

## 1. DEFINITIONS

"**ACCEPTANCE**" shall mean acceptance by the PURCHASER in accordance with clause 3.

"**CLIENT**" shall mean the PURCHASER'S CLIENT set out in the ORDER.

"**CONDITIONS**" shall mean these general terms and conditions of purchase together with any specific conditions or instructions set out in the ORDER.

"**DATE OF DELIVERY**" shall mean the date for delivery of the GOODS set out in the ORDER.

"**GOODS**" shall mean the goods and/or equipment and documentation (including the delivery of all quality documentation required) to be provided under the ORDER all as more fully set out therein and as may be amended by any CHANGE ORDER.

"**ORDER**" shall mean the Purchase Order together with all documents referred to therein as varied by "CHANGE ORDER(S)" which are agreed by the SELLER and PURCHASER.

"**PRICE**" shall mean all sums payable to the SELLER for the supply of the GOODS as set out in the ORDER.

"**PURCHASER**" shall mean UNITY WELL INTEGRITY UK LIMITED, a company registered under the Companies Acts (Registration No. SC273906) and having its registered office at **2 Marischal Square, Broad Street, Aberdeen, AB10 1DQ**.

"**SELLER**" shall mean the person, firm or company to whom the ORDER is issued.

"**SPECIFICATION**" shall mean the specifications required for the GOODS as set out in the ORDER including any specific requirements set out in quality documentation.

## 2. ACCEPTANCE OF ORDER

2.1 The PURCHASER shall place an ORDER in writing which shall refer to a purchase order number. Only ORDERS from the PURCHASER which are in writing with a purchase order number will be accepted at the point of invoicing. The SELLER shall acknowledge receipt of the ORDER in writing. By doing so the SELLER agrees to comply with these CONDITIONS. All other terms and conditions save those implied by common law or statute are hereby excluded. In the event that the SELLER does not acknowledge the ORDER or CHANGE ORDER, delivery under the ORDER or CHANGE ORDER shall be deemed to constitute acceptance of the CONDITIONS.

2.2 Any other terms and conditions of purchase to which the SELLER may refer to or seek to impose or incorporate are expressly excluded.

2.3 The ORDER shall specify the GOODS to be supplied, the quantity of GOODS, the SPECIFICATION and the DATE OF DELIVERY. Where an ORDER comprises the purchase of GOODS:

2.3.1 which are standard parts, the PURCHASER shall quote the SELLER's part number on the ORDER;

2.3.2 which are customised for the PURCHASER, the PURCHASER shall quote any PURCHASER part numbers and the full SPECIFICATION required plus any PURCHASER relevant drawings or Engineering Data Reports, but in any event, such GOODS should always comply with statutory requirements in addition to the PURCHASER's requirements.

## 3. QUALITY, DESCRIPTION AND DELIVERY OF ORDER

3.1 All GOODS (unless agreed in writing) shall:

3.1.1 conform strictly as to quality and description with the particulars stated in the ORDER and with all statutory requirements applicable to such work;

3.1.2 be of new and sound materials and workmanship;

3.1.3 be in strict compliance with samples, patents, drawings or specifications if any, referred to in the ORDER;

3.1.4 be capable of the standard of performance specified in the ORDER; and

3.1.5 be fit for the purpose for which it is supplied under the ORDER.

3.2 GOODS and all requisite quality documentation (whether as set out in the ORDER or under applicable law) shall be delivered to the location set out in the ORDER on, or prior to, the DATE OF DELIVERY subject to this clause and ACCEPTANCE in accordance with clause 3.3 below. Where GOODS are delivered which are not fit for purpose, do not match the SPECIFICATION or other requirements set out in the ORDER, do not come with the requisite quality documentation or if a greater number of GOODS are supplied than ordered, the PURCHASER shall be entitled to reject the GOODS (or the additional goods). On the SELLER's receipt of notice of such rejection the SELLER shall forthwith arrange collection (at no cost to the

PURCHASER). The SELLER shall supply replacement GOODS that match the SPECIFICATION provided that the PURCHASER has consented to such re-performance and such re-performance is at no additional cost to the PURCHASER. In any event, the PURCHASER reserves the right to terminate the ORDER, claim for liquidated damages (in accordance with clause 3.4 below) and to claim for any costs or losses suffered by the PURCHASER as a direct result of such defective performance

3.3 ACCEPTANCE of the GOODS shall be when the PURCHASER issues a written notice to the SELLER confirming that the GOODS are in accordance with the terms of the ORDER or full payment of the PRICE (whichever is first). For the avoidance of doubt, ACCEPTANCE shall not be constituted by the signature of a SELLER (or courier) delivery note.

3.4 Time is of the essence in relation of delivery as per the Purchase Order. In the event of late delivery of the GOODS, the SELLER shall either (a) pay the PURCHASER on demand or (b) the PURCHASER may deduct from its payments to the SELLER, 2% of the PRICE for each week (including any part week) delay, up to a maximum of 20% as liquidated damages, or (c) where the purchased goods or services are part of a customer project, pass through of the liquidated damages as per the customers agreement/terms and conditions shall be enforce. The parties confirm that these sums represent a genuine pre-estimate of the PURCHASER's loss.

