



Q.E.D. Environmental Systems Ltd.

Terms and conditions for the sale of goods

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Introduction

The purpose of the attached document is to set out the terms and conditions which will apply as and when you wish to purchase goods from us, Q.E.D. Environmental Systems Ltd.. This introduction does not form part of the legal terms and conditions.

In preparing terms and conditions we have tried to make them as clear as possible and to make them reasonably balanced from a commercial point of view.

The basic terms and conditions apply to all sales by Q.E.D. Environmental Systems Ltd.. Q.E.D. Environmental Systems Ltd. has other terms and conditions applicable to other areas of its business such as servicing and maintenance, hire, installation and purchases by Q.E.D. Environmental Systems Ltd.. Details of such other terms are available on request.

Q.E.D. Environmental Systems Ltd.

Terms and conditions for the sale of goods

The Customer's attention is drawn in particular to the provisions of clause 11.

1 Interpretation

1.1 **Definitions.** In these Conditions, the following definitions apply:

Q.E.D. Environmental Systems Ltd.: Q.E.D. Environmental Systems Ltd. (registered in England and Wales with company number 1898734.)

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

Conditions: the terms and conditions set out in this document as amended from time to time in accordance with clause 13.7.

Contract: the contract between Q.E.D. Environmental Systems Ltd. and the Customer for the sale and purchase of the Goods in accordance with these Conditions.

Customer: the person or firm who purchases the Goods from Q.E.D. Environmental Systems Ltd..

Force Majeure Event: has the meaning given in clause 12.

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

Intellectual Property Rights: means all patents, rights to inventions, utility models, copyright and neighboring and related rights, trade marks and service marks, business names and domain names, rights in trade dress or get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, topography rights, moral rights, rights to use and protect the confidentiality of confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted renewals or extensions of such rights, and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Order: the Customer's order for the Goods, as set out in the Customer's purchase order.

Product Data Sheet: the data sheet produced by Q.E.D. Environmental Systems Ltd. for each item that Q.E.D. Environmental Systems Ltd. supplies.

Specification: any express specification for the Goods including any related plans and drawings that is agreed in writing by the Customer and Q.E.D. Environmental Systems Ltd..

1.2 **Construction.** In these Conditions, the following rules apply:

1.2.1 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

1.2.2 A reference to a party includes its personal representatives, successors or permitted assigns.

1.2.3 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.

1.2.4 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.

1.2.5 A reference to writing or written includes faxes and emails.

2 **Basis of Contract**

2.1 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing save where the Contract includes other matters such as servicing and maintenance in which event the Contract shall include Q.E.D. Environmental Systems Ltd.'s other relevant conditions as specified by Q.E.D. Environmental Systems Ltd. or as applicable in addition to these Conditions.

2.2 The Order constitutes an offer by the Customer to purchase the Goods in accordance with these Conditions. The Customer is responsible for ensuring that the terms of the Order and any applicable Specification are complete and accurate.

2.3 The Order shall only be deemed to be accepted when Q.E.D. Environmental Systems Ltd. issues a written acceptance of the Order, at which point the Contract shall come into existence.

2.4 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of Q.E.D. Environmental Systems Ltd. which is not set out in the Contract. Please refer to clauses 2.1 and 2.7 concerning dealings with Q.E.D. Environmental Systems Ltd. other than product sales.

2.5 This is not a sale by sample. Any samples, drawings, descriptive matter, or advertising produced by Q.E.D. Environmental Systems Ltd. and any descriptions or illustrations contained in catalogues or brochures other than Product Data Sheets are produced

for the sole purpose of giving an approximate idea of the Goods described in them. They shall not form part of the Contract or have any contractual force.

- 2.6 A quotation for the Goods given by Q.E.D. Environmental Systems Ltd. shall not constitute an offer. A quotation shall only be valid for a period of one calendar month from its date of issue and Q.E.D. Environmental Systems Ltd. may withdraw it at any time.
- 2.7 For dealings with Q.E.D. Environmental Systems Ltd. other than product sales such as purchase of supplies by Q.E.D. Environmental Systems Ltd., hire, servicing and maintenance, Q.E.D. Environmental Systems Ltd.'s terms relevant terms will apply. Details available from Q.E.D. Environmental Systems Ltd. on request.

3 Goods

- 3.1 The Goods are described in the Product Data Sheet as modified by any applicable Specification.
- 3.2 Q.E.D. Environmental Systems Ltd. reserves the right to amend the specification of the Goods including the Specification (if any) if required by any applicable statutory or regulatory requirements.

