

CMD Ltd Terms & Conditions of Purchase

This Purchase Order is conditioned upon the acceptance by Supplier of these Terms and Conditions. All conflicting or additional terms and conditions proposed by Supplier hereby expressly rejected.

1. INTERPRETATION

- (i) **"CMD Limited"** CMD Ltd and/or any other member of the CMD division of IDEAL INDUSTRIES Ltd, a company incorporated in England with registered number 2290387 and whose registered office is at Eastwood Trading Estate, Sycamore Road, Rotherham, South Yorkshire, United Kingdom, S65 1EN. CMD Ltd will be referred to as CMD throughout this document.
- (ii) **"Contract"** means the agreement between CMD and the Supplier which incorporates these Purchase Order Conditions and the requirements set out in the Purchase Order.
- (iii) **"Applicable Environmental Laws"** means any applicable laws, orders, rules, or regulations pertaining to safety, health or the environment, as such laws, orders, rules or regulations now exist or are hereafter enacted and/or amended.
- (iv) **"Goods"** the goods described whether raw materials, components, finished products or services and where the context so admits includes any individual item(s) thereof.
- (v) **"Purchase Order"** means the Purchase Order submitted by CMD to procure Goods from the Supplier.
- (vi) **"Specification"** means the specifications, drawings, samples and/or patterns (if any) referred to or described in the Purchase Order in accordance with which the Goods are to be supplied, and any modifications to them that may be agreed.
- (vii) **"Supplier"** the person named as Supplier of the Goods and where the context so admits includes the officers, employees, and agents of the Supplier.
- (viii) **"Supplier's Documents"** all or any quotation, invitation, invoice offer, or acceptance or other document issued by the Supplier relating to the Goods.
- (ix) **"Purchase Price"** the price stated is the purchase price of the goods.
- (x) **"Anticipated Delivery Date"** the date stated or agreed by CMD as the date for delivery of the Goods hereunder.
- (xi) **"Delivery Date"** the date on which the Goods are delivered to the delivery address stated during normal business hours.
- (xii) **"Warranty Period"** a period of 12 consecutive months commencing on the Delivery Date or Supplier's standard warranty, whichever is longer.

2. GENERAL

- 2.1. Any contracts between CMD and the Supplier for the purchase of Goods by CMD (and any quotation invitation offer and acceptance relating thereto) shall automatically incorporate these terms and conditions and the performance specifications (if any) furnished by the Supplier to CMD in respects of the Goods. The terms and conditions contained herein shall prevail over any other terms and conditions incorporated in or attached to the Supplier's Documents or contained in any oral intimation and any other terms or conditions are hereby expressly rejected and shall not form part of the contract between CMD and the Supplier unless expressly agreed in writing, signed on behalf of both the Supplier and CMD specifically in pursuance of this Condition.
- 2.2. No waiver or variation of any of these terms and conditions shall be effective unless it is in writing and signed by or on behalf of both the Supplier and CMD and stated to be made specifically in pursuance of this Condition Any such waiver or variation shall be effective for the purposes of that particular transaction only and all other terms and conditions herein shall remain in full force and effect.
- 2.3. Supplier shall provide CMD within three (3) days of receiving a Purchase Order, a written acceptance or rejection of the Purchase Order. In the event Supplier rejects a Purchase Order, Supplier shall notify CMD in writing the reasons why a Purchase Order was rejected. CMD may, at its option, submit a revised Purchase Order. Failure to reject an order within three (3) days will be deemed accepted by Supplier. Upon actual or deemed acceptance of a Purchase Order by Supplier, a binding contract for the sale and purchase of Products shall exist between Supplier and CMD in accordance with this Agreement and CMD's Purchase Order to the exclusion of any additional or contrary terms set forth in any document unless such additional or contrary terms are mutually agreed to in writing by the parties.

3. DELIVERY, TITLE AND RISK

- 3.1. Under no circumstances shall the Delivery Date be more than (7) days beyond the Anticipated Delivery Date and CMD shall, without prejudice to its rights under clause 14, be entitled to cancel this contract, if the Supplier breaches its obligation under this Condition and for this purpose. TIME IS OF THE ESSENCE.
- 3.2. The Supplier shall deliver the Goods to the delivery address stated in the purchase order.
- 3.3. All advice notes, dispatch notes and invoices must refer to the CMD purchase order number to which they apply.
- 3.4. Title in the Goods will pass to CMD upon payment to the Supplier, save where payment (either in whole or in part) is made for the Goods prior to their delivery to CMD, or where CMD has supplied materials to be incorporated in the Goods, in which cases clause 3.5 shall apply.
- 3.5. Without prejudice to CMD's rights under clauses 11 and 14, Title to the Goods shall vest in CMD from the commencement of their manufacture, and title to all materials and other items which the Supplier shall acquire or allocate for incorporation in any of the Goods shall vest in CMD from the time they are so acquired or allocated.
- 3.6. The Goods shall be at the Supplier's risk until they are delivered to CMD and the Supplier shall be responsible for any loss or damage and for arranging and paying for their storage, handling, and insurance.