## 4. PAYMENT

4.1 In consideration of the delivery of the GOODS, the PURCHASER shall pay the SELLER the PRICE. The PRICE and any quantities set out in the ORDER are fixed. The making of payment shall be without prejudice to the PURCHASER'S rights hereunder, expressed or implied, or at law, nor shall it be deemed to be acceptance of any defective GOODS.

4.2 The SELLER shall send the PURCHASER a detailed price invoice or invoices as instructed on the ORDER clearly stating the PURCHASER's purchase order number which is included in the PURCHASER's ORDER and the settlement terms with all information required to be stated on a tax invoice for VAT purposes. Value Added Tax, where applicable, shall be shown separately on all invoices. The PURCHASER shall not be obliged to make payment to the SELLER until a purchase order number is raised.

4.3 Unless otherwise stated in the ORDER all payments hereunder shall be made in pounds sterling.

4.4 The PURCHASER shall have the right, solely at their discretion, to set off the amount of any and all damages, penalties (consequential and indirect, as listed in clauses 3.4 and 11, in its entirety, that the SELLER may become liable for to the PURCHASER under any provisions of the AGREEMENT, against any sums owed to the SELLER against any other AGREEMENT, document or instrument executed and delivered pursuant to this AGREEMENT. No assertion of the right to set-off shall impair the PURCHASER's title in the Purchased Assets or any other of the PURCHASER's rights under this AGREEMENT.

4.5 Payment Terms are 45 days as per Unity's Standard Payment Terms, unless otherwise agreed in writing by both parties.

## 5. DEFECTS AND WARRANTY

5.1 The SELLER shall be responsible for remedying at its own expense any defects that may arise in the GOODS for a period of 24 months from the date when the GOODS have been put into service for its specified use, or 36 months from ACCEPTANCE, whichever is the later. The SELLER shall guarantee for a period of 12 months in addition to the remaining period of warranty, all remedial work carried out under this warranty. Where a defect arises within the aforesaid original warranty period but does not become apparent until that period has expired, the SELLER's liability shall not cease merely because the PURCHASER has been unable to give notice of the defect to the SELLER within the said period. If any defects which the SELLER is obliged to remedy under this Clause are not remedied within a reasonable time or circumstances render it impracticable for the SELLER to do the same, the PURCHASER may do so itself or authorise others to do the same, and the SELLER shall reimburse the PURCHASER for all costs arising therefrom.

5.2 If the PURCHASER specifies in the ORDER a required performance for completed GOODS, the SELLER warrants that the GOODS shall attain such performance notwithstanding that the PURCHASER has specified in the ORDER details of the manner in which or the materials out of which, the GOODS is to be constructed. The PURCHASER is, at all times, relying on the skill and knowledge of

the SELLER. Should the GOODS fail to attain the required performance, such failure shall be deemed to be a defect within the meaning of this Clause 5.

- 5.3 This warranty and the PURCHASER's remedies hereunder are in addition to the PURCHASER's other rights and remedies existing under the ORDER and applicable law.
- 5.4 Where applicable, the PURCHASER shall have the right to assign the benefit of this warranty.

## **6. CHANGES**

The SELLER shall perform any changes to the GOODS required by the PURCHASER which may include additions to or reductions in the quantity of GOODS. When the PURCHASER is contemplating a change, he shall give notice to the SELLER in writing who shall promptly advise the PURCHASER in writing of its reasonable effect on PRICE and delivery date.

## **7. ASSIGNMENT AND SUB-CONTRACTING**

The SELLER shall not assign the ORDER (nor sub-contract any major part of the GOODS) without the PURCHASER's prior written consent. No assignment or sub-contract (even with the PURCHASER's consent) shall relieve the SELLER of any of its obligations under the ORDER.