4 Delivery

- 4.1 Q.E.D. Environmental Systems Ltd. shall issue a delivery note in relation to each delivery of the Goods which shows the date of the Order, the Q.E.D. Environmental Systems Ltd. Contract number, any relevant reference number quoted by the Customer in the Order, the type and quantity of the Goods (including the code number of the Goods, where applicable), special storage instructions (if any) and, if the Order is being delivered by instalments, the outstanding balance of Goods remaining to be delivered.
- 4.2 Q.E.D. Environmental Systems Ltd. shall deliver the Goods to the location set out in the Order or such other location as the parties may agree (**Delivery Location**) at any time after Q.E.D. Environmental Systems Ltd. notifies the Customer that the Goods are ready.
- 4.3 Delivery of the Goods shall be completed on the Goods' arrival at the Delivery Location. If the Customer collects or arranges its own carrier for the Goods from Q.E.D. Environmental Systems Ltd.'s premises at QED Environmental Systems Ltd. Cyan Park – Unit 3, Jimmy Hill Way, Coventry, CV2 4QP delivery shall be completed when the Goods are handed to the Customer or its carrier (as applicable).
- 4.4 Q.E.D. Environmental Systems Ltd. manufactures most of its products to order. Q.E.D. Environmental Systems Ltd. will produce the Goods as soon as it is reasonably able to do so, but factors such as availability of components and existing workload when the Order is received or any unforeseen process failures can affect the timescale for delivery. Any dates quoted for delivery are therefore approximate only, and the time

of delivery is not of the essence. Q.E.D. Environmental Systems Ltd. shall not be liable for any delay in delivery of the Goods that is caused by a Force Majeure Event or the Customer's failure to provide Q.E.D. Environmental Systems Ltd. with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods or the Customer's delay in payment where payment is not received with the Order and manufacture and delivery is stated by Q.E.D. Environmental Systems Ltd. to be subject to receipt of payment. For delays after the Goods have been despatched by Q.E.D. Environmental Systems Ltd. please refer to clause 4.10.

- 4.5 If Q.E.D. Environmental Systems Ltd. fails to deliver the Goods, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. Q.E.D. Environmental Systems Ltd. shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event or the Customer's failure to provide Q.E.D. Environmental Systems Ltd. with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods or the Customer's failure to pay where manufacture and delivery is stated by Q.E.D. Environmental Systems Ltd. to be subject to receipt of payment.
- 4.6 If the Customer fails to accept delivery of the Goods within three Business Days of Q.E.D. Environmental Systems Ltd. or its carrier attempting to deliver the Goods to the Delivery Location or of Q.E.D. Environmental Systems Ltd. notifying the Customer that the Goods are ready then, except where such failure or delay is caused by a Force Majeure Event or Q.E.D. Environmental Systems Ltd.'s failure to comply with its obligations under the Contract:
- 4.6.1 delivery of the Goods shall be deemed to have been completed at 9.00 am on the third Business Day after the day on which Q.E.D. Environmental Systems Ltd. or its carrier attempted to deliver the Goods to the Delivery Location or Q.E.D. Environmental Systems Ltd. notified the Customer that the Goods were ready; and
- 4.6.2 Q.E.D. Environmental Systems Ltd. shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses (including insurance).
- 4.7 If 10 Business Days after the day on which Q.E.D. Environmental Systems Ltd. notified the Customer that the Goods were ready for delivery the Customer has not accepted delivery of them, Q.E.D. Environmental Systems Ltd. may resell or otherwise dispose of part or all of the Goods.
- 4.8 Q.E.D. Environmental Systems Ltd. may deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate Contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.
- 4.9 Where Goods are to be delivered to a Delivery Location outside the UK the Customer shall supply such information as shall be required to enable Q.E.D. Environmental

Systems Ltd. to complete any relevant documentation and satisfy any applicable export and import regulations provided that Q.E.D. Environmental Systems Ltd. shall not be expected or obliged to do anything which is in contravention of such documentation or regulations.

- 4.10 Q.E.D. Environmental Systems Ltd. will notify the Customer of the expected delivery date for the Goods (**expected delivery date**). The Customer shall notify Q.E.D. Environmental Systems Ltd. in writing no later than two Business Days from the expected delivery if it has not received the Goods. Failure to do so may prevent Q.E.D. Environmental Systems Ltd. from claiming from the carrier or under any insurance in respect of such delay.
- 4.11 On delivery the Customer shall inspect the Goods as soon as reasonably practicable and shall notify Q.E.D. Environmental Systems Ltd. in writing of any damage which has or may have been caused in transit no later than two Business Days from receipt. Failure to do so may prevent Q.E.D. Environmental Systems Ltd. from claiming from the carrier or under any insurance in respect of such damage.

