

PERCEPTIVE ENGINEERING LTD
STANDARD TERMS AND CONDITIONS OF SALE

These terms and conditions, together with the quotation or offer document ("the Proposal") issued by the Company, form the contract entered into between Perceptive Engineering Ltd ("the Company" or "PEL") and the Customer, whose details are set out in the Proposal ("the Customer").

1 Definitions and Interpretation

1.1 The following terms have the following meanings:

"Authorised Representatives" "

each party's contacts detailed in the Proposal as may be amended from time to time in accordance with clause 3.1;

"Fees"

the amount to be paid by the Customer for PEL's provision of the Services as set out in the Proposal (and as may be amended in accordance with these terms);

"Intellectual Property"

any and all plans, drawings, technical documentation or other information, patents, copyrights, designs, trade marks, owned or issued by the Company, and all the rights therein whether or not registered or capable of registration;

"Overtime"

all time spent at Customer's request in performance of the Services outside Working Hours;

"Services"

the services to be provided by PEL to the Customer as specified in the Proposal;

"Site"

the Customer's site(s) at which the Services will be implemented (if any);

"Software"

the software (if any) supplied to the Customer as part of or in connection with the Services;

"Software Licence Agreement"

PEL's standard software licence agreement from time to time;

"Third Party Software"

any part of the Software that is not owned by PEL;

"Timetable"

the timetable for the provision of Services detailed in the Proposal (if any);

"Travel Time"

all time spent travelling by PEL in connection with its performance of the Services; and
"Warranty Period" shall be the 12 months following final delivery of the Services.

"Working Hours"

the hours of **09.00 to 13.00** and **14.00 to 18.00** Monday to Friday, excluding English public and bank holidays.

1.2 The Contract is deemed to have come into force when PEL confirms its acceptance in writing of an order from the Customer.

2 The Services

2.1 PEL will provide the Services during Working Hours.

2.2 PEL shall use its reasonable endeavours to adhere to any Timetable but in doing so shall not be required to work outside Working Hours and time of performance of the Services shall not be of the essence. PEL may work Overtime and any such time will be charged in addition to the Fees at PEL's standard rates from time to time.

2.3 If the Timetable contains obligations on the Customer, the Customer acknowledges that PEL will not be liable for any delay caused by the Customer's failure to complete its tasks within the relevant timescales and that any such delay may result in an increase to the Fees (such increase to be reasonable and to be notified by PEL promptly following the delay) and to the charging of additional sums in accordance with clause 9.3.

3 Variations, Delay and Additional Work

- 3.1 PEL and the Customer shall each identify Authorised Representatives who shall be responsible for all communications to the other under this Agreement. Each party may change the identity of its Authorised Representatives by notice in writing.
- 3.2 The Authorised Representatives shall have authority to agree changes to the Services. Any variation or addition to the Services must be agreed in writing by PEL's Authorised Representative and may be subject to additional charges.
- 3.3 Where PEL carries out work that is outside the scope of the Services such work shall be subject to the terms of this Agreement and will be charged at PEL's then standard rates.
- 3.4 If the Customer causes or requests any delay or suspension in the provision of the Services, PEL shall be entitled to charge the Customer forty percent (40%) of the daily rate detailed in the Proposal for each day of delay or suspension arising due to such delay or suspension. In addition, any incidental costs incurred will be charged to, and payable by, the Customer.
- 3.5 PEL may provide support for any Software provided as part of the Services. Such support shall be provided on PEL's then prevailing standard terms and rates.

4 Provision of the Services on Site

- 4.1 The Customer will provide PEL, promptly on PEL's request, with such assistance, access and facilities as PEL shall reasonably require to enable it to perform the Services. The Customer shall be responsible for the health and safety of PEL staff when at the Site.
- 4.2 PEL will use all reasonable endeavours to avoid causing any damage to or loss at the Site during the execution of the Services (other than that which is an unavoidable consequence of or an anticipated part of the Services) and shall make good any damage it negligently causes. All risk of other damage or loss at the Site shall be borne by the Customer.
- 4.3 PEL shall use its reasonable endeavours to ensure that its employees comply with Site rules reasonably notified to it by the Customer.
- 4.4 If the Customer prematurely ends any on-site visit by PEL other than as a result of the termination of the Contract under clause 10.1, PEL shall be entitled to charge the Customer for the remainder of such visit at a rate of sixty percent (60%) of the daily rate specified in the Proposal per remaining day. The Customer shall also pay all travel, accommodation, living and other expenses incurred by PEL in relation to such visit notwithstanding its premature end.

