of the Work shall be and become the Customer's exclusive property with effect from their creation unless specifically agreed otherwise in writing by the Customer and the Customer shall have full and free right to use those intellectual property rights and any matters to which they relate as the Customer sees fit. The Supplier may use those intellectual property rights only as properly and reasonably required in connection with the supply of the Work to the Customer.
- 8.2 The Supplier grants the Customer a non-exclusive, royalty-free licence in respect of all intellectual property rights (including without limitation copyright in any software) in the Work which do not belong to the Customer under clause 8.1 for use by the Customer in relation to the Work.
- 8.3 The Supplier shall, and shall procure that its agents, employees and sub-contractors shall, execute any documents or do anything else reasonably required by the Customer to obtain, maintain, defend, enforce and secure full and free right to use those intellectual property rights referred to in clause 8.1 and to secure the licence referred to in clause 8.2.
- 8.4 The Supplier will indemnify and hold the Customer harmless against any damages (including costs) that may be awarded or agreed to be paid in respect of any claim or action that any goods supplied by the Supplier infringe any patent, copyright, registered design, trade secret, trade mark or any other proprietary right of a third party.

9 Hazardous Goods:

If any Work to be supplied to the Customer contains any hazardous substances or requires any special precautions to be taken to ensure safety in handling, transport, storage or use, the Supplier shall prior to delivery furnish the Customer with written details of the nature of those substances and the precautions to be taken and shall ensure that before dispatch appropriate instructions and warnings are clearly and prominently marked or securely attached to any containers into which they are packed.

10 Compliance:

- 10.1 The Supplier shall comply with, and shall ensure that no person acting on its behalf commits any offence under, all applicable anti-bribery, anti-corruption and anti-slavery legislation (including but not limited to the UK Bribery Act 2010 and Modern Slavery Act 2015).
- 10.2 The Supplier shall maintain and enforce policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with all applicable anti-bribery and anti-corruption legislation. Adequate procedures shall be determined in accordance with section 7(2) of the UK Bribery Act 2010 (and any guidance issued under section 9 of the Act).
- 10.3 The Supplier shall use reasonable endeavours to ensure that all persons associated with the Supplier (as defined by section 8 of the UK Bribery Act 2010) including any subcontractors and suppliers comply with this clause 10.
- 10.4 The Supplier shall implement due diligence procedures for its own suppliers, subcontractors and other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains.
- 10.5 The Supplier shall use reasonable endeavours not to purchase any raw materials, resources or products from any country that has been sourced from producers or manufacturers using forced labour in its operations or practice.

11 Indemnity:

- 11.1 The Supplier shall indemnify the Customer for all loss, liability, damage, cost, claims and/or expense suffered by the Customer:
- (a) because of (i), any breach of the Purchase Order by the Supplier and/or (ii), any representation, warranty or condition (express or implied) given by the Supplier and/or (iii), any act or omission of the Supplier (including the Supplier's employees, agents and sub-contractors) in supplying the Work; and/or
 - (b) as a result of a claim against it in respect of an alleged defect in the Work.
- 11.2 The Supplier shall not be liable to the Customer for any damage or injury to the extent that the same is caused by or arises out of the Customer's negligence.

12 Insurance:

The Supplier shall maintain with an insurance company of good repute insurance (including product liability and/or professional indemnity insurance where appropriate) providing cover consistent at least with the best industry practice of suppliers of services and/or goods which are similar to or the same as the Work and which shall cover all risks which may be incurred by the Supplier arising out of the provision of the Work and which, in any event, shall not be less than £1.5 million for any claim. The Supplier shall on request by the Customer prove the existence, adequacy and currency of such insurance policies.

13 Warranties:

- 13.1 The Supplier warrants that all of the Work supplied by it:
- (a) will be of satisfactory quality, in full accordance with any specification in the Purchase Order or which the Customer may provide the Supplier with from time to time and will be fit for any purpose stated by the Customer prior to or in the Purchase Order or held out by the Supplier;
 - (b) will be free from all defects in design, material and workmanship;
 - (c) will correspond with any samples provided;
 - (d) will not infringe any intellectual property rights or other rights of any third party anywhere in the world.
- 13.2 Any services supplied by the Supplier as part of the Work will be performed by appropriately qualified and trained personnel with all due skill, care and diligence and to such high standards of quality stated in the Purchase Order or (if none are so stated) as it is reasonable for the Customer to expect.
- 13.3 If, within 24 months of delivery or 12 months from taking into service, (whichever is the lesser), any defect in design, performance, workmanship or materials develops in relation to the Work, the Supplier shall, at its own expense either:
- (a) make good such defects to the Customer's satisfaction, as directed by the Customer in writing; or
 - (b) replace the goods in which such defects have developed with defect free goods
- All onshore transportation costs associated with remedial work shall be borne by the Supplier.