5 Quality

- 5.1 Q.E.D. Environmental Systems Ltd. warrants that on delivery, and (save as set out in clause 5.4) for a period of 12 months from the date of delivery (unless another period of warranty has been agreed in writing by Q.E.D. Environmental Systems Ltd.) (**warranty period**), the Goods shall:
- 5.1.1 conform in all material respects with their description in the relevant Product Data Sheet as modified by any applicable Specification;
 - 5.1.2 be free from material defects in design, material and workmanship; and
 - 5.1.3 be fit for any purpose held out by Q.E.D. Environmental Systems Ltd. in the relevant Product Data Sheet as modified by any applicable Specification.
- 5.2 Subject to clause 5.3, if:
- 5.2.1 the Customer gives notice in writing to Q.E.D. Environmental Systems Ltd. within a reasonable time of discovery and in any event during the warranty period that some or all of the Goods do not comply with the warranty set out in clause 5.1;
 - 5.2.2 Q.E.D. Environmental Systems Ltd. is given a reasonable opportunity of examining such Goods;
 - 5.2.3 the Customer (if asked to do so by Q.E.D. Environmental Systems Ltd.) returns such Goods to Q.E.D. Environmental Systems Ltd.'s place of business at Q.E.D. Environmental Systems Ltd.'s cost in such manner as Q.E.D. Environmental Systems Ltd. may reasonably request; and

5.2.4 provides such evidence of purchase or delivery such as invoice or delivery note as Q.E.D. Environmental Systems Ltd. may reasonably request,

Q.E.D. Environmental Systems Ltd. shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full and reimburse the Customer's reasonable carriage and insurance costs incurred in returning the Goods to Q.E.D. Environmental Systems Ltd..

5.3 Q.E.D. Environmental Systems Ltd. shall not be liable for Goods' failure to comply with the warranty set out in clause 5.1 in any of the following events:

5.3.1 the Customer has not paid for Goods in full at in accordance with clause 8.2;

5.3.2 the Customer makes any further use of such Goods after giving notice in accordance with clause 5.2;

5.3.3 the defect arises because the Customer failed to follow the operating manual or other oral or written instructions from Q.E.D. Environmental Systems Ltd. as to the storage, commissioning, installation, use and maintenance of the Goods or (if there are none) good trade practice regarding the same;

5.3.4 repairs or alterations carried out other than by Q.E.D. Environmental Systems Ltd. or its authorised agents;

5.3.5 the Customer opens, alters, or repairs or otherwise tampers with such Goods without the written consent of Q.E.D. Environmental Systems Ltd.;

5.3.6 the defect arises as a result of fair wear and tear, wilful damage, negligence, accidental damage or abnormal storage or working conditions;

5.3.7 the defect arises as a result of Q.E.D. Environmental Systems Ltd. following any drawing, design or Specification supplied by the Customer; or

5.3.8 the Goods differ from their description in the Product Data Sheet as modified by any applicable Specification as a result of changes made to ensure they comply with applicable statutory or regulatory requirements;

5.3.9 the Goods are damaged in transit to which clause 4.11 applies.

5.4 The exclusions from the 12 month period referred to in clause 5.1 are:

5.4.1 electrochemical cells and other consumables and any other items indicated by Q.E.D. Environmental Systems Ltd. from time to time or specifically notified by Q.E.D. Environmental Systems Ltd. to the Customer.

5.4.2 data collected and/or stored using the Goods.

As regards items referred to in clause 5.4.1 Q.E.D. Environmental Systems Ltd. will use its reasonable endeavours to pass on to the Customer the benefit of such warranties as are available from the suppliers of such items to Q.E.D. Environmental Systems Ltd..