5 Price and Payment

- 5.1 The Fees shall be invoiced at the times detailed in the Proposal. In addition to the Fees the Customer will pay or reimburse to PEL all reasonable and proper expenses incurred by PEL in connection with the Services, all Travel Time and Overtime, where such expenses are in addition to those included in the Fees.
- 5.2 Any charges to the Customer under the Contract shall be subject to any sales-related tax (eg. value added tax) at the appropriate rate and any other tax, duty or charge incurred will be passed on to the Customer.
- 5.3 Any invoice should be paid within thirty (30) days of the invoice date in pounds sterling (or any different currency specified in the Proposal) without deduction or set-off.
- 5.4 Where for any reason payment of any sum due under these Conditions or any part thereof is not made by the due date PEL may, without prejudice to its other rights or remedies under these Conditions:
 - 5.4.1 terminate or suspend the Customer's rights to receive any services, including the Services;
 - 5.4.2 Charge any collection costs as well as interest on all outstanding sums from the date payable at the rate of 1½% per month;
 - 5.4.3 modify future payment terms; and/or
 - 5.4.4 suspend the Customer's rights to use the Software (if any).

6 Software

- 6.1 The Customer undertakes to ensure and warrants that any computers, networks, operating systems and/or other software that PEL is provided with to use in its provision of the Services are the property of or are legally licensed to the Customer and that all materials, methods and ideas provided for inclusion in any bespoke Software created by PEL are the property of the Customer. The Customer agrees to indemnify and hold PEL harmless in respect of any and all claims against PEL by third parties as a result of any such use (including all related costs, losses, expenses or damages arising in the event of any actual or alleged violation of third party proprietary rights or software licences).
- 6.2 Any Software developed and/or supplied to the Customer as part of the Services shall be licensed to the Customer on the terms of the Software Licence Agreement. In the event of conflict between these Conditions and the Software Licence Agreement (if any) the terms of these Conditions shall prevail to the extent of the conflict.
- 6.3 Where Third Party Software is to be provided as part of the Services, PEL shall use its reasonable endeavours to procure that the licensors of the Third Party Software grant their then standard licence to the Customer.

7 Intellectual Property

- 7.1 All Intellectual Property, and know-how in the Services and the products relating thereto (including, without limitation, any Software), shall, save as provided in clause 6, belong to PEL and the Customer shall have no rights in or to the same except as expressly provided. The Customer will return all such Intellectual property to PEL at the conclusion of the Contract and only retain Software as agreed by PEL.
- 7.2 All information and data provided to PEL by the Customer in relation to the Services shall remain the property of the Customer. At the conclusion of the Contract PEL will return all such information or data to the Customer except to the extent it is required for the ongoing provision of support.

8 Warranties

- 8.1 PEL warrants that the Services will be performed with reasonable skill and care.
- 8.2 The Customer accepts full responsibility for ensuring that the Services are sufficient to meet its needs and understands that PEL gives no warranty as to the appropriateness or adequacy of the Services or the product of the Services.
- 8.3 PEL will repair or replace (at its option) any hardware or proprietary software supplied by PEL for the delivery of the Services, which is found to be faulty during the Warranty Period. PEL does not make any warranty in relation to Third Party Software but shall use its reasonable endeavours to pass to the Customer the benefit of any warranty contained in any licence granted to PEL to use the same.
- 8.4 The warranties set out in this clause 8 are the only warranties given by PEL under this Contract. Any other warranties, conditions, obligations or terms which are implied into this Contract by statute, custom or at law (including without limit any conditions of fitness for purpose or satisfactory quality) are excluded to the fullest extent permitted by English law.

9 Termination and Post Termination Provisions

- 9.1 The Contract may be terminated by either party by notice in writing with immediate effect:
- 9.1.1 if the other commits a material breach of any term of the Contract which (in the case of a breach capable of being remedied) has not been remedied within thirty (30) days of a written request to remedy the breach (and for these purposes it is agreed that lateness is a remediable breach); and/or
 - 9.1.2 if the other becomes bankrupt or insolvent, proposes a voluntary arrangement, is unable to pay its debts, suffers an insolvency event or any similar or analogous event occurs in relation to the other party in this or any other jurisdiction.
- 9.2 The Customer may terminate the Contract at any time provided that the Customer shall pay for all work carried out prior to the date of termination on PEL's standard rates and shall reimburse all costs and expenses incurred or suffered by PEL in respect of the provision of such work and the termination of the Contract. In addition the Customer will pay a breakage fee of forty percent (40%) of the remaining fees for Engineering Services as set out in the Proposal, uninvoiced as at the date of termination.
- 9.3 Upon such termination of the Contract provision of the Services shall terminate as shall any related Software Licence Agreement.
- 9.4 Any such termination of the Contract is without prejudice to any other rights or remedies a party may be entitled to. It does not affect any accrued rights or liabilities of either party or any provision which is expressly or by implication intended to come into force on, or continue in force after, termination.