## **8. STATUTORY AND SAFETY OBLIGATIONS AND ETHICAL BUSINESS**

- 8.1 The SELLER shall comply with all relevant statutes, laws, regulations, and by-laws and EEC directives affecting performance of the ORDER and good engineering.
- 8.2 The SELLER shall provide the PURCHASER in writing with such information as is necessary relating to the use of the work and its design, testing and use and relating to any conditions necessary to ensure it will be safe and without risk to health when properly handled, stored, transported and used.
- 8.3 The SELLER shall give all notices and shall obtain all permits required to be given or obtained in the SELLER's name which may relate to the GOODS and are required by any statute or regulation and shall bear all costs in connection therewith.
- 8.4 The PURCHASER shall be entitled to visit the premises of the SELLER for the purpose of auditing the SELLER's performance under any ORDER subject to providing the SELLER with 7 days prior written notice of such date of audit.
- 8.5 PURCHASER is committed to the highest standards of ethical behavior and has a strong anti-corruption culture. SELLER shall comply with PURCHASER's Anti-Bribery Policy at all times – a copy of which is available on request.
- 8.6 PURCHASER is committed to complying with Economic Sanctions imposed on its activities by the UK Government, the EU or the UN. SELLER will not supply any equipment, materials or services to PURCHASER that are in breach of any of these sanctions.
- 8.7 Conflict Minerals – PURCHASER has a Conflict Minerals policy stating it will not knowingly acquire products which contain Conflict Minerals. SELLER confirms that, so far as it is aware, NO Conflict Minerals are included in any of the products, components, materials or equipment being supplied to PURCHASER.
- 8.8 PURCHASER is committed to the highest standards of ethical behavior. SELLER shall comply with PURCHASER's Anti-Tax Evasion Policy at all times – a copy of which is available on request.

## **9. TERMINATION FOR DEFAULT OR INSOLVENCY**

- 9.1 In the event of any default by the SELLER in performance of any of its obligations hereunder, including without limitation the attainment of delivery of completion date, or failing to carry out the reasonable instructions of the PURCHASER, the PURCHASER may when such default is capable of remedy give the SELLER written notice to rectify such default within the time specified therein. If the SELLER shall fail to comply with the requirements of the said notice or in the event that in the PURCHASER's sole opinion the SELLER's default shall be incapable of remedy to the PURCHASER's satisfaction, the PURCHASER shall be entitled to terminate the ORDER in whole or in part immediately by serving notice in writing on the SELLER to such effect, without prejudice to any of its other rights under the ORDER or otherwise, and shall have the right to retain any GOODS previously supplied under the ORDER.
- 9.2 If the SELLER becomes bankrupt or insolvent or has a receiving order made against it, or compounds with its creditors, or being a corporation, commences to be wound up (not being a member's voluntary winding up for the purposes of reconstruction without insolvency), or carries on businesses under a receiver for the benefit of creditors, or any of them, the PURCHASER shall have the right to terminate the ORDER forthwith by serving notice in writing to such effect on the SELLER or on the liquidator, receiver or on anyone in

- whom the ORDER may become vested, without prejudice to the existing rights and obligations of the SELLER and the PURCHASER.
- 9.3 Without prejudice to the PURCHASER's other rights on termination of the ORDER, the PURCHASER shall be entitled to enter the SELLER's premises or any place where the GOODS is situated and take possession of the whole or any part of the GOODS and remove the same, and title thereto (insofar as the same shall not already be vested in the PURCHASER) shall forthwith vest in the PURCHASER.

## **10. TITLE**

Title in the GOODS shall pass to the PURCHASER on either:-

- 10.1 payment for the GOODS (when title shall pass in proportion to the payment made therefor) or;
- 10.2 ACCEPTANCE of the GOODS by the PURCHASER,

whichever occurs first.

## **11. INDEMNITIES**

The SELLER shall indemnify and hold harmless the PURCHASER and CLIENT against any action, liability, cost or expense howsoever arising by reason of:

- 11.1 the breach of any provisions of Clause 3 or 8 of the CONDITIONS;
- 11.2 any infringement or alleged infringement of patents, registered design, copyright or trade mark relating to the performance of the GOODS, provided that this indemnity shall not apply in respect of an infringement arising as the result of the correct use by the SELLER of a design supplied by the PURCHASER or CLIENT;
- 11.3 injury, loss or damage to persons or property caused or contributed to by the negligence or breach of duty of the SELLER, its servants, sub-contractors or agents, or by faulty design, workmanship or materials or unsuitable personnel, equipment or tools (except where the injury, loss or damage is caused by the sole negligent act or omission of the PURCHASER);
- 11.4 all consequential or indirect losses (whether or not foreseeable at the date hereof) incurred by the SELLER, its sub-contractors and or suppliers irrespective of the negligence or breach of duty of any of the indemnified parties.

## **12. FORCE MAJEURE**

- 12.1 Where either party is unable to perform the ORDER in the time specified by reason of unforeseen circumstances beyond their reasonable control and whose effects they could not have avoided and cannot be overcome by the use of reasonable diligence and foresight they shall be entitled to a reasonable extension of time for performance.
- 12.2 In any such event the party concerned should immediately notify the other party in writing and estimate how long these circumstances are likely to continue.
- 12.3 The party concerned shall take all reasonable steps to avoid further or consequential delay and to proceed with the due performance of the ORDER.

## **13. LAW**

The ORDER shall be construed and shall operate in all regards in conformity with Scots Law and the parties hereby submit to the jurisdiction of the Scottish Courts.

## **14. NOTICES**

Notices shall be validly given if sent by recorded delivery letter to the parties stated respectively on the ORDER or to any address subsequently notified in writing by one party to the other party.

## **15. ENTIRETY**

The ORDER and documents made a part hereof by express reference constitute the entire agreements between the parties and supersede all prior agreements and understandings written or oral.