- 5.5 If it is found that there is no breach by Q.E.D. Environmental Systems Ltd. of the warranty set out in this clause 5, Q.E.D. Environmental Systems Ltd. shall be entitled to charge the Customer for any carriage administration and inspection costs incurred by Q.E.D. Environmental Systems Ltd. in relation to any return or inspection of the Goods.
- 5.6 Except as provided in this clause 5, Q.E.D. Environmental Systems Ltd. shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.
- 5.7 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from the Contract.
- 5.8 These Conditions shall apply to any repaired or replacement Goods supplied by Q.E.D. Environmental Systems Ltd..
- 5.9 The warranty period shall not be extended as a result of any repair or replacement pursuant to this clause 5.
- 5.10 Q.E.D. Environmental Systems Ltd. may from time to time offer additional warranty schemes applicable to certain of its products subject to such terms and conditions as Q.E.D. Environmental Systems Ltd. may specify. Details available from Q.E.D. Environmental Systems Ltd. on request.
- 5.11 The Customer shall not remove or obscure Q.E.D. Environmental Systems Ltd.'s name or branding on the Goods without Q.E.D. Environmental Systems Ltd.'s prior written consent. Any such action would also constitute alteration or tampering within clause 5.3.4.
- 5.12 Once the Contract has been made Q.E.D. Environmental Systems Ltd. shall not be obliged to accept any cancellation or the return of any Goods which are not in breach of the Contract. Q.E.D. Environmental Systems Ltd. may from time to time at its discretion offer a returns policy. The policy current as at the date of these Conditions is as set out in Supplement B clauses 17 to 20. The policy is subject to change or withdrawal at any time. Details available from Q.E.D. Environmental Systems Ltd. on request.

6 Title and risk

- 6.1 The risk in the Goods shall pass to the Customer on completion of delivery.
- 6.2 Save as set out in clause 6.3 title to the Goods shall pass to the Customer on completion of delivery.

6.3 Title to the Goods shall not pass to the Customer until Q.E.D. Environmental Systems Ltd. has received payment in full (in cash or cleared funds) for:

6.3.1 the Goods; and

6.3.2 any other goods or services that Q.E.D. Environmental Systems Ltd. has supplied to the Customer in respect of which payment has become due.

6.4 Until title to the Goods has passed to the Customer, the Customer shall:

6.4.1 hold the Goods on a fiduciary basis as Q.E.D. Environmental Systems Ltd.'s bailee;

6.4.2 store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as Q.E.D. Environmental Systems Ltd.'s property;

6.4.3 not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;

6.4.4 maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery;

6.4.5 notify Q.E.D. Environmental Systems Ltd. immediately if it becomes subject to any of the events listed in clause 10.2; and

6.4.6 give Q.E.D. Environmental Systems Ltd. such information relating to the Goods as Q.E.D. Environmental Systems Ltd. may require from time to time,

but the Customer may use or resell the Goods in the ordinary course of its business.

6.5 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 10.2, or Q.E.D. Environmental Systems Ltd. reasonably believes that any such event is about to happen and notifies the Customer accordingly, then, provided that the Goods have not been irrevocably incorporated into another product, or resold, and without limiting any other right or remedy Q.E.D. Environmental Systems Ltd. may have, Q.E.D. Environmental Systems Ltd. may at any time require the Customer to deliver up the Goods and, if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

7 Price

7.1 The price of the Goods shall be the price set out in the Order, subject to acceptance by Q.E.D. Environmental Systems Ltd., or, if no price was quoted prior to submission of the Order by the Customer, the price set out in Q.E.D. Environmental Systems Ltd.'s standard published price list in force as at the date of delivery.

- 7.2 Where the value of Goods in the Order is below the minimum set by Q.E.D. Environmental Systems Ltd. from time to time Q.E.D. Environmental Systems Ltd. reserves the right to add an administration charge in respect of its costs in dealing with such Order.
- 7.3 In the event of any request by the Customer to make any change in the delivery date(s), quantities or types of Goods ordered, or otherwise change the Contract Q.E.D. Environmental Systems Ltd. will as soon as reasonably practicable notify the Customer of any impact on the Contract including the delivery, price and payment terms. The Customer shall then promptly notify Q.E.D. Environmental Systems Ltd. whether it wishes to proceed with such changes.
- 7.4 Q.E.D. Environmental Systems Ltd. may, by giving notice to the Customer at any time up to ten Business Days before delivery, increase the price of the Goods to reflect any increase in the cost of the Goods that is due to:
- 7.4.1 any factor beyond Q.E.D. Environmental Systems Ltd.'s control (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs); or
 - 7.4.2 any delay by the Customer in making payment where manufacture and delivery is stated by Q.E.D. Environmental Systems Ltd. to be subject to receipt of payment.
- 7.5 Where both the Delivery Location and the Customer are in the UK the price of the Goods is inclusive of the costs and charges of Q.E.D. Environmental Systems Ltd.'s standard carriage, packaging and insurance of the Goods save where expressly specified otherwise by Q.E.D. Environmental Systems Ltd. or where the Customer requests other than standard carriage, packaging and insurance which in such cases shall be invoiced to the Customer in addition to the price of the Goods.
- 7.6 Where the Delivery Location and/or the Customer are outside the UK the price of the Goods is exclusive of:
- 7.6.1 the costs and charges of carriage, packaging and insurance of the Goods which shall be invoiced to the Customer in addition to the price of the Goods;
 - 7.6.2 any applicable sales import export or other tax or duty which shall be paid by the Customer.
- 7.7 The price of the Goods is exclusive of amounts in respect of value added tax (**VAT**). The Customer shall, on receipt of a valid VAT invoice from Q.E.D. Environmental Systems Ltd., pay to Q.E.D. Environmental Systems Ltd. such additional amounts in respect of VAT as are chargeable on the supply of the Goods.

