

Terms and Conditions of Sale

1. Interpretation

In these Terms and Conditions, unless the context otherwise requires:

- a. **“Business Day”** – Any day except Saturday, Sunday, or a bank holiday.
- b. **“Buyer”** – The person or legal entity who either:
 - i. accepts a quotation or offer from the Seller for the sale of Goods, or
 - ii. places an order for Goods that is accepted by the Seller.
- c. **“Contract”** – The agreement for the purchase and sale of the Goods, which incorporates these Terms and Conditions.
- d. **“Contract Price”** – The price stated in the Contract that is payable for the Goods.
- e. **“Delivery Date”** – The date on which the Goods are delivered.
- f. **“Goods”** – The items (or any instalments or parts thereof) which are supplied by the Seller to the Buyer as per the Contract.
- g. **“Month”** – A calendar month.
- h. **“Seller”** – means *Vital Electronics Limited*, a registered company in England (Company No. 13500938), whose registered office is at Russell House, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 1EL.

2. Application of Terms and Conditions

- a. The Seller shall sell and the Buyer shall purchase the Goods in accordance with a written quotation or offer from the Seller (including by email) which is accepted by the Buyer, or by a written quotation or order from the Buyer (including by email) which is accepted by the Seller.
- b. The parties agree that these Terms and Conditions shall exclusively govern the Contract, overriding any other terms and conditions referenced or imposed by the Buyer.

3. Basis of Sale

- a. No representations or warranties made by any employee or agent of the Seller shall be binding unless confirmed in writing by an authorised officer of the Seller.
- b. Any variation to these Terms and Conditions or the Contract must be agreed in writing and signed by an authorised representative of the Seller.
- c. Sales literature, price lists, and other documents issued by the Seller are for illustrative purposes only and shall not constitute binding offers or representations.
- d. No Contract shall exist unless the Seller has confirmed acceptance of the Buyer's order in writing or by delivering the Goods or by issuing an invoice, whichever is earlier.
- e. The Seller reserves the right to correct any clerical or typographical errors in documents issued without incurring liability.

4. Orders and Specifications

- a. Orders shall only be deemed accepted once confirmed in writing by an authorised officer of the Seller.
- b. Goods shall conform to the specifications in the Seller's documentation unless otherwise expressly agreed in writing by the Seller.
- c. Goods will be supplied in standard minimum units or multiples thereof; non-conforming quantities will be automatically adjusted.
- d. All images, descriptions, or illustrations provided are for guidance only and shall not form part of the Contract.
- e. The Seller may alter specifications to comply with legal or safety standards, or if the change does not materially affect performance of the Goods.
- f. Orders may not be cancelled without the Seller's written consent. The Buyer shall fully indemnify the Seller for all losses and costs arising from any cancellation (which may include payment of the full Contract Price).
- g. The Buyer shall be responsible for ensuring the accuracy of the terms of any order and for ensuring that the Seller receives all necessary information relating to the Goods required in order to perform the Contract.

5. Price

- a. The Contract Price shall be as quoted by the Seller at the time of order acceptance, or as otherwise agreed in writing.
- b. Quoted prices outside the published price list are valid only for the duration specified in the quote, unless otherwise agreed in writing.
- c. In the event of a change in supply conditions, such that the Seller is not able to offer the Goods at the price originally quoted the Seller may offer the Goods to the Buyer at an increased cost or the Contract may be cancelled by either party.
- d. Unless otherwise agreed in writing, prices include standard packaging and transport as per the Seller's quotation.
- e. All prices are exclusive of VAT and other applicable taxes, which shall be payable by the Buyer in addition to the Contract Price.

6. Payment

- a. All payments shall be made to the Seller as specified in the invoice or acceptance form. The Seller reserves the right to invoice the Buyer upon delivery or notification of readiness for collection, including where the Buyer fails to take delivery.
- b. The Buyer shall pay the full Contract Price within the agreed credit terms, without deduction or set off, unless agreed in writing by the Seller.
- c. Time for payment shall be of the essence. Payment must be made when due, regardless of delivery status or transfer of title.
- d. Receipts shall be issued upon request.

- e. The Seller may require satisfactory references before accepting orders. If the Buyer's creditworthiness is in doubt, the Seller may withdraw credit terms and require all outstanding sums to be paid immediately.

7. Trade Compliance

- a. **Trade Compliance and End Use:** The Buyer acknowledges and agrees to comply with all applicable export control laws, trade restrictions, and sanctions regimes, including UK, EU, and US export laws, where applicable.
- b. Goods will not be exported or re-exported to embargoed countries or denied parties.
- c. Goods will not be used in prohibited end-uses including weapons, military, or nuclear programs without authorisation.
- d. No sales for advanced semiconductor or military intelligence use without prior written approval.
- e. End-User Declarations may be requested and are mandatory if required.

