

IC BLUE

PURCHASE TERMS

These terms and conditions set out the terms upon which we, IC Blue Limited, purchase goods. We are a company registered in England and Wales with company number 04415750 and our registered office is at Neptune House, Neptune Street, Leeds LS9 8PB.

These terms apply to all our purchases to the exclusion of any other terms that you may seek to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

1. INTERPRETATION

1.1 Definitions:

The following definitions apply in these terms and any Order:

Business Day: a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business.

Confidential Information: means all materials, trade secrets or other information regarding your or our products, services, business information, plans or objectives, whether imparted in writing or orally, and any copies of the foregoing.

Contract: each contract between you and us for the sale and purchase of the Goods in accordance with these terms.

Delivery date: the date specified in the Order, or, if none is specified, the date agreed, or if none is agreed, within 28 days of the date of the Order.

Goods: the goods (or any part of them) set out in the Order.

IPR: means all inventions, patents, copyrights, design rights, semi-conductor topography rights, trade marks, trade secrets, know-how, rights in confidential information, database rights and other rights in the nature of intellectual or industrial property rights (whether registered or unregistered).

Location: the address for delivery of Goods as set out in the Order.

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

Specification: any description or technical or other specification for the Goods, including any related designs, plans and drawings that have been provided or made available by you whether in hard copy documentation, electronic form (including on your website) or provided verbally.

1.2 Interpretation:

- (a) a reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- (b) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- (c) a reference to **writing** or **written** includes emails.

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2. BASIS OF CONTRACT

2.1 An Order constitutes an offer by us to purchase the Goods in accordance with these terms.

2.2 Each Order shall be deemed to be accepted by you on the earlier of:

- (a) you issuing a written acceptance of the Order; or
- (b) you doing any act consistent with fulfilling the Order,

at which point the Contract shall come into existence.

3. THE GOODS

3.1 You shall ensure that the Goods shall:

- (a) correspond with their description and any applicable Specification;
- (b) be of satisfactory quality (within the meaning of the Consumer Rights Act 2015) and fit for any purpose held out by you or made known to you by us expressly or by implication, and in this respect we rely on your skill and judgement;
- (c) if manufactured products, be free from defects in design, material and workmanship and remain so for at least 12 months after delivery or such period as we may agree with you; and
- (d) comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods.

3.2 You shall ensure that at all times you have and maintain all the licences, permissions, authorisations, consents and permits that you need to carry out your obligations under the Contract.

3.3 We may inspect and test the Goods at any time before delivery which may include providing the Goods or a sample of the Goods to a testing house. You shall remain fully responsible for the Goods despite any such inspection or testing and any such inspection or testing shall not reduce or otherwise affect your obligations under the Contract.

3.4 If following such inspection or testing we consider that the Goods do not conform or are unlikely to comply with your obligations at clause 3.1, we shall inform you and you shall immediately take such remedial action as is necessary to ensure compliance.

3.5 We may conduct further inspections and tests after you have carried out your remedial actions.

4. DELIVERY

4.1 You shall ensure that:

- (a) the Goods are properly packed and secured in such manner as to enable them to reach the Location in accordance with clause 3.1;
- (b) each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number (if any), the type and quantity of the Goods (including the code number of the Goods, where applicable), special storage instructions (if any) and, if the Goods are being delivered by instalments, the outstanding balance of Goods remaining to be delivered; and

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- (c) if you require us to return any packaging material to you, that fact is clearly stated on the delivery note. Any such packaging material shall be returned to you at your cost.
- 4.2 Unless agreed otherwise in writing, Orders are to be delivered to the Location complete, on time and in one drop only. It is our discretion to accept or decline any part or incomplete deliveries (by line). If we do not accept delivery it will be collected by you at your cost.
- 4.3 Any Goods that do not comply with the Specification will be your responsibility irrespective of whether they have been shipped or not. You will promptly replace all rejected Goods and the replacements will, if required by us, be express freighted to the Location. You will pay all additional costs involved such as the express freight costs. You will be responsible for all losses, costs and charges incurred by us due to such rejected Goods, which shall include compensatory payments to our customers. We shall be entitled to set off these losses, costs and charges against any amounts due to you.
- 4.4 You shall grant access to us to carry out inspections during production of the Goods and/or before shipment. Any inspection will not be considered final or an acceptance of the Goods inspected. Final approval will be subject to inspection by us upon receipt of the Goods.
- 4.5 We are to be notified immediately if the Delivery Date of an Order is expected to be missed and we may require express freight to be organised to meet the Delivery Date. If required by us, you will pay for the difference in cost between the express freight and the normal freight.
- 4.6 If a particular order line is or is to be supplied short we may require to have the balance express freighted to the Location. The additional Goods will be supplied at the agreed price even if the quantity required is below generally accepted or agreed production minimums. You will pay all additional costs involved such as the express freight costs.
- 4.7 In cases of late, short or incomplete deliveries you will be responsible for all losses, costs and charges incurred by us due to such short, incomplete or late delivery, which shall include compensatory payments to our customers. We shall be entitled to set off these losses, costs and charges against any amounts due to you.
- 4.8 Delivery of the Goods shall be completed on the completion of unloading the Goods at the Location.
- 4.9 You shall not deliver the Goods in instalments without our prior written consent. 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 us to the remedies set out in clause 5.