8 Payment

- 8.1 Q.E.D. Environmental Systems Ltd. may invoice the Customer for the Goods on or at any time after Q.E.D. Environmental Systems Ltd. has accepted the Order in accordance with clause 2.3.
- 8.2 Unless expressly otherwise agreed in writing by Q.E.D. Environmental Systems Ltd. as set out in Supplement A clauses 14 to 16 of these Conditions, payment in full must be received with the Order.
- 8.3 Q.E.D. Environmental Systems Ltd. will not commence manufacture or deliver the Goods until:
- 8.3.1 payment under clause 8.2 is received; or
 - 8.3.2 where Q.E.D. Environmental Systems Ltd. has agreed credit terms with the Customer but the Customer has exceeded such terms, the Customer is in compliance with such terms.
- 8.4 Where Q.E.D. Environmental Systems Ltd. has agreed credit terms in writing the Customer shall pay the invoice in full and in cleared funds no later than 30 days from the date of the invoice.
- 8.5 Time of payment is of the essence.
- 8.6 Payment shall be made in cleared funds to the bank account nominated in writing by Q.E.D. Environmental Systems Ltd.. Payment shall be made in the currency of the invoice. The Customer shall be responsible for all related bank charges and currency conversion to ensure that Q.E.D. Environmental Systems Ltd. receives the total amount invoiced in full.
- 8.7 If Q.E.D. Environmental Systems Ltd. at its discretion agrees to accept payment by credit card such agreement may be conditional on payment of an administration charge in respect of Q.E.D. Environmental Systems Ltd.'s costs in receiving payment by this method.
- 8.8 If the Customer fails to make any payment due to Q.E.D. Environmental Systems Ltd. under the Contract by the due date for payment (**due date**), then the Customer shall pay interest on the overdue amount at the rate of 4% per annum above HSBC Bank plc's base rate from time to time. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.
- 8.9 As an alternative to the right stated in clause 8.8 Q.E.D. Environmental Systems Ltd. reserves the right to claim interest under the Late Payment of Commercial Debts (Interest) Act 1998.

- 8.10 Where exceptionally Q.E.D. Environmental Systems Ltd. may permit a Customer to try out Goods such trial shall be subject to such terms and conditions as Q.E.D. Environmental Systems Ltd. may specify in addition to these Conditions. Pending acceptance of the Goods by the Customer and receipt of payment in full cleared funds by Q.E.D. Environmental Systems Ltd. such Goods shall also be subject to Q.E.D. Environmental Systems Ltd.'s terms and conditions of hire. Details available on request.

9 Intellectual Property

- 9.1 The Customer acknowledges and agrees that:

9.1.1 as between Q.E.D. Environmental Systems Ltd. and the Customer, all Intellectual Property Rights in the Goods vest and remain vested in Q.E.D. Environmental Systems Ltd.; and

9.1.2 to the extent that the Customer makes any changes, innovations, and/ or improvements to the Goods, the Customer shall assign any Intellectual Property Rights in such changes, innovations and/ or improvements to Q.E.D. Environmental Systems Ltd. immediately upon creation at no additional charge to Q.E.D. Environmental Systems Ltd..

- 9.2 The Customer shall not sub-license, transfer or otherwise deal with Q.E.D. Environmental Systems Ltd.'s Intellectual Property Rights in the Goods.

- 9.3 The Customer shall not do, or omit to do, any act or thing in its use of the Goods that could adversely affect the validity or reputation of Q.E.D. Environmental Systems Ltd.'s Intellectual Property Rights in the Goods.