In the event of breach by the Buyer of the above terms, or where Goods are found to be counterfeit or otherwise prohibited for use, Buyer expressly permits Seller to destroy such Goods, without cost or liability accruing to the Seller as a result.

Reference Documents:

- f. **POL-TC-0101 - Trade Compliance Policy:** Defines both parties' responsibilities to adhere to applicable laws, regulation and advisories.
- g. **POL-TC-0102 - Management Statement:** Outlines internal controls.
- h. **POL-TC-0103 - Terms and Conditions of Export:** Specifies restrictions on product applications, uses, users and embargoed destinations. Breaches can result in contract termination and legal reporting.

These policies are integral to the Sellers compliance framework and should be reviewed by the Buyer to ensure full understanding and alignment, as these policies, are deemed to be incorporated into our Terms and Conditions.

8. Shipping

- a. **Method:** All outbound shipments are subject to the following Incoterms: EXWORKS (EXW), Delivered At Place (DAP), or Free Carrier (FCA) only, unless otherwise agreed in writing by a director of the Seller.
 - i. **EXW (Ex Works):** Buyer is responsible for all transport and insurance of the Goods from the Seller's premises to the premises of the Buyer.
 - ii. **DAP (Delivered At Place):** Seller delivers when the Goods are placed at the disposal of the Buyer at the named place.
 - iii. **FCA (Free Carrier):** Seller delivers Goods, cleared for export, to the carrier nominated by the Buyer at a named place.
- b. **Tariffs, Duties, and Taxes:** All prices quoted are exclusive of any applicable tariffs, import duties, customs fees, or taxes (including, but not limited to, VAT, GST, or sales tax) unless otherwise explicitly stated. These costs are the responsibility of the Buyer.
- c. **Changes in Trade Policy:**
In the event of any change in applicable tariffs, trade agreements, government regulations, or taxation policies imposed by any governmental authority, whether domestic or foreign, which affects the cost or feasibility of delivery, the Seller reserves the right to:

- i. Adjust the price of the goods accordingly,
- ii. Modify the delivery schedule, or
- iii. Cancel the order in whole or in part, with written notice to the Buyer.

9. Delivery

- a. All Delivery Dates are estimates only. Time shall not be of the essence unless expressly agreed in writing by the Seller. Early delivery may occur with reasonable notice.
- b. Each delivery or instalment shall be treated as a separate contract. Failure or delay in one instalment does not entitle the Buyer to cancel or reject other instalments or the entire Contract.
- c. If the Buyer fails to take delivery of the Goods or any part of them on the Delivery Date and/or fails to provide any instructions, documents, licenses, consents or authorisations required to enable the Goods to be delivered on that date, the Seller shall be entitled upon giving written notice to the Buyer to store or arrange for the storage of the Goods and then notwithstanding the provisions of sub-Clause 10 a, risk in the Goods shall pass to the Buyer, delivery shall be deemed to have taken place and the Buyer shall pay to the Seller all costs and expenses including storage and insurance charges arising from such failure.
- d. For call-off orders, or where the Seller has agreed to delayed or scheduled deliveries, all Goods must be taken within the time period agreed in the Contract (unless otherwise specifically agreed in writing).
- e.

10. Risk and Retention of Title

- a. Risk of damage to or loss of the Goods shall pass to the Buyer as follows:
 - i. When delivery is at the Seller's premises: at the time of notification that the Goods are ready for collection.
 - ii. When delivery is elsewhere: at the time of delivery, or if the Buyer fails to take delivery, when delivery is tendered.
- b. Title to the Goods shall not pass to the Buyer until the Seller receives full payment in cleared funds.
- c. Until full payment is made, the Buyer shall hold the Goods as bailee, store them separately, mark them clearly, and insure them. Any payment received by the Buyer in respect of sale of such Goods shall be held on trust for the Buyer until full payment is made.
- d. Goods delivered to which the Seller retains title may be sold by way of trade, but not as part of the assets on sale of a business.
- e. The Seller may repossess any Goods to which it retains title and is authorised to enter the Buyer's premises for this purpose.
- f. The Buyer's right to possess the Goods shall terminate immediately if any of the following events occur:
 - i. A material breach by the Buyer of these Terms and Conditions.
 - ii. The Buyer enters into a formal insolvency or debt arrangement procedure.
 - iii. The Buyer becomes bankrupt or seeks protection from creditors.

- iv. The Buyer becomes subject to liquidation, administration, or any formal insolvency proceedings.

11. Inspection/Storage

- a. The Buyer must inspect the Goods promptly upon delivery or collection.
- b. The Seller shall not be liable for any visible damage or shortage unless notified in writing within 3 Business Days of delivery.
- c. Where a defect or shortage is alleged, the Seller must be given an opportunity to inspect the Goods prior to any use or alteration by the Buyer.

