

PRECISION TECHNOLOGIES GROUP (PTG) LIMITED TERMS AND CONDITIONS OF PURCHASE

1. AGREEMENT

Precision Technologies Group (PTG) Limited and its subsidiary Companies, hereinafter referred to as "PTGL", hereby agrees to purchase and receive, and the person, firm, or entity whose name and address is set out on the purchase order, hereinafter referred to as "the Seller", agrees to sell and deliver the goods or perform the services specified in this order or in documents delivered pursuant hereto, hereinafter referred to as "the Goods" subject to the terms and conditions contained herein.

2. ACCEPTANCE

The written acceptance of the order or the commencement of any work or the performance of any services hereunder by the Seller shall constitute unqualified acceptance by the Seller of this order and all its terms and conditions. PTGL reserves the right to cancel, amend or withdraw this order or any of the documents attached hereto or incorporated herein by reference at any time before it has received the written acceptance of the Seller, without any liability to make any payment to the Seller by way of damages or in any other manner whatsoever.

These terms and conditions form part of the order set out overleaf. The order acknowledgement (if any) of the order constitute and contain the whole contract between PTGL and the Seller with respect to the provision of the Goods referred to in the order. Any conditions or stipulations issued or made by the Seller which are inconsistent with these conditions or which purport to modify or add to these conditions in any way whatsoever shall not have effect unless expressly agreed in writing by PTGL.

3. PRICE

- (a) The price specified shall include delivery and insurance costs and all local taxes of whatsoever nature, unless otherwise stated on the order.
- (b) No increase in price will be accepted without prior agreement in writing.

4. PAYMENT

- (a) Payments will be made 67 days following the calendar month end in which a valid invoice or the Goods are received (whichever is the later), unless otherwise shown on the order, or agreed in writing between PTGL and the Seller.
- (b) PTGL may set off against any sums due to the Seller under this paragraph any amounts payable by the Seller to PTGL.

5. DELIVERY

- (a) The Goods must be delivered to the location, in the quantities and at the time stated in the order. The delivery time so stated is of the essence and if the Goods are not delivered at the time specified PTGL reserve the right, without liability, in addition to other remedies available to it by law, to terminate this agreement. Upon occurrence of late delivery or partial delivery PTGL may, at its option, accept such late or partial delivery and the Seller hereby agrees to pay and indemnify PTGL against all additional expenses, losses (including loss of profits) and cost reasonably incurred as a result of the failure to complete delivery at the specified time.
- (b) The title to and risk in the Goods will pass to PTGL at the time and place of delivery.

6. PACKAGING AND DESPATCH

- (a) All Goods shall be securely and properly packaged to prevent any deterioration during transit or storage.
- (b) No charges will be allowed for packing materials or containers unless otherwise agreed by PTGL.
- (c) An advice note must be sent when the Goods are despatched and a delivery note must accompany the Goods. The advice note and delivery note must state the PTGL order number, whether assignment represents the whole or part of the order, the number of packages and the carrier.

7. RECEIPT AND INSPECTION

All goods shall be subject to inspection and or test. The whole consignment of a delivery of Goods may be assumed to be of the same description and quality as any portion inspected or tested. In the event of any of the goods being defective in materials or workmanship or damaged in the course of delivery or otherwise fail to meet the requirements of the order PTGL shall have the right at any time to reject or to retain and correct such Goods at the expense of the Seller. Rejected Goods will be held for collection by PTGL or returned to the Seller at its risk and expense.

8. WARRANTY

The seller warrants that the Goods, and to the extent applicable, services performed hereunder shall be; new and unused; free from defect in design materials and workmanship; of merchantable quality and fit for the purpose intended; comply with all specifications, drawings, samples or other descriptions; comply with all applicable UK and European statutory requirements. The warranties and remedies provided for in this paragraph and in paragraph 7 above shall be in addition to those implied by or available at law and shall exist notwithstanding the acceptance or payment by PTGL of all or for part of the Goods to which such warranties and remedies are applicable.

9. INDEMNITY

The Seller shall, on demand, indemnify PTGL against any loss, damage or injury to PTGL and from and against any claim in respect of loss, damage or injury made against PTGL by any third party and any costs and expenses arising in connection therewith which result from the Seller's failure to comply with the terms of the order or the Seller's performance of the order (whether negligent or otherwise) or the Seller's failure to perform. The Seller shall at all times insure and keep itself adequately insured with a reputable insurance company against all insurable liabilities under the order and in particular against its liabilities under this paragraph and against the consequences of any act or default of the Seller's employees whilst on PTGL's premises and shall, on request, provide such evidence of such insurance as PTGL may reasonably require.

10. SUB - CONTRACTING AND ASSIGNMENT

This order shall not be assigned or sub-contracted without the written consent of PTGL. The Seller shall continue to be exclusively responsible for PTGL for all obligations of the Seller under this order notwithstanding any such sub-contract or assignment.

11. PROPRIETARY RIGHT

- (a) The Seller warrants that the sale or use of the Goods to which this order relates in any part of the world will not infringe any patents, registered designs, trade mark or trade name or other proprietary rights of the Seller or any other person and the Seller hereby agrees to indemnify PTGL against all claims, costs and expenses resulting from any infringement of any proprietary right whatsoever.
- (b) All information disclosed by PTGL in connection with this order is strictly confidential and may not be used by the Seller for any unauthorised purpose.