10 Customer's insolvency or incapacity

- 10.1 If the Customer becomes subject to any of the events listed in clause 10.2, or Q.E.D. Environmental Systems Ltd. reasonably believes that the Customer is about to become subject to any of them and notifies the Customer accordingly, then, without limiting any other right or remedy available to Q.E.D. Environmental Systems Ltd., Q.E.D. Environmental Systems Ltd. may cancel or suspend all further deliveries under the Contract or under any other contract between the Customer and Q.E.D. Environmental Systems Ltd. without incurring any liability to the Customer, and all outstanding sums in respect of Goods delivered to the Customer shall become immediately due.

- 10.2 For the purposes of clause 10.1, the relevant events are:

10.2.1 the Customer suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is the subject of a bankruptcy petition or order, or is deemed either unable to pay

- its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply;
- 10.2.2 the Customer commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
 - 10.2.3 (being a company) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Customer, other than for the sole purpose of a scheme for a solvent amalgamation of the Customer with one or more other companies or the solvent reconstruction of the Customer;
 - 10.2.4 a creditor or encumbrancer of the Customer attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days or a person becomes entitled to appoint a receiver over the Customer's assets or a receiver is appointed over the Customer's assets;
 - 10.2.5 (being a company) an application is made to court, or an order is made, for the appointment of an administrator or a notice of intention to appoint an administrator is given or an administrator is appointed over the Customer or a floating charge holder over the Customer's assets has become entitled to appoint or has appointed an administrative receiver;
 - 10.2.6 any event occurs, or proceeding is taken, with respect to the Customer in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 10.2.1 to clause 10.2.45 (inclusive);
 - 10.2.7 the Customer suspends, threatens to suspend, ceases or threatens to cease to carry on all or substantially the whole of its business or the Customer's financial position deteriorates to such an extent that in Q.E.D. Environmental Systems Ltd.'s opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; and
 - 10.2.8 (being an individual) the Customer dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his or her own affairs or becomes a patient under any mental health legislation;
 - 10.2.9 the Customer breaches clause 13.3.
- 10.3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

11 Limitation of liability

11.1 Nothing in these Conditions shall limit or exclude Q.E.D. Environmental Systems Ltd.'s liability for:

11.1.1 death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);

11.1.2 fraud or fraudulent misrepresentation;

11.1.3 breach of the terms implied by section 12 of the Sale of Goods Act 1979;

11.1.4 defective products under the Consumer Protection Act 1987; or

11.1.5 any matter in respect of which it would be unlawful for Q.E.D. Environmental Systems Ltd. to exclude or restrict liability.

11.2 Subject to clause 11.1:

11.2.1 Q.E.D. Environmental Systems Ltd. shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any:

11.2.1.1 loss of profit; or

11.2.1.2 loss of goodwill; or

11.2.1.3 loss of business; or

11.2.1.4 loss of business opportunity; or

11.2.1.5 loss of anticipated saving; or

11.2.1.6 loss or corruption of data or information; or

11.2.1.7 special, indirect or consequential loss

arising under or in connection with the Contract; and

11.2.2 Q.E.D. Environmental Systems Ltd.'s total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the price paid or payable to Q.E.D. Environmental Systems Ltd. by the Customer for the Goods the subject of the claim.

12 Force majeure

- 12.1 Neither party shall be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by a Force Majeure Event. A **Force Majeure Event** means any event beyond a party's reasonable control, which by its nature could not have been foreseen, or, if it could have been foreseen, was unavoidable, including strikes, lock-outs or other industrial disputes (whether involving its own workforce or a third party's), failure of energy sources or transport network, acts of God, war, terrorism, riot, civil commotion, interference by civil or military authorities, national or international calamity, armed conflict, malicious damage, breakdown of plant or machinery, nuclear, chemical or biological contamination, sonic boom, explosions, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, epidemics or similar events, natural disasters or extreme adverse weather conditions, or default of suppliers or subcontractors.
- 12.2 A party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of a Force Majeure Event:
- 12.2.1 notify the other party of the nature and extent of such Force Majeure Event; and
 - 12.2.2 use all reasonable endeavours to remove any such causes and resume performance under this agreement as soon as feasible.
- 12.3 If any events or circumstances prevent a party from carrying out its obligations under the Contract for a continuous period of more than ten (10) Business Days, the other party may terminate this Contract immediately by giving written notice to the affected party.