5. REMEDIES

- 5.1 If the Goods are not delivered on the Delivery Date, or do not comply with the obligations set out in clause 3.1, then, without limiting any of our other rights or remedies, and whether or not we have accepted the Goods, we may exercise any one or more of the following remedies:
- (a) to terminate the Contract;
 - (b) to reject the Goods (in whole or in part) and return them to you at your own risk and expense;
 - (c) to require you to repair the rejected Goods;
 - (d) to require you to replace the rejected Goods;
 - (e) to require you to provide a full refund of the price of the rejected Goods (if paid);
 - (f) to refuse to accept any subsequent delivery of the Goods which you attempt to make;

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- (g) to recover from you any costs incurred by us in obtaining substitute goods from a third party; and
- (h) to claim damages for any other costs, loss or expenses incurred by us which are in any way attributable to your failure to carry out its obligations under the Contract.

5.2 These terms shall apply to any repaired or replacement Goods supplied by you.

5.3 Our rights and remedies under these terms are in addition to our rights and remedies implied by statute and common law.

6. TITLE AND RISK

Title and risk in the Goods shall pass to us on completion of delivery.

7. PRICE AND PAYMENT

7.1 We will pay you for each Contract fulfilled and in accordance with these terms.

7.2 All prices in Orders are (unless stated) inclusive of the costs of packaging, insurance and carriage of the Goods and exclusive of VAT and equivalent taxes which are payable in addition. Once a price is approved it will remain fixed for a period of 6 months. Any change in price after this period is to be advised and agreed in writing with 60 days' notice.

7.3 No extra charges shall be effective unless agreed in writing with us.

7.4 You may invoice us for the price of the Goods plus VAT at the prevailing rate (if applicable) on or at any time after the completion of delivery. You shall ensure that the invoice includes the date of the Order, the invoice number, our Order number, your VAT registration number, and any supporting documents that we may reasonably require.

7.5 We shall, unless otherwise agreed, pay correctly rendered invoices within 30 days of receipt of the invoice. Payment shall be made to the bank account nominated in writing by you.

7.6 If a party fails to make any payment due to the other under a Contract by the due date for payment, then the defaulting party shall pay interest on the overdue amount at the rate of 2% per annum above the Bank of England's base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The defaulting party shall pay the interest together with the overdue amount. This clause shall not apply to payments the defaulting party disputes in good faith.

7.7 We may at any time, without limiting any of our other rights or remedies, set off any liability of you to us against any liability of us to you.

8. INDEMNITY

8.1 You shall hold us harmless and keep us (and any customer to which we may supply the Goods) indemnified against all liabilities, costs, claims, expenses, damages and losses (including any indirect or consequential losses and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by us as a result of or in connection with:

- (a) any claim made or threatened for actual or alleged infringement of a third party's IPR arising out of or in connection with the supply or use of the Goods;
- (b) any claim made or threatened against us by a third party for death, personal injury or damage to property arising out of or in connection with defects in Goods; and

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- (c) any claim made against us by a third party arising out of or in connection with the supply of the Goods, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by you, your employees, agents or subcontractors.

8.2 This clause 8 shall survive termination of the Contract.

9. INSURANCE

During the term of the Contract and for a period of 5 years thereafter, you shall maintain in force, with a reputable insurance company, professional indemnity insurance, product liability insurance and public liability insurance to cover the liabilities that may arise under or in connection with the Contract, and shall, on our request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

10. CONFIDENTIALITY

10.1 Both parties agree to maintain in strict confidence all Confidential Information obtained from the other and to use it exclusively for the purposes of the Contract.