4. PAYMENT AND SHIPPING TERMS

4.1. Payment Terms.

All Supplier invoices will be issued and paid in accordance with the payment terms hereunder ("Payment Terms.") Supplier shall invoice CMD for Goods purchased at the time Goods are shipped in accordance with the terms on the relevant Purchase Order(s); provided. Payment of an invoice does not constitute an acceptance of Goods and is without prejudice to any claims CMD may have in connection with this Agreement.

- a) CMD shall pay Supplier's invoices Net 60 Days from the invoice date.
- b) CMD shall be entitled to dispute in good faith any invoiced amount by giving notice to Supplier and to withhold such disputed amount pending final resolution of the dispute.

4.2. Shipping Terms.

- a) All transportation, delivery and freight costs arising out of Supplier's noncompliance with the terms of a Purchase Order or this Agreement including, but not limited to, split shipments, failure to follow CMD routing instructions, or errors in classification of Goods (including errors in the classification of goods by CMD resulting from Supplier's failure to provide CMD with accurate and sufficient information for the proper classification of the goods by CMD), are the sole responsibility of Supplier and, at CMD's sole discretion, may be charged back to or collected from the Supplier.
- b) During the Term of this Agreement, CMD shall have the right, in its sole discretion, to choose among such alternative shipping and delivery terms for any Purchase Order(s).
- c) Supplier will be solely responsible for, and will indemnify, defend, and hold CMD harmless against claims by carriers or third parties for additional charges resulting from extended unloading time for unscheduled deliveries or any other failure to follow CMD routing requirements

5. INVOICES

5.1. Invoices should be addressed to "CMD Ltd, Accounts Payable, Eastwood Trading Estate, Sycamore Road, Rotherham, South Yorkshire, United Kingdom, S65 1EN" or emailed to accounts@cmd-ltd.com. Unless otherwise agreed in writing, invoices must be dated and issued no earlier than the delivery date of each consignment of Goods and must show any applicable trade or settlement discount, the CMD Purchase Order number and the delivery advice note number.

6. VALUE ADDED TAX ETC.

6.1. All prices indicated shall be exclusive of Value Added Tax (VAT). The Supplier shall, if registered for VAT, supply a valid VAT invoice. The Supplier shall provide further information as may reasonably be required in relation to any such invoice.

7. INTELLECTUAL PROPERTY AND TRADEMARKS

7.1. The parties agree that each party shall remain the exclusive owner of their respective existing intellectual property and any information related thereto. All intellectual property and related documents supplied by CMD shall be returned to CMD immediately upon request.

7.2. Goods manufactured by the Supplier to, or based upon, a CMD design, or containing a CMD trademark or other intellectual property, must not be sold, provided, or otherwise disposed of to any third-party without the prior written authority of CMD. Supplier must refer to CMD all enquiries received for such Goods.

8. PRODUCT LABELLING AND PACKAGING

8.1. Supplier certifies that all country of origin labelling, identification, and certifications on Goods are true, accurate and comply with all applicable laws, treaties, and regulations. Supplier shall mark all Goods and/or packaging with correct country of origin markings, CMD purchase order number, part number, quantity, and regulatory markings.

9. QUALITY

9.1. All Products shall be subject to inspection and approval by CMD after delivery. CMD reserves the right to reject all or part of the Goods shipped that it deems non-conforming, defective, unsafe, unfit, or in excess of the Purchase Order quantities, or in any other way unsuitable for its purposes.

9.2. Supplier must have a Quality Management System and Quality Management Policy

9.3. Without prejudice to or limitation of CMD's statutory rights, the Goods supplied shall comply in all respects with the Specification, but if no Specification is referred to in the Purchase Order the Goods shall comply in all respects with any product and environmental standards and CMD standards of which the Supplier is aware or ought reasonably to be aware and shall be of the best quality appropriate for the purpose specified by CMD or if not so specified reasonably applicable to such Goods.