10 Liability

- 10.1 Save as otherwise provided under English law, PEL's total aggregate liability under or in connection with the Contract whether in contract, tort (including, but not limited to, negligence) or otherwise will not exceed the total Fees paid by the Customer under the Contract. The Customer acknowledges that the Fees have been agreed by PEL in light of this limitation upon liability and that, given all the circumstances, this limit is reasonable.
- 10.2 PEL shall not be liable to the Customer for any claim to the extent that the claim relates to loss of profits, goodwill, anticipated savings, business opportunity, data or use of data, injury to reputation, third party losses or indirect, consequential or special loss or damage regardless of the form of action, whether in contract, strict liability or tort (including negligence) and regardless of whether PEL knew or had reason to know of the possibility of the loss, injury or damage in question.
- 10.3 This clause 10 has continuing effect after termination or expiration of the Contract.

11 Confidentiality

- 11.1 PEL and the Customer will each:
- 11.1.1 keep confidential all information concerning the business and affairs of the other that it has obtained or received as a result of the discussions leading up to or the entering into, or obtains or receives in performance of, this Contract (the "**Information**");
 - 11.1.2 not disclose the Information in whole or in part to any other person without the other's written consent, save those of its employees, agents and sub-contractors involved in the provision of the Services and the implementation and/or support of the Software and who have a need to know the same; and
 - 11.1.3 use the Information solely in connection with the provision of the Services and the implementation and/or support of the Software and not for its own benefit or the benefit of any third party.
- 11.2 The provisions of clause 11.1 do not apply to the whole or any part of the Information which is already in the public domain or is required to be disclosed by law (but then only to the extent of required disclosure) or can be shown to be already in the other's possession other than as a result of a breach of this clause 11.
- 11.3 This clause 11 has continuing effect after the conclusion or termination of the Contract. For the avoidance of doubt, nothing in this clause 11 shall prevent PEL from referring to Customer as its customer.

12 Force Majeure

Save for payment obligations, neither party will be liable for any breach of its obligations resulting from an event beyond that party's reasonable control. The party affected by such an event agrees to give written notice to the other upon becoming aware of the event, that notice containing details of the circumstances giving rise to the event.

13 Non-Solicitation

By entering into the Contract the Customer undertakes for the duration of the Services and for a period of twelve (12) months after performance of any services for the Customer to not directly or indirectly solicit or attempt to solicit any employee member of PEL.

14 Anti-Bribery Policy

The Company values its reputation for ethical behaviour and for financial probity and reliability. It recognises that over and above the commission of any crime, any involvement in bribery will also reflect adversely on its image and reputation. The Company is committed to fulfilling its responsibilities under The Bribery Act 2010. Its aim therefore is to limit its exposure to bribery by:

- Providing staff training (in line with the Company's training and development policy) so that bribery can be recognised and avoided;
- Encouraging its employees to be vigilant and to report any suspicion of bribery;
- Rigorously investigating instances of alleged bribery and assisting the police and other appropriate authorities in any resultant prosecution;
- Taking firm and vigorous action against any individual(s) involved in bribery.

The Policy

The Company prohibits the offering, the giving, the solicitation or the acceptance of any bribe, whether cash or other inducement, to or from any person or company, wherever they are situated and whether they are a public official, foreign public official or body or private person or company by any individual employee, agent or other person or body acting on the company's behalf in order to gain any commercial, contractual or regulatory advantage for the company in a way which is unethical or in order to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

Further Clarification

This policy prohibits any inducement which results in a personal gain or advantage to the recipient or any person or body associated with them, and which is intended to influence them to take action which may not be solely in the interests of

the Company or of the person or body employing them or whom they represent.

This policy is not meant to prohibit the following practices providing they are customary in a company of our size and type, are proportionate and are properly recorded:

- giving of a promotional gift as part of our broad marketing strategy;
- the offer of resources to assist the person or body to make the decision more efficiently provided that they are supplied for that purpose only.;

Inevitably, decisions as to what is acceptable may not always be easy. If anyone is in doubt as to whether a potential act constitutes bribery, the matter should be referred to a Director before proceeding.

15 General

15.1 In the event of any conflict between the terms set out in these Conditions and those in the Proposal, the terms in these Conditions shall take precedence.

15.2 These terms and conditions shall be governed by and be construed in accordance with English law and the parties irrevocably submit to the exclusive jurisdiction of the English courts.