12. Defective Goods/Warranty

- a. Buyer acknowledges that the Seller is an independent distributor and not the manufacturer. Seller shall, to the extent permitted, pass through any transferable product warranties provided by the manufacturer but this is not guaranteed to be available to the Buyer.
- b. The Seller shall, separately, provide to the Buyer a 12 month warranty (unless agreed otherwise), from delivery, that the Goods will be in conformance with the manufacturer's specifications. Used/refurbished products may carry varying coverage. All returns will be subject to the RMA investigations described in clause 13.

13. RMA (Return Merchandise Authorisation)

- a. **Return Merchandise Authorisation (RMA)s:** To uphold the integrity of our return process and ensure a consistent approach to customer service, the Seller has implemented a structured RMA procedure.
- b. No RMA requests will be approved without prior investigation.
Upon receiving a Buyer RMA request:
 - i. The request will be acknowledged.
 - ii. The Seller's RMA reference will be issued and provided to the Buyer to confirm the request is under review. This is **not** an approval to return goods.
 - iii. **Internal Investigation Process:** The Seller will examine all pertinent details including proof of purchase, product condition, and supporting documentation.
*e.g: Sales order, confirmation, invoice, delivery note and POD.
Delivery photos of the product, initial inspection report.*
 - iv. **External Investigation Process:** The Buyer is required to assist in the investigation process. To support the Seller's internal investigation, the following documentation may be required from the Buyer:
 - 1. Test report, showcasing the fault and reason.
 - 2. Supporting photographs or video footage.
- v. **3rd Party Investigation Process:** If the outcome of the investigation is disputed or either party cannot reach a resolution within 30 days, both parties agree to proceed with testing

by an independent third-party provider.

1. The third-party investigation shall be conducted by an accredited laboratory or specialist. The findings of the third party will be considered final and binding, unless otherwise agreed in writing by both parties.
- vi. **RMA Liability:** Payment of the RMA disbursements and associated costs of the third-party investigation will be determined based on the test result findings:
1. **If the goods pass testing:**
 - the Buyer will bear all associated costs,
 - the Buyer shall be obligated to accept the goods in full, and
 - the Buyer will settle all outstanding invoices in full.
 2. **If the Goods fail testing:**
 - the Seller will bear all associated costs,
 - the Seller shall be obligated to accept the return of the goods, and
 - the Seller will issue a corresponding credit note to the Buyer.
- vii. **Disposition Communication:** The Seller will communicate the confirmed decision regarding the RMA along with any instructions. Any concerns regarding delays or clarification should be escalated to the Seller.

14. Limitation of Liability

- a) The Seller shall not be liable to the Buyer in respect of Goods, where any defect in the Goods has arisen:
 - i. from any drawing, data, design or specification supplied by the Buyer; or
 - ii. due to fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's or the manufacturer's instructions, misuse or alteration or repair of the Goods without the Seller's written approval.
- b) Where non-conformity of goods could cause personal injury or damage to equipment, or where replacement would entail substantial expense, Buyers must (notwithstanding any certificate of conformity) verify before use all critical details of Goods supplied. Seller does not accept any liability for consequential loss or damage caused by Goods supplied.
- c) Customer agrees that Goods shall not (without the express written authority of the Seller) be used in such a way that they are critical to the flight or take-off or landing or navigation or safety of any aircraft or other aerial device, or vehicle, or spacecraft or military or naval missile (including but not limited to ground support or control equipment) or in the safety or operation of nuclear installations or be supplied to any offshore exploratory drilling or production rig or platform. The Buyer shall hold harmless and indemnify the Seller against any liability arising from any such unauthorised use.
- d) All implied terms, warranties, and conditions (except those required by section 12 of the Sale of Goods Act 1979) are excluded to the fullest extent permitted by law.
 - c) **Nothing in this Contract limits the Seller's liability for:**
 - i. Death or personal injury caused by the Seller's negligence.
 - ii. Any matter which cannot be legally excluded.
 - iii. Fraud or fraudulent misrepresentation.
- d) **Subject to the exclusions above:**

- I. The Seller's total liability under or in connection with this Contract shall be limited, at the Seller's discretion to either (i) the replacement of the defective Goods, or (ii) to the value of the Contract Price in respect of the relevant Goods, and
- II. The Seller shall not be liable for loss of profit, business, goodwill, or any indirect or consequential loss or damage, however caused.