10. ENVIRONMENTAL

10.1. The Supplier warrants and represents to CMD that it will observe and comply with its obligations under Applicable Environmental Laws in all material respects, including without limitation, the Registration, Evaluation, Authorization and Restriction of Chemicals (known as REACH), the Restriction of Hazardous Substances (known as RoHS), and the Waste Electrical and Electronic Equipment (known as WEEE). Supplier shall cooperate and provide reasonable assistance to CMD, including providing documents or other data in Supplier's possession that are reasonably necessary for CMD to demonstrate compliance with Applicable Environmental Laws.

10.2. Additionally, Supplier must have an Environmental Management System, Environmental Management Policy.

10.3. Supplier shall provide carbon emissions data and the compliance statements listed in clause 10.1 and clause 11.1 to CMD upon request.

10.4. Goods packaging should be 100% recyclable and not use plastic, where practical. Packaging material and method data must be supplied to CMD.

11. WARRANTY

- 11.1. Supplier represents and warrants that (1) the Goods are free from defects, merchantable, fit for their intended purpose, which warranty shall be passed through to customers of CMD; (2) Goods meet or exceed industry standards; (3) Goods are in compliance with all federal, state and local laws, ordinances, rules and regulations; (4) Goods conform to all Specifications, drawings, models, samples or other descriptions used by Supplier or required by CMD and possess all performance qualities represented by Supplier; (5) Supplier is under no obligation or restriction, nor will it assume any obligation or restriction, that would in any way interfere or be inconsistent with the performance of this Purchase Order; (6) the Goods do not infringe any privacy, publicity, reputation, or any statutory or common law right or proprietary right of a third party; (7) Goods are new and do not contain any used or reconditioned parts; and (8) Supplier conveys good title to Goods covered by this Purchase Order and any and that such transfer is rightful and that Goods shall be delivered free from any security interest or other lien or encumbrance.
- 11.2. Without prejudice to CMD's other rights and remedies, if during the Warranty Period any defect occurs in any of the Goods due to the material, workmanship or design of the Goods not being in accordance with the Purchase Order or any applicable statutory or regulatory standards, the Supplier shall, at CMD's option, as soon as practicable and in any event within a reasonable time as stipulated by CMD, replace or repair such defective Goods at its own expense or issue a full refund, including shipping and any other expenses incurred by CMD.
- 11.3. Goods replaced or repaired shall be subject to a full Warranty Period commencing on the actual date of delivery of the repaired or replaced Goods and clause 11.1 shall apply and continue to apply for the Warranty Period.
- 11.4. All reasonable expenses to CMD in returning the Goods will be promptly refunded to CMD if the equipment is found to be defective. CMD shall be under no obligation to return the Goods if it is impractical to do so.
- 11.5. Supplier will ensure continuity of supply and must inform CMD with minimum 12-month notice period any plan to modify or discontinue Goods.

12. INDEMNITIES

- 12.1. The Supplier shall defend, indemnify and hold CMD, its directors, officers, employees, affiliates, successors and assigns (collectively, the "indemnitees") against all liabilities, costs, expenses, damages, and losses (including reasonable attorney's fees and all other professional costs and expenses) asserted or awarded against, or recoverable from any Indemnitee as a result of any actual or threatened action, suit or proceeding arising out of or relating to any Goods covered by this Purchase Order, including:
- (i) any defect, failures to warn, label or disclose, breaches of warranty or representation (express or implied), any actual or alleged violation with respect to any applicable laws, rules, regulations;
 - (ii) any breach by Supplier of any certifications, warranties, representations or obligations under these Terms and Conditions;
 - (iii) any claim brought against CMD for actual or alleged infringement of a third party's intellectual property rights arising out of, or in connection with, the receipt, use or supply of the Goods, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents, or subcontractors; and

- (iv) any claim brought against CMD because of non-compliance by the Supplier with the provisions of the Health and Safety at Work Act 1974 and the regulations and codes of practice issued thereunder from time to time and any statutory modification or re-enactment thereof for the time being in force so far as the same may be applicable.

12.2. The foregoing indemnification obligations shall survive termination of any Contract which incorporates these terms and conditions.

12.3. The Supplier acknowledges that it is in a better position than CMD to ascertain the risk of any defect appearing in the Goods and any damage which may result therefrom, and the safety of the Goods when properly used and to prevent delay in delivery of the Goods to CMD and the infringement of intellectual property rights belonging or allegedly belonging to third parties and THE SUPPLIER ACKNOWLEDGES THAT THE INDEMNITIES CONTAINED IN THESE TERMS AND CONDITIONS ARE IN ALL CIRCUMSTANCES REASONABLE.