10.2 A party may disclose the other's Confidential Information to its officers and employees to the extent reasonably necessary for the purposes of the Contract. We may disclose such of your Confidential Information as may be reasonably necessary for the purpose of reselling the Goods and servicing the same.

10.3 Information will not be considered Confidential Information if it can be shown that:

- (a) It was already generally accessible to the public on the date of disclosure or became generally accessible without breach of these terms;
- (b) It was already available to the receiving party prior to the date of disclosure;
- (c) It was lawfully provided to the receiving party by a third party.

10.4 This clause 10 shall survive termination of the Contract.

11. COMPLIANCE WITH RELEVANT LAWS AND POLICIES

11.1 In performing your obligations under the Contract, you shall comply with all applicable laws, statutes and regulations from time to time in force and all of our and our customers' policies and codes of conduct and practice in the sourcing of materials and components, manufacture, assembly and supply of Goods.

11.2 Notwithstanding compliance with clause 11.1, you will retain all records regarding the sourcing of materials and components, manufacture, assembly and supply of Goods and all technical information, documentation and test results indefinitely unless we agree in writing to a shorter time period. If we agree to a shorter time period, we may require that the records or information concerned is provided to us so that we may retain it.

11.3 We may immediately terminate the Contract for any breach of clause 11.

12. TERMINATION

12.1 We may terminate the Contract in whole or in part at any time before delivery with immediate effect by giving you written notice, whereupon you shall discontinue all work on the Contract. We shall pay you fair and reasonable compensation for any work in progress on the Goods at the time of

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termination, but such compensation shall not include loss of anticipated profits or any consequential loss.

12.2 Without limiting our other rights or remedies, we may terminate the Contract with immediate effect by giving written notice to you if:

- (a) you commit a material breach of any term of the Contract and (if such a breach is remediable) fail to remedy that breach within 14 days of being notified in writing to do so;
- (b) you take any step or action in connection with entering administration, provisional liquidation or any composition or arrangement with your creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of your assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
- (c) you take any step or action in connection with you being made bankrupt, entering any composition or arrangement with your creditors, having a receiver appointed to any of your assets, or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;
- (d) you suspend, or threaten to suspend, or cease or threaten to cease to carry on all or a substantial part of your business; or
- (e) your financial position deteriorates to such an extent that in our opinion your capability to adequately fulfil your obligations under the Contract have been placed in jeopardy.

12.3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.

12.4 Clauses that expressly or by implication survive termination of the Contract shall continue in full force and effect.

13. FORCE MAJEURE

Neither party shall be in breach of a Contract nor liable for delay in performing, or failure to perform, any of its obligations under it if such delay or failure results from an event, circumstance or cause beyond its reasonable control. If the period of delay or non-performance continues for 8 weeks, the party not affected may terminate the Contract by giving 7 days' written notice to the affected party.

14. GENERAL

14.1 **Subcontracting.** You may not subcontract any or all of your rights or obligations under a Contract without our prior written consent. If we consent to any subcontracting by you, you shall remain responsible for all the acts and omissions of your subcontractors as if they were your own.

14.2 **Variation.** Except as set out in these terms, no variation of a Contract, including the introduction of any additional terms, shall be effective unless it is agreed in writing and signed by us.

14.3 **Waiver.** A failure or delay by a party to exercise any right or remedy provided under these terms or by law shall not constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

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- 14.4 **Severance.** If any provision or part-provision of these terms or a Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of these terms or a Contract.
- 14.5 **Notices.** Any notices sent under a Contract must be in writing and may be delivered personally, by first class post, facsimile or email. Every notice is deemed to have been served; upon delivery if served by hand, at the expiration of 2 Business Days after despatch if delivered by first class post or at 10:00am local time of the recipient on the next Business Day following despatch if sent by facsimile or email.
- 14.6 **Third party rights.** No one other than a party to a Contract and their permitted assignees shall have any right to enforce any of its terms.
- 14.7 **Dispute Resolution.** If any difference or dispute arises between the parties in relation to a Contract or an Order, the parties will attempt to resolve it by arranging good faith negotiations between a director of each party. If the matter cannot be resolved, the parties will consider alternative dispute resolution, such as mediation or expert determination. This will not restrict either party from commencing legal proceedings to preserve any legal right or remedy or to protect any IPR or Confidential Information.
- 14.8 **Governing law.** Any dispute or claim arising out of or in connection with these terms and all Contracts or their subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the law of England and Wales.
- 14.9 **Jurisdiction.** Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims). If the courts of your country will not enforce the provisions of this clause, any dispute will be addressed by arbitration which will be subject to English law.