14 Payment:

- 14.1 The Supplier will submit a valid, correctly costed invoice to the Customer. All invoices shall comply with regulations applicable to VAT, and shall show any VAT payable by the Customer.
- 14.2 Unless agreed in writing by the parties or specified in the Purchase Order, payment is to be made in the month following either the month in which the Supplier's invoice is received at the Customer's invoice address or the month in which the goods or services or the last of them are delivered in accordance with the Purchase Order, whichever is the later event.

15 Delivery:

- 15.1 The Work shall be provided in the quantities, by the times and at the Location strictly in accordance with the Purchase Order or as otherwise agreed with the Customer in writing and the Customer shall not be obliged to accept any incomplete delivery or any Work in excess of the amounts ordered. If the Work requires the carrying out of tests or the instalment of goods, after receipt by the Customer, delivery shall not be deemed to be complete until such tests have been passed or any goods installed to the Customer's satisfaction and the Supplier shall provide the Customer upon request with copies of all test reports and all data discovered as a result of testing.
- 15.2 Where the Purchase Order provides for delivery within a specified time, that time shall run from the date of the Purchase Order.
- 15.3 If the Work or any portion thereof is not delivered within the time specified in the Purchase Order or any extension of such time or times as may be granted by the Customer in writing, the Customer shall be entitled:
- (a) to cancel the Purchase Order and determine the contract in respect of the Work undelivered and of any other Work already delivered under the Purchase Order which cannot effectively or economically be used by reason of non-delivery of the undelivered Work. In such event the Customer shall be entitled to return to the Supplier at the Supplier's expense and risk any delivered goods which cannot effectively or economically be used and to recover from the Supplier any monies paid by the Customer in respect of such goods, any additional expenditure incurred by the Customer in obtaining other goods or services in replacement of those in respect of which the Purchase Order has been cancelled and the contract has been terminated. The exercise of rights under this clause shall not prejudice any rights of the Customer to damages or other rights or remedies it might have against the Supplier; or
 - (b) in the event that the Customer is unable to obtain alternative goods or services from another source to deduct from the price two percent of the purchase price for each week between the required delivery date and actual delivery date. The liability to the supplier for late delivery shall not exceed ten percent of contract price.
- 15.4 In addition to any other right the Customer may have under this contract or any other contract between the Customer and the Supplier, the Customer shall be entitled to postpone the date of delivery for whatever period the Customer thinks fit upon giving notice in writing to the Supplier provided that the Customer pays the Supplier the Supplier's reasonable additional charges as in the circumstances the Customer shall in its reasonable discretion think fit.
- 15.5 The Supplier must ensure all goods delivered as part of the Work are suitably packaged and the Customer shall not be obliged to return any packaging materials for any goods whether or not they are accepted by the Customer.
- 15.6 If the Work is delivered or performed in instalments, the contract shall be treated as a single contract and not severable.
- 15.7 The Supplier shall provide to the Customer access to the Work at all key stages in its development. The Supplier shall not depart from the Purchase Order for the Work unless the Supplier has obtained the Customer's prior written approval. The Supplier shall make all and any amendments to the Work required by the Customer and unless agreed in writing by the Customer, any such amendments shall not increase the price.
- 15.8 If the Customer installs any Work supplied to it, the Supplier shall supply in advance of delivery a functional description of each part of the Work, together with sufficient drawings and instructions to allow the Customer to install, operate and maintain the Work including, without limitation, details of any special environmental controls required to ensure that the Work meets any relevant specification.
- 15.9 The Supplier shall remit a certificate of conformance with any relevant specification confirming conformance with all appropriate regulatory approvals and health and safety requirements.
- 15.10 Time for provision of the Work shall be of the essence. The Supplier shall notify the Customer in writing if any delivery or performance is likely to be delayed beyond the specified date. Failure by the Supplier to notify any likely delay shall entitle the Customer to cancel the Purchase Order and/or terminate without liability all or part of the contract and/or to compensation for any losses resulting from such failure and delay.

16 Rejection of Goods:

The Customer may by notice in writing to the Supplier given after delivery reject (without limitation) any goods and/or services found not in accordance with these terms and conditions. Rejected goods shall be returned to the Supplier at the Supplier's expense and risk. In such cases the Supplier shall within a reasonable time replace rejected goods with goods which are in accordance with the specification. Any monies paid by the Customer in respect of rejected goods not replaced by the Supplier together with any additional expenditure over and above the price of the rejected goods incurred by the Customer in obtaining other goods in replacement shall be paid by the Supplier to the Customer.