13. SUPPLIER PERFORMANCE

13.1. CMD at any time may submit supplier performance data, a supplier questionnaire or conduct an audit to ensure compliance with this agreement, upon reasonable advance written notice. If supplier performance, supplier questionnaire or an audit reveal a breach of any warranties, representations, or any other terms in this agreement, in addition to any other remedies CMD may have at law or in equity, Supplier shall promptly work to remedy any such breach. Audits shall be conducted during normal business hours and shall not disrupt Supplier's normal business operations.

14. CANCELLATION

14.1. CMD may cancel this Contract, in whole or in part, at any time subject to giving written notice to the Supplier. In such circumstances, the Supplier shall only be entitled to payment for Goods already delivered to CMD at the date of such cancellation plus, the net cost of any material and work in progress, which shall be made available to CMD if required, that the Supplier cannot return or utilise elsewhere. The Supplier shall not be entitled to payment of any other loss (including, without limitation, loss of profit) and/or damage arising from such cancellation.

14.2. CMD reserves the right to cancel this Contract for cause, in the event of:

- (i) the passing by the Supplier of a resolution for its winding-up or the making by a court of competent jurisdiction of an order for the winding-up of the Supplier or a bankruptcy order; or
- (ii) the making of an administration order in relation to the Supplier or the appointment of an administrative receiver; or
- (iii) the Supplier arranging or composing with its creditors generally or making an application to a court of competent jurisdiction for protection from its creditors generally, CMD may, without prejudice to any other power of termination or to any rights or remedies it may have, cancel the Contract forthwith by written notice and the Supplier shall indemnify CMD against all costs, expenses, and damages for which CMD becomes liable arising from such cancellation; or
- (iv) the engagement of unethical or disreputable activities by Supplier that would contravene CMD's Supplier Code of Conduct available at www.cmd-ltd.com.

14.3. Cancellation of the Contract shall not prejudice or affect any right or remedy which has accrued or shall accrue thereafter to CMD.

15. FORCE MAJEURE

- 15.1. Neither party shall be deemed in breach of this Agreement, or otherwise be liable to the other party for delay in performance, or the non-performance of any of its obligations in this Agreement during any period in which such performance is delayed by war, fire, flood, earthquake, storm, embargo, strike, riot, or other unexpected, unforeseeable, or unavoidable impediment that is beyond a Party's control ("Force Majeure Event"). In such event, the delayed party must promptly notify the other party as to the circumstances in question and their effect on its ability to perform. The delayed party shall use its best efforts to resume performance under this Agreement. If Supplier is affected by a Force Majeure Event, it shall grant CMD's orders priority as to any available capacity.
- 15.2. If the performance by either party of any of its obligations under this Agreement is prevented or delayed for a period in excess of (45) forty-five days, the other party shall be entitled to cancel this Contract by giving written notice to the party affected by the Force Majeure Event.

16. GOVERNING LAW AND JURISDICTION

- 16.1. The Contract shall be governed by and construed in accordance with English law and all disputes, claims or proceedings between the parties relating to the validity, construction or performance of the Contract shall be subject to the non-exclusive jurisdiction of the English courts.

17. COMPLIANCE

17.1. GENERAL

- (i) The Supplier shall comply with all applicable anti-corruption and anti-slavery legislation including, without limitation, the Modern Slavery Act 2015.
- (ii) The Supplier shall comply with Ideal Industries Code of Business Ethics and Code of Conduct, corporate hospitality, conflicts of interests and speak out (whistleblowing) policies and any updates thereof.
- (iii) The Supplier shall ensure that the Goods are suitably packed and identified at the time of their delivery with reference to the hazards attached to them in accordance with statutory requirements.

17.2. MODERN SLAVERY ACT REQUIREMENTS

- (i) The Supplier shall implement due diligence procedures for its own suppliers, sub-contractors, and other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains.

17.3. ANTI-BRIBERY

The Supplier shall:

- (i) comply with all applicable laws, statutes, regulations relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 ("Relevant Requirements").
- (ii) comply with any policies regarding ethics and anti-bribery that CMD may supply to the Supplier from time to time.

- (iii) not engage in any activity, practice, or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice, or conduct had been carried out in the UK.
- (iv) have and shall maintain in place throughout the duration of the relevant Contract its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements, and will enforce them where appropriate.
- (v) promptly report to CMD any request or demand for any undue financial or other advantage of any kind received by the Supplier in connection with the supply of Goods in accordance with these terms and conditions.

18. CONFIDENTIALITY

18.1. All information exchanged between the Parties, including any agreements or Purchase Orders, in the course or conduct of the Contract, including the existence of this Contract, shall be held confidential and shall not be divulged by the Parties to any third party save to the extent necessary to supply the Goods and then only on the basis that the recipient of such information shall be bound by similar confidentiality obligations to those undertaken by the Parties.