

VAPOR RICON EUROPE

STANDARD TERMS AND CONDITIONS OF SALE

1. Definitions

- 1.1. 'Seller' means VAPOR RICON EUROPE (company number 1074541) whose registered office is at Howard House, Graycar Business Park, Burton On Trent, Staffordshire, DE13 8EN
- 1.2. 'Buyer' means the person or business entity who buys the Goods from the Seller.
- 1.3. 'Goods' means the articles which the Buyer agrees to buy from the Seller including valued added services including but not limited to installation and delivery.
- 1.4. 'Conditions' means the terms and conditions of sale set out in this document and any special terms and conditions agreed in writing by the Seller.
- 1.5. 'Delivery or Due Date' means the date specified by the Seller when the goods are to be delivered.
- 1.6. 'Price' means the price for the Goods excluding carriage, insurance and VAT if applicable.
- 1.7. 'Invoice' means the Seller's invoice.
- 1.8. 'VAT' means Value Added Tax in the United Kingdom or the appropriate equivalent in other jurisdictions.

2. General Application of Terms and Conditions

- 2.1. These Conditions shall apply to all contracts for the sale of Goods by the Seller to the Buyer to the exclusion of all other terms and conditions including any terms or conditions which the Buyer may purport to apply under any purchase order confirmation of order or similar document.
- 2.2. All orders for Goods shall be deemed to be an offer by the Buyer to purchase Goods pursuant to these Conditions.
- 2.3. Acceptance of delivery of the Goods shall be deemed conclusive evidence of the Buyer's acceptance of these Conditions, including any terms of payment specified on the Seller's proforma invoice or order acknowledgment.
- 2.4. Any variation to these Conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless agreed in writing by the Seller acting by one of its Directors or a person authorised by one of its Directors.

3. The Prices/Pricing Policy and Payment

- 3.1. The Price shall be the price set out on the Invoice or proforma invoice or order acknowledgement document raised by the Seller.
- 3.2. The Price is exclusive of VAT which shall be due at the amount ruling on the date of the Seller's invoice.
- 3.3. The Seller shall not be bound to deliver the Goods until the Buyer has paid for them.
- 3.4. Payment shall be due before the Delivery Date but the Seller shall have the right to deliver prior to payment and the terms of these Conditions shall remain in full force and effect.
- 3.5. Payment may be made by one or more of the following: cheque, telegraphic transfer or other methods of payment acceptable to the Seller in its absolute discretion provided that such method shall have been specified on the Seller's proforma invoice or order acknowledgement which shall have been delivered to the buyer.
- 3.6. All sums due from the Buyer to the Seller under this agreement shall fall due immediately on the Buyer's Insolvency.

4. The Goods

- 4.1. The quantity and description of the Goods shall be as set out on the Invoice.

5. Warranties and liability

- 5.1. The Seller warrants that the Goods will at the time of delivery correspond to the description given by the Seller. Products offered for sale are designed for intended use on certain specified vehicles. All Goods sold to the Buyer shall be warranted free from defects in workmanship and material (under normal and proper use and service) for a period of TWO (2) years and SIX (6) months from the Invoice date OR TWO (2) years from the end user purchase date as specified on a correctly completed and valid warranty registration card, whichever period is the shortest, unless specified by the Seller on the proforma invoice or order acknowledgment. The Seller's warranty obligation shall be strictly limited to repairing or providing a replacement part or item free of charge.
- 5.2. All warranty claims made against the Buyer to the Seller shall be made in accordance with the Seller's published Non Conformance Procedures. The Seller shall reserve the absolute right to refuse any warranty claims if it is found that the Buyer has undertaken modifications to the Goods without the Seller's written consent.
- 5.3. Notwithstanding clause 5.1, the Seller's warranty obligations shall be upheld as a result of Buyer mis-use/mis-handling and or operator negligence.

- 5.4. Any liability of the Seller to the Buyer under these Conditions shall be limited to the Price. In no circumstances shall the Seller be liable for any consequential and or incidental loss.
- 5.5. Notwithstanding clause 5.1, the Seller reserves the right at any time, to make changes to their warranty statements, policies and procedures.