17 Cancellation:

- 17.1 The Customer may cancel all or any part of the Purchase Order and terminate all or any part of the contract without any liability immediately by notice in writing to the Supplier, and without limitation in the following circumstances:
- (a) if the Supplier breaches any term of the Purchase Order and (where in the Customer's reasonable opinion the breach can be remedied without any delay to the time for supply under clause 15) fails to remedy the breach by that time for supply or (if earlier) within 7 days of the date of the Customer's written notice so requiring; or
 - (b) if the Supplier ceases to or threatens to cease to carry on business, has a receiver or administrative receiver appointed over all or part of its assets, compounds with its creditors, becomes subject to an administration order or a bankruptcy or goes into liquidation or suffers similar proceedings under any competent jurisdiction.
 - (c) if a Force Majeure situation exceeds 120 days
- 17.2 The Customer shall be entitled to cancel the Purchase Order and terminate the contract and to recover from the Supplier the amount of any resulting loss arising from the Supplier's breach of clause 10.
- 17.3 Clauses 8, 11, 12, 13, 19, 21 and 22 shall survive termination or completion of all or any part of the Purchase Order.

17.4 If this contract is terminated for any reason all rights granted under this contract will terminate except for the Customer's continued right to use the Work supplied under this contract.

18 Cancellation For Convenience:

18.1 Customer may by notice to Supplier cancel the Contract with the consequence that the performance of the Work ceases (Cancellation).

18.2 Following such cancellation, Customer shall pay:

- (a) the unpaid balance due to Supplier for that part of the Work already performed,
- (b) all costs incurred by Supplier and his Subcontractors in connection with Materials ordered prior to receipt of the notice of cancellation by Customer, and compensation for work performed on such Materials prior to the said date, provided that such costs are not covered by payment under clause 18.2(a),
- (c) all necessary cancellation charges and administration costs incurred by Supplier in connection with the cancellation,
- (d) Payment shall be made in accordance with the provisions of clause 14.

18.3 In addition to the amounts stated in clause 18.2, Customer shall pay, in accordance with the provisions of clause 14, a cancellation fee equal to the lesser of:

- (a) 4% of the Contract Price, or
- (b) 6% of the part of the Contract Price which is not paid at the date of cancellation and which shall not be paid pursuant to clause 18.2(a).

18.4 Supplier shall, in accordance with Customers' instructions, make his best efforts to cancel Subcontracts on terms acceptable to Customer. If Customer cannot accept the cancellation terms, then Contractor shall assign such Subcontracts to Customer.

18.5 The parties shall conclude a Delivery Protocol stating each party's view of the percentage of the Contract Object and the Work delivered and completed. Customer shall also issue a Completion Certificate which reflects the Delivery Protocol.

18.6 Contractor shall deliver copies of all plans, drawings, specifications and other documents which Customer is entitled to use.

18.7 Customer shall, at its own cost, remove the Contract Object, Materials and Customer Provided Items from Suppliers Site, within a mutually agreed time. Contractor shall, until the Contract Object, Materials and Customer Provided Items have been removed, keep them in a safe manner at Customers' cost.

19 Confidentiality:

The Supplier shall keep confidential and not use confidential information obtained by the Supplier in connection with the Purchase Order. The Supplier shall inform its employees, agents and sub-contractors of the requirement of confidentiality and indemnify the Customer against any unauthorised use or disclosure by any of them of such confidential information.

20 Force Majeure:

The Customer shall have no liability to the Supplier, or be deemed to be in breach of this contract, as a consequence of any delays or failures in performance of this contract which result from circumstances beyond the Customer's reasonable control. In the event a force majeure situation causes a delay in the contract objective for a period of more than 120 days, Customer shall have the right to cancel the Contract in accordance with clause 17.

21 Law:

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

22 Notice:

- 22.1 All notices which are required to be given under this contract shall be in writing and shall be sent to the address of the recipient set out in this Purchase Order or such other address as the recipient may designate by notice given in accordance with the provisions of this clause.
- 22.2 Notices should be delivered personally or by first class pre-paid letter and shall be deemed to have been served if by hand when delivered, and if by first class post, 48 hours after posting.

23 General:

- 23.1 The Supplier engages the Customer as an independent contractor. Nothing in this contract shall create a partnership or the relationship of principal and agent or employer and employee.
- 23.2 If any provision of this contract is found by any court or administrative body or competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this contract and all provisions not affected by the invalidity or unenforceability shall remain in full force and effect.
- 23.3 A waiver of the Customer's rights shall not operate as a waiver of any subsequent breach. No right, power or remedy conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and the rights, power or remedy available to that party and the rights, powers and remedies shall be cumulative.
- 23.4 The Supplier shall not transfer this contract or any of its rights, liabilities or obligations nor shall the Supplier sub-contract any of its obligations under it, whether in whole or in part, without first obtaining the Customer's prior written consent. Such consent, if granted, shall not release the Supplier from any of its obligations and liabilities which may exist under this contract from time to time.
- 23.5 Headings to clauses are for ease of reference only and shall not affect the interpretation or construction of this contract.
- 23.6 For the purposes of Section 1(2) of the Contracts (Rights of Third Parties) Act 1999 the parties state that they do not intend any term of this contract to be enforced by third parties.
- 23.7 Any forecasts of requirements which may be given by the Customer to the Supplier will be given in good faith, but are for information purposes only. In no circumstance should a forecast be considered a Purchase Order and any advance manufacture or procurement shall be at the Supplier's sole risk.