13 General

13.1 Assignment and subcontracting

- 13.1.1 Q.E.D. Environmental Systems Ltd. may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract.
- 13.1.2 The Customer may not assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract without the prior written consent of Q.E.D. Environmental Systems Ltd..

13.2 Notices

- 13.2.1 Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally,

sent by pre-paid first class post, recorded delivery, commercial courier, fax or email.

13.2.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 13.2.1; if sent by pre-paid first class post or recorded delivery, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or email by Q.E.D. Environmental Systems Ltd. after satisfactory transmission or if sent by fax or email to Q.E.D. Environmental Systems Ltd. on written confirmation by Q.E.D. Environmental Systems Ltd. of receipt.

13.2.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

13.3 Anti-bribery compliance

The Customer shall:

13.3.1 comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010;

13.3.2 not engage in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;

13.3.3 comply with Q.E.D. Environmental Systems Ltd.'s anti-corruption and bribery policies (contained in Supplement C to these Conditions) as Q.E.D. Environmental Systems Ltd. may update them from time to time.

13.4 Severance.

13.4.1 If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected.

13.4.2 If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

13.5 Waiver.

A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or

delay by a party to exercise any right or remedy provided under the Contract or by law shall 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.

13.6 Third party rights.

A person who is not a party to the Contract shall not have any rights under or in connection with it.

13.7 Variation.

Except as set out in these Conditions, any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by Q.E.D. Environmental Systems Ltd..

13.8 Governing law and jurisdiction.

13.8.1 The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with, English law.

13.8.2 Save as set out in clause 13.8.3 the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

13.8.3 Q.E.D. Environmental Systems Ltd. shall not be bound by the provisions of clause 13.8.2 and may issue proceedings in such jurisdiction as it in its absolute discretion considers appropriate.

13.9 Export Control

Customer shall comply with export control laws of the United States and the United Kingdom. Goods sold to Customer shall not be sold, resold, exported or re-exported: (i) into any country embargoed by the United States (currently Cuba, Iran (except as modified), North Korea, and Syria) or (ii) to any person or entity on the U.S. Treasury Department's Specially Designated Nationals List, the U.S. Commerce Department's Denied Persons List, Entity List or Unverified List, or (iii) to any person or entity otherwise designated by the United States government as subject to financial sanctions or prohibited from receiving U.S. exports. Customer represents and warrants that it is not controlled by any person or entity on a restricted parties list published by the United States government and is not controlled by a national or resident of any country embargoed by the United States government. Customer further agrees to notify Q.E.D. Environmental Systems Ltd. of any change in ownership or control that might violate this Section 13.9.

Supplement A – Credit policy

14 Standard payment conditions

- 14.1 Q.E.D. Environmental Systems Ltd.'s standard conditions for payment are as set out in clause 8 of these Conditions.
- 14.2 Unless otherwise agreed in writing by Q.E.D. Environmental Systems Ltd. all goods are ordered on a pro forma basis and must be paid for in advance of manufacture and shipment.
- 14.3 For the avoidance of doubt:
- 14.3.1 any variation of the payment provisions set out in clauses 14.1 and 14.2 above is at Q.E.D. Environmental Systems Ltd.'s absolute discretion; and
 - 14.3.2 any credit granted may be varied or withdrawn by Q.E.D. Environmental Systems Ltd. at any time.

15 Credit accounts – UK Customers

- Q.E.D. Environmental Systems Ltd. will consider credit applications from businesses in the UK which are registered limited companies subject to the following procedure:
- 15.1 Q.E.D. Environmental Systems Ltd.'s credit application form must be fully completed and signed by or on behalf of the applicant who is or will be Q.E.D. Environmental Systems Ltd.'s customer.
- 15.2 Q.E.D. Environmental Systems Ltd. will make a decision as soon as reasonably possible as to whether to offer credit and if so the value of the credit limit. This will be advised to the applicant in writing.
- 15.3 Q.E.D. Environmental Systems Ltd.'s written confirmation will set out the details of the payment terms and any other applicable terms.

16 Credit accounts – non UK Customers

- 16.1 Customers outside the UK will normally be required to pay on a pro forma basis.
- 16.2 A Customer outside the UK seeking credit must complete Q.E.D. Environmental Systems Ltd.'s non UK customer credit application form.
- 16.3 The applicant's details and required credit limit will be passed to a foreign credit checking agency.
- 16.4 Q.E.D. Environmental Systems Ltd. will make a decision as soon as reasonably possible as to whether to offer credit and if so the value of the credit limit. This will be advised to the applicant in writing.