6. Delivery of the Goods

The Seller may deliver the Goods by separate installments in accordance with an agreed delivery schedule. Each separate installment shall be invoiced and paid for in accordance with the provisions in these Conditions.

- 6.1. The failure of the Seller to deliver or the failure of the Buyer to pay for any one or more of the said installments of the Goods on the due dates shall not entitle either party to treat these Conditions as repudiated.
- 6.2. Notwithstanding that the Seller may have delayed or failed to deliver the Goods (or any of them) promptly the Buyer shall be bound to accept delivery and to pay for the Goods in full provided that delivery shall be tendered at any time within 28 days of the Delivery Date.
- 6.3. If the Invoice shall specify delivery Ex Wks (Ex Works) the provisions of this clause 6.4 shall apply:
 - 6.3.1. The Goods shall be delivered to the Buyer by delivery on board or to the vehicle of the Buyer's haulier on the Delivery Date. Risk in the Goods shall pass to the Buyer upon such delivery being affected.
 - 6.3.2. The Buyer shall arrange for carriage of the Goods and shall bear any additional costs caused due to the failure of the vessel or other transport to be available to load the Goods on the Delivery Date.
- 6.4. If the Invoice shall specify delivery DDU (Delivered Duty Unpaid) the provisions of this clause 6.5 shall apply:
 - 6.4.1. The Goods shall be delivered as specified on the Invoice on or before the Delivery Date.
 - 6.4.2. The Seller shall procure a contract of carriage and insure the Goods (but not for any consequential or other loss) from dispatch until delivery on terms current in the trade for the benefit of the Buyer.
 - 6.4.3. The Goods shall be at the risk of the Buyer as they are loaded on board.
 - 6.4.4. The Seller shall promptly tender any documents of carriage (if applicable), the insurance policy (if applicable) and invoices in respect of the Goods.
 - 6.4.5. The Buyer shall accept the documents tendered by the Seller if they correspond to these Conditions and take delivery of the Goods as specified on the Invoice and bear all incidental costs and charges unless due to the Seller's error.
- 6.5. No claim for damaged Goods for shortages, for non delivery or other delivery disputes will be accepted by the Seller unless written notice of such damage or shortage is received by the Seller within 3 working days of receipt of the Goods by the Buyer and the Buyer has appropriately claused the delivery note accompanying the Goods. It is the sole responsibility of the Buyer to inspect the goods on delivery and or collection.
- 6.6. All delivery terms as per Incoterms 2000, unless otherwise stated. In the case of delivery disputes pertaining to the shipment of incorrect Goods, the Buyer shall adhere to the Seller's Returns Policy.

7. Acceptance of the Goods

- 7.1. The Buyer shall be deemed to have accepted Goods upon delivery to the Buyer. 1 - General Business

- 7.2. After acceptance the Buyer shall not be entitled to reject Goods which are not in accordance with the contract.

