

SECURITY PRINT SOLUTIONS LIMITED [UK]
MASTER TERMS AND CONDITIONS OF PURCHASE
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1. Definitions

- 1.1 **"Agreement"** means the agreement between Buyer and Vendor consisting of the Purchase Order, these Terms and Conditions of Purchase, any written contractual terms and conditions of purchase agreed and signed by the parties and any other documents (or parts of them) specified in any of these documents.
- 1.2 **"Affiliates"** means, in relation to a party, its subsidiary undertakings, any parent undertaking and the subsidiary undertaking of such parent undertaking and any other companies or other legal entities in which any such companies hold a controlling interest from time to time.
- 1.3 **"Buyer"** means Security Print Solutions Limited which is placing the Purchase Order.
- 1.4 **"Confidential Information"** means information belonging to Buyer or any of its Affiliates, including, without limit, its business and financial information, research and development information (including, without limit, data, studies, protocols, study designs, test or study results, data analyses), strategies, operations, products, services, processes, techniques, technology (including, without limit, specimens, designs, drawings, photographs, software, equipment, programs), know how, trade secrets, customers, suppliers (including, without limit, any orders, agreements, communications, correspondence, specifications, estimates, calculations, models, forecasts), counterparties, the terms of the Agreement and the fact of its existence and any and all proprietary information in whatever form held and any ideas, methods, discoveries, inventions, concepts, or other related Intellectual Property Right (as defined below), received by or disclosed to Vendor or its representatives in any or that results from Vendor's performance under Agreement.
- 1.5 **"Deliverables"** means any deliverables resulting from Services.
- 1.6 **"Goods"** means any Goods specified in the Agreement.
- 1.7 **"Intellectual Property Rights"** means patents, trademarks, registered designs and all applications for registration of them, copyrights or design rights, any moral right, any know how, any trade or business name, any right to bring an action for passing off or any right, whether subsisting now or in the future, which is similar or analogous to any of these in any part of the world.
- 1.8 **"Purchase Order"** means Buyer's Purchase Order.
- 1.9 **"Services"** means any Services specified in the Agreement.
- 1.10 **"Vendor"** means the person, firm or company to whom the Purchase Order is issued.

2. Terms and Conditions

- 2.1 To avoid having to resolve questions of conflicting terms and conditions each time Buyer places a Purchase Order with Vendor the parties agree that the Master Terms and Conditions of Purchase set forth herein will govern all such transactions; sets forth the entire understanding between the parties and supersedes all prior written or oral inquiries, proposals, agreements, negotiations or commitments pertaining to the subject matter herein unless mutually agreed upon in writing by both parties. No amendments, modifications, substitutions, or supplements to any Purchase Order are binding unless in writing and signed by Buyer's designated representative.
- 2.2 All Purchase Orders are made on these Terms and Conditions which override and exclude any other terms stipulated, incorporated or referred to by Vendor, whether in any quotation, acknowledgment of the Purchase Order, delivery note or invoice, or in any negotiations or any course of dealing established between Vendor and Buyer. If there is a conflict between these Terms and Conditions and the terms set out in the Agreement, the order of priority shall be, as applicable: (1) the terms set out in the Agreement, (2) the Purchase Order, and (3) these Terms and Conditions.

3. Representations and Warranties

- 3.1 All Goods and/or Deliverables manufactured or supplied shall be of the best quality, material and workmanship, without fault and accord in all respects with the specifications referred to in the Agreement.
- 3.2 All Services shall be performed with all reasonable skill and care consistent with the highest standards of the Vendor's industry and to the best of the Vendor's skill and ability,
- 3.3 All obligations under the Agreement shall be performed in accordance with applicable current and future laws and regulations. Vendor shall obtain any and all consents, authorizations, licenses and releases necessary for the supply of Goods and Services.
- 3.4 Vendor shall at all times conduct its business in complete compliance with all laws, decrees, rules, regulations or ordinances of any applicable countries and the United States, including

the United Kingdom Bribery Act ("U.K. Bribery Act"), and any other applicable laws prohibiting bribery, kickbacks, or other unlawful or improper means of obtaining business or commercial advantages. Vendor shall not do or omit to do any act that will cause Buyer or any of its Affiliates to be in breach of any of such matters. A breach by Vendor of its obligations in this clause shall be a material breach of the Agreement and, without prejudice to its other rights and remedies in respect of such breach, Buyer shall be entitled to terminate the Agreement as a result of such breach immediately on giving written notice to Vendor without any liability for any losses or liabilities suffered by vendor as a result of such termination.

4. Inspection, Delivery, Warranty and Rejection

- 4.1 Vendor shall have adequate procedures in place to ensure compliance with the Agreement prior to delivery. Buyer's representatives shall have the right to inspect all Goods at Vendor's works and the works of permitted sub-contractors at all reasonable times and to reject Goods that do not comply with the Agreement. Any such inspection, checking, approval or acceptance given or behalf of Buyer shall not relieve Vendor or Its sub-contractors from any obligation under the Agreement.
- 4.2 Vendor shall protect all Goods supplied from deterioration or contamination during transportation or storage.
- 4.3 The date of delivery of the Goods and/or Deliverables shall be specified In the Purchase Order (as amended, if applicable). The time of delivery is of the essence. Vendor shall ensure that all advice or delivery notes clearly state the Buyer's part number, order number and line number. Delivery shall only be deemed to have occurred when Goods and/or Deliverables have been delivered correctly documented, complete (except where partial delivery expressly agreed in advance) and in good and correct packing at the address stated in the Purchase Order, as applicable.
- 4.4 Unless otherwise agreed, delivery terms are DAP to the Buyer's facility, Incoterms® 2010, and title and risk in the Goods and/or Deliverables remain with the Vendor until delivered and accepted by Buyer at the facility as provide in the Agreement.
- 4.5 If delivery is delayed because of anything beyond the reasonable control or the Vendor and the Vendor immediately gives written notice to the Buyer giving full details of the reason for the delay, the Buyer may, at its sole discretion, grant a reasonable extension of time or cancel the Agreement in whole or part and refuse to accept any subsequent delivery of Goods and/or Deliverables without prejudice to any other right or remedy which the Buyer may have.
- 4.6 If Goods and/or Deliverables are incorrectly delivered, Vendor is responsible for any additional expense incurred in delivering them to their correct destination. Buyer is not liable for any additional costs because of Vendor's failure to deliver based on agreed due dates or failure to meet the specification in the Purchase Order.
- 4.7 All Goods and Services shall be supplied with a replacement warranty for a period of twelve (12) months from putting into service or from delivery or performance (as applicable), including without limitation, for any defects which occur due to Vendor's breach of its obligations, express or implied or any failure to conform to the Agreement. The vendor also hereby agrees to reimburse to the buyer any associated costs suffered as a result of defective goods or services supplied by the Vendor.

5. Price and Terms of Payment

- 5.1 The price is stated in the Purchase Order, inclusive of packaging, packing, carriage, customs clearance, costs and insurance, unless expressly agreed otherwise, and exclusive of VAT (or sales tax where applicable). If Vendor wishes to request a price increase, this must be set out in a written notice together with satisfactory documentary evidence justifying the increase, including a detailed cost breakdown. No price increases shall apply without Buyer's written agreement. No expenses are payable unless Buyer has given advance approval.

6. Confidentiality

- 6.1