- 16.5 Q.E.D. Environmental Systems Ltd.'s written confirmation will set out the details of the payment terms and any other applicable terms.

Supplement B – Returns policy

17 Returns and cancellation

- 17.1 Once the Contract has been made Q.E.D. Environmental Systems Ltd. shall not be obliged to accept any cancellation or the return of any Goods which are not in breach of the Contract. The provisions of clauses 17 to 20 are without prejudice to clause 5 of these Conditions.
- 17.2 Q.E.D. Environmental Systems Ltd. recognises that on occasion the Customer may wish to cancel or return Goods. Accordingly Q.E.D. Environmental Systems Ltd. may at its discretion offer a returns policy from time to time. The policy current as at the date of these Conditions is as set out in this Supplement B clauses 17 to 20. The policy is subject to change or withdrawal at any time. Details available from Q.E.D. Environmental Systems Ltd. on request.
- 17.3 If the Customer wishes to cancel or return Goods other than for a breach of the Contract or otherwise as expressly set out in these Conditions it shall not do so without seeking Q.E.D. Environmental Systems Ltd.'s prior written consent which consent if granted may be subject to such conditions as Q.E.D. Environmental Systems Ltd. in its absolute discretion considers appropriate in the circumstances.

18 Non-returnable Goods

- 18.1 Items included in Q.E.D. Environmental Systems Ltd.'s current catalogue or product list are considered standard. Any other items are bespoke. Bespoke Goods are non-returnable at any time.
- 18.2 Goods cannot be returned once used or not otherwise in the condition in which they were delivered they were delivered.

19 Returnable Goods

- 19.1 Where Q.E.D. Environmental Systems Ltd. has given its written consent for the return of Goods under clause 17.3 such Goods must be returned unused in their original or comparable quality packaging, insured and carriage paid to Q.E.D. Environmental Systems Ltd..
- 19.2 Returned Goods will be subject to inspection by Q.E.D. Environmental Systems Ltd. prior to acceptance.

20 Cancellation and return costs

Where Q.E.D. Environmental Systems Ltd. has given its written consent for the cancellation return of Goods under clause 17.3 and subject to acceptance of returned Goods under clause 19.2, the following charges will apply based on the Contract price of the Goods:

- 20.1 Cancellation before production of the Goods commences: 10%.
- 20.2 Cancellation during production of the Goods: 25%.
- 20.3 Cancellation after production of the Goods but before they are despatched from Q.E.D. Environmental Systems Ltd.'s premises: 50%.
- 20.4 Cancellation or return of the Goods after they are despatched from Q.E.D. Environmental Systems Ltd.'s premises: 50% plus carriage costs.

Supplement C - Anti-Corruption and Bribery Policy

20 Anti-corruption and bribery policy

Statement

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. In particular, we remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

The purpose of this policy is to:

- set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
- provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if we are found to have taken part in corruption we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.

We have identified that the following are particular risks for our business: entertaining clients, expenses claims and use of overseas distributors. To address those risks we have reviewed our policies and systems of financial controls and written to all distributors to ask them to ensure that appropriate measures are in place to prevent bribery and corruption.

In this policy, **third party** means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

Who is covered by the policy?

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, home-workers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as workers in this policy).

What is bribery?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

Examples:

Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

Receiving a bribe

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

Bribing a foreign official

You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process, such as clearing our goods through customs. The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence.

U.S. Foreign Corrupt Practices Act

Q.E.D. Environmental Systems Ltd. is also subject to the provisions of the U.S. Foreign Corrupt Practices Act.

You shall comply with all applicable laws and regulations. You agree that you shall not act in any fashion or take any action which will render Q.E.D. Environmental Systems Ltd. or its affiliates liable for a violation of any anti-corruption or anti-bribery laws worldwide, including but not limited to the U.S. Foreign Corrupt Practices Act, which prohibits the offering, giving or promising to offer or give, directly or indirectly, money or anything of value to any government official, political party or instrumentality thereof, in order to assist it or Q.E.D. Environmental Systems Ltd. in obtaining or retaining business. If Q.E.D. Environmental Systems Ltd. has reason to believe there may be a violation of this paragraph, Q.E.D. Environmental Systems Ltd. or a designated third party shall have the right to examine, reproduce and audit any and all of your records and data. Q.E.D. Environmental Systems Ltd. may immediately terminate this agreement by written notice to you if you violate this paragraph.