15. Breach of contract:

- a. If the Buyer fails to pay any sums due on their due date, the Seller may, without prejudice to any other remedy:
 - i. Cancel any outstanding orders or suspend deliveries.
 - ii. Apply any payment made by the Buyer to such outstanding invoices as the Seller deems appropriate.
 - iii. Charge interest on unpaid amounts at 5% per annum above the Bank of England base rate, from due date until payment in full.
 - iv. This clause also applies if:
 1. The Buyer breaches any obligation under the Contract.
 2. The Buyer enters into any formal insolvency, restructuring or winding-up procedure.
 3. A receiver or administrator is appointed over the Buyer's assets.
 4. The Buyer ceases or threatens to cease business operations.
 5. The Seller believes any of the above events is likely and notifies the Buyer.

If any of these conditions apply, the Seller may cancel the Contract or suspend deliveries. All outstanding amounts shall become immediately due and payable, regardless of previous terms.

16. Confidentiality, Publications and Endorsements

- a. Each Party shall keep confidential and not disclose to any third party any non-public information received from the other Party in connection with the Contract, unless required by law or with the prior written consent of the disclosing Party. This obligation does not apply to information that becomes public through no fault of the receiving Party.
- b. The Buyer shall not use any trade name, logo, or branding associated with the Seller without prior written authorisation from the Seller.
- c. The Buyer must ensure that its employees and agents comply with these confidentiality and publicity restrictions.
- d. These confidentiality obligations shall remain in effect after termination of the Contract.

17. Assignment

- a. The Seller may assign or subcontract the Contract, in whole or in part, without prior consent of the Buyer.
- b. The Buyer shall not assign or transfer any rights or obligations under the Contract without the prior written consent of the Seller.

18. Force Majeure

- a. Neither Party shall be liable for delay or failure to perform obligations (other than in respect of payment) due to events beyond their reasonable control, including but not limited to, natural disasters, war, terrorism, pandemics, strikes, cyber-attacks, or governmental actions. The affected Party must notify the other promptly and shall be entitled to a reasonable extension of time to perform its obligations.

19. Waiver

- a. No failure or delay by either Party to exercise any right or remedy under the Contract shall constitute a waiver of that or any other right or remedy. Any waiver must be expressly stated in writing and shall not operate as a waiver of any future breach.

20. Severance

- a. If any provision of these Terms and Conditions or the Contract is held to be invalid, illegal, or unenforceable, that provision shall be deemed severed and the remainder shall remain in full force and effect.
- b. These Terms and Conditions shall prevail over any terms and conditions submitted, proposed, or stipulated by the Buyer. Any additional or differing terms shall have no effect unless agreed in writing and signed by both Parties under a separate formal agreement.

21. Third Party Rights

- a. No person or entity other than the Parties shall have any rights to enforce any term of the Contract under the Contracts (Rights of Third Parties) Act 1999.

22. Communications

- a. All notices under the Contract must be in writing and signed by a duly authorised officer of the sending Party.
- b. Notices are considered duly given:
 - i. On delivery, if sent by courier or registered mail during business hours.
 - ii. When sent, if transmitted by email with receipt confirmation or a reply.
 - iii. On the fifth business day after posting, for standard mail.
 - iv. On the tenth business day after posting, for international airmail.
 - v. Notices shall be addressed to the most recently provided contact details of the receiving Party.

23. Applicable UK Legislation

- a. These Terms and Conditions are drafted in accordance with, and subject to, the laws of England and Wales. Where applicable, they incorporate and operate in line with the following UK legislation:

Contract Law (Common Law principles)

- i. **Sale of Goods Act 1979** – governing implied terms as to quality and title of goods
- ii. **Supply of Goods and Services Act 1982** – applying to contracts for services where relevant

- iii. **Unfair Contract Terms Act 1977 (UCTA)** – regulating the reasonableness of exclusion clauses.
- iv. **Misrepresentation Act 1967** – covering misstatements that induce contracts.
- v. **Companies Act 2006** – referencing statutory requirements for UK registered businesses.
- vi. **Modern Slavery Act 2015** – confirming commitment to ethical sourcing and anti-slavery.
- vii. **Bribery Act 2010** – ensuring anti-corruption standards in all business dealings.
- viii. **Health and Safety at Work Act 1974** – affecting any goods supplied that relate to workplace safety.
- ix. **Electronic Communications Act 2000** – governing the validity of electronic communications and contracts.
- x. **Data Protection Act 2018 / UK GDPR** – applying to the handling of personal data exchanged under this Contract.
- xi. **Insolvency Act 1986** – This is the key legislation that governs company insolvency and individual bankruptcy in the UK.

Standard terms and conditions for the sale of goods.

24. Law and Jurisdiction

- a. These Terms and Conditions and the Contract (including any non-contractual matters or obligations) shall be governed by and construed under the laws of England and Wales.
- b. Any disputes arising from or in connection with these Terms and Conditions or the Contract shall be subject to the exclusive jurisdiction of the courts of England and Wales.