12. PTGL PROPERTY AND SPECIAL TOOLS

- (a) All patterns, jigs, dies, fixtures, moulds, plant, tools or other materials ("the items") supplied by PTGL or paid for by PTGL or for which PTGL is liable to pay under the terms of the order shall remain or become PTGL property (as appropriate) and the Seller may use the items only in connection with the performance of the order.

- (b) The Seller shall keep the items separate from all other property, shall clearly mark the items as PTGL property and promptly return the items on demand.
- (c) The Seller shall indemnify PTGL against any loss or damage to the items that are in the Seller's possession, custody or control.

13 FORCE MAJEURE

- (a) Neither party shall be liable if its performance of this order is prevented or hindered by any cause whatsoever beyond that party's reasonable control and in particular but without prejudice to the generality of the foregoing by act of God, war, government control, restrictions or prohibitions of any government act or omission whether local or national, fire flood, subsidence, sabotage or accident.
- (b) If either party is prevented from fulfilling its obligations under this order by Force Majeure it shall forthwith serve written notice on the other party giving details of the nature of the problem.
- (c) In the event of a failure by the Seller to perform its obligations under the order arising from any of the causes or events set forth in the paragraph (a) of the paragraph 13 PTGL shall be entitled to obtain goods or services covered thereby elsewhere for the duration of such failure and to reduce, pro tanto, and without any obligation upon PTGL, the quantity or amount of the Goods ordered from the Seller under the order.
- (d) Nothing in this paragraph 13 shall limit PTGL's option to terminate at any time under paragraph 15 hereof.

14 TERMINATION FOR CAUSE

Either party may terminate this order by notice to the other with immediate effect, without prejudice to any other right or remedies it may have if:

- (a) The other party commits any breach of this order.
- (b) The other party ceases or threatens to cease to carry on business, or passes or calls a meeting to pass a resolution for voluntary winding-up (except for the purpose of a reconstruction or amalgamation which the party liquidating proves to the reasonable satisfaction of the opposite is not prejudicial to that opposite party's rights)
- (c) A petition is presented for the winding-up or administration of the other party, or a receiver is appointed of any of its assets.
- (d) There is a change in the control of the ownership of either party.

15 TERMINATION AT OPTION OF PTGL

A This order may be terminated by PTGL at its option, in whole or in part at any time by written notice to Seller.

B After receipt of a notice of termination the Seller shall, unless otherwise directed by PTGL.

- (a) Immediately terminate all work under the relevant order.
- (b) Deliver to PTGL
 - (i) All completed work which conforms in quality to the requirements of the order and does not exceed in quantity the amount on the order, and
 - (ii) All reasonable quantities (but not in excess of amounts authorised by the order) of work- in- progress and materials produced or acquired in the course of performance of the work terminated which are of a type and quality suitable for producing supplies which conform to the requirements of the relevant order and which cannot reasonably be used by the Seller in producing supplies for itself or its other customers.
- (c) Take all necessary action to protect property in the Seller's possession, in which PTGL has or may acquire an interest
- (d) Submit to PTGL promptly but not later than one month from the effective date of termination its termination claim provided however that in the event of failure of the Seller to submit its termination claim within such period PTGL may determine notwithstanding the provisions of sub-paragraph C hereof, on the basis of information available to it the amount, if any, due to the Seller with respect to the termination and such determination shall be final.

C Upon termination by PTGL under this paragraph PTGL shall pay to the seller the full amount without duplication;

Any amounts then due and owing to the Seller for Goods delivered in accordance with the relevant order

- (ii) The order price for further completed Goods delivered to PTGL in accordance with sub-paragraph (b) (i) of this paragraph 15.
- (iii) The cost to the Seller of labour employed (including a fair proportion of overhead expenses) and materials comprised in work-in-progress delivered to PTGL pursuant to sub-paragraph (b) (ii) of this paragraph 15.
- (iv) The cost to the Seller of materials delivered to PTGL pursuant to sub-paragraph 15
- (v) The provision of this paragraph 15 shall not apply if the order is terminated by PTGL for the default of the Seller pursuant to paragraph 14.

16 The Seller shall comply with PTGL Code of Conduct for its suppliers (available on request). Without limiting that obligation, the Seller shall:

- (a) comply with the laws of all applicable legal system(s) relevant to the subject matter of the Contract, and
- (b) not engage, actively or passively, nor directly or indirectly in any form of bribery, in any violation of basic human rights of employees or in any use of child labour. Moreover, the Seller will take responsibility for the health and safety of its employees, the Seller will act in accordance with the applicable environmental laws and will use best efforts to promote compliance with PTGL Code of Conduct amongst its suppliers.

17 WAIVER

No forbearance, delay, or indulgence by either party in enforcing this order prejudices or restricts that party's rights, and no waiver of any breach operates as a waiver of any subsequent breach.

18 NOTICES

Any notice required to be given by either party to the other under this order must be in writing and sufficiently served and sent by either pre-paid ordinary first class letter, by email, or by facsimile transmission and is to be deemed to have been received (unless the contrary is proved) at the commencement of business on the second working day after posting in the case of a letter and at the time on the working day of email or facsimile transmission. In this clause the expression "working day" excludes Saturday, Sunday and public holidays.

19 JURISDICTION/LEGALITY

- (a) The terms in this order shall in all respects be construed and have effect according to English Law and the parties agree to submit to the exclusive jurisdiction of the English Courts.
- (b) If any one or more of these terms and conditions shall be held to be invalid or unenforceable, the validity of the remaining terms and conditions shall not be affected and shall continue to be binding on both parties.

20 INTERNATIONAL SALES

Schedule 1 to the Uniform Laws on international Sales Act 1967 shall not apply to this order.