8. Property and Risk in the Goods

- 8.1. In spite of delivery and or collection having been made and risk in Goods having passed to the Buyer, property in those Goods shall not pass to the Buyer until the Seller shall have received from the Buyer in cleared funds payment (in full) of the Price of such Goods.
- 8.2. Notwithstanding that the Goods (or any of them) remain the property of the Seller the Buyer may sell the Goods in the ordinary course of the Buyer's business at full market value for the account of the Seller and shall keep the proceeds of such sales separate from any monies or property of the Buyer and, in the case of tangible proceeds, properly stored and protected. Any such sale or dealing shall be a sale or use of the Seller's property by the Buyer on the Buyer's own behalf and the Buyer shall deal as principal when making such sales or dealings. The Buyer shall retain full records of the sale or disposal of the Goods and of payments made by persons for such Goods and will allow the Seller to inspect such records upon request. The Seller shall be entitled, to the extent that such payments do not exceed the unpaid Price, to trace the proceeds of any such sale or disposal and the Buyer hereby assigns to the Seller all rights and claims that the Buyer may have against third party purchasers in respect of such payments in order to recover any unpaid Price or part thereof.
- 8.3. The Seller shall be entitled to recover the Price notwithstanding that property in any of the Goods has not passed from the Seller.
- 8.4. Until such time as property in the Goods passes from the Seller the Buyer shall upon reasonable request deliver up to the Seller such of the Goods as have not ceased to be in existence or resold.
- 8.4.1. For the avoidance of doubt the Seller's request shall be reasonable if the Buyer shall have breached any term of these Conditions.
- 8.4.2. If the Buyer fails to do so the Seller may enter upon any premises owned occupied or controlled by the Buyer where the Goods are situated and repossess the Goods.
- 8.4.3. On the delivery of the Goods following the making of such request the rights of the Buyer under clause 8.4 shall cease.
- 8.5. The Buyer shall not pledge or in any way charge by way of security for any indebtedness any of the Goods which are the property of the Seller. Without prejudice to the other rights of the Seller, if the Buyer does so all sums whatsoever owing by the Buyer to the Seller shall forthwith become due and payable.
- 8.6. It is the Buyer's responsibility to deliver the prescribed particulars of these Conditions to the appropriate organizations, persons or bodies to comply with all relevant laws.
- 8.7. Until such time as ownership of the Goods passes to it, the Buyer shall keep the Goods insured to their full purchase Price against all normal risks to the reasonable satisfaction of the Seller and shall upon request produce a copy of such policy of insurance to the Seller. Without prejudice to the other rights of the Seller, if the Buyer fails to do so, all sums whatever owing by the Buyer to the Seller shall forthwith become due and payable.

9. Intellectual Property

- 9.1. All goods branded 'Ricon' or any other trade mark as owned by the Seller or their parent company may be resold by the Buyer only in the packaging supplied or approved by the Seller and in no case may any trademark other than those applied by the Seller be marked on or applied in relation to the Goods.
- 9.2. No right or license is granted under these Conditions to the Buyer under any patent, trademark, copyright, registered design or other intellectual property right (whether pending or granted) except the right to use or resell the Goods.

10. Termination - Suspension

- 10.1. Buyer may terminate the contract for cause if Supplier: (i) becomes insolvent or bankrupt; or (ii) commits a material breach of the contract which does not otherwise have a specified contractual remedy, provided that: (a) Buyer shall first provide Seller with detailed written notice of the breach and of Buyer's intention to terminate the contract; and (b) Seller shall have failed, within sixty (60) days after receipt of the notice, to commence and diligently pursue cure of the breach.
- 10.2. If Buyer terminates the contract pursuant to article 10.1: (i) subject to article 5.4, Seller shall pay the actual substantiated direct damages incurred by the Buyer due to the termination, provided Buyer uses reasonable efforts to mitigate such damages; and (ii) Buyer shall pay to Seller: (a) the applicable contract Price for any completed Goods (provided same are delivered to Buyer) and for any software and services provided up to the date of termination; and (b) lease fees incurred if any.
- 10.3. Seller may suspend or terminate the contract (or any affected portion thereof) immediately for cause if Buyer: (i) becomes insolvent or bankrupt; or (ii) materially breaches the contract, including, but not limited to, failure or delay in Buyer making any payment when due, fulfilling any payment conditions or failing to comply with any of the restrictions applicable pursuant to the contract.
- 10.4. In the event Seller terminates the contract as provided in article 10.3: (i) Seller shall be entitled to retain any down payment, advance payments, progress payments and/or milestone payments made by Buyer; (ii) Buyer shall pay to Seller the applicable contract Price for any completed or substantially completed

Goods (provided same are delivered to Buyer), and for any software and services provided up to the effective date of termination, plus expenses reasonably incurred by Seller in connection with the termination.

- 10.5. Subject to article 10.1, above, Buyer may not terminate, suspend or cancel the contract (or any portion thereof) without the prior written consent of Seller, which consent shall be at Seller's sole discretion. Seller may condition its consent upon any or all of the remedies set forth in article 10.4, above.
- 10.6. Buyer shall pay all reasonable expenses incurred by Seller in connection with a suspension, including, but not limited to, expenses for repossession, fee collection, demobilization/remobilization, stand-around costs of personnel who are not re-assigned during the suspension (at Seller's then-current hourly rates) and costs of storage during suspension. The schedule for Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.
- 10.7. Either Buyer or Seller may terminate the contract (or the portion affected) upon thirty (30) days advance notice if there is an excusable event, as described in article 16 below resulting in a continuous delay or non-performance under this contract by the other Party lasting longer than one hundred and twenty (120) days.

11. Remedies of Buyer

- 11.1. Where the Buyer rejects any Goods then the Buyer shall have no further rights whatsoever in respect of the supply to the Buyer of such Goods or the failure by the Seller to supply Goods which conform to these Conditions. 1 - General Business

- 11.2. Where the Buyer accepts or has been deemed to have accepted any Goods then the Seller shall have no liability whatsoever to the Buyer in respect of those Goods.

12. General

- 12.1. No failure or delay by the Seller to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.
- 12.2. If any provision of these Conditions shall be prohibited by law or adjudged by a court to be unlawful, void or unenforceable such provision shall to the extent required be severed from these Conditions and rendered ineffective as far as possible without modifying the remaining provisions of these Conditions and shall not in any way affect any other circumstances of or the validity or enforcement of these Conditions.
- 12.3. The Seller may modify these terms and conditions at any time without prior notice, any such modifications being effective from the date and time of posting.

13. Late Payment

- 13.1. For late payment a charge of 8% over the current Bank of England base rate can be levied against any outstanding amount.
- 13.2. If handed over for collection to an external agency the customer understands they are liable for all legal and collection amounts.

14. Export Control Clause

- 14.1. Buyer acknowledges and agrees that any and all products, materials, technical data and services of any kind to be provided by Seller under these conditions are subject to U.S. and U.K. export control laws, regulations and orders.
- 14.2. Buyer agrees to comply with all applicable export control laws, regulations and orders.
- 14.3. Specifically, but without limitation, Buyer agrees that it will not resell, re-export, transfer or ship, directly or indirectly, any products, materials or technical data, provided by Seller under these conditions, in any form, without obtaining any necessary export or re-export licenses.
- 14.4. Buyer further acknowledges and agrees that the Seller immediately may unilaterally terminate its obligations to supply any products, materials, technical data or perform services under these conditions, without damages, penalties or liabilities of any kind, if at any time, the Seller becomes aware that any aspect of these conditions or related transaction may violate export control laws and regulations.

15. Disclaimer of Warranties

- 15.1. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, GUARANTIES, OBLIGATIONS OR LIABILITIES, EXPRESS OR IMPLIED BY STATUTE OR OTHERWISE.

16. Force Majeure

- 16.1. Seller shall not be liable or considered in breach of its obligations under this contract to the extent that Seller's performance is delayed or prevented, directly or indirectly, by any cause beyond its reasonable control including, but not limited to, acts of God, fire, terrorism or terroristic threats, cyber-attacks, war (declared or undeclared), epidemics, pandemics, nationally or locally required or suggested shutdowns or sanctions, material shortages, insurrection, acts or omissions of Buyer or its affiliates (or their agents, or other contractors or suppliers), any act or omission by any governmental authority, strikes, labor disputes, transportation shortages, vendor declared obsolescence, inability to obtain raw materials on commercially reasonable terms, or vendor non-performance or delay caused by any of the foregoing. If an excusable event occurs, the schedule for Seller's performance shall be extended by the amount of time lost by reason of the event plus such additional time as may be needed to overcome the event and resume performance. If acts or omissions of the Buyer or its affiliates (or their agents or other contractors or suppliers) cause the delay, Seller shall also be entitled to an equitable price adjustment.

17. Governing Law

- 17.1. Each and every contract for the supply of Goods by the Seller to the Buyer shall be governed by and construed in accordance with the Laws of England & Wales and the parties hereby submit to the jurisdiction of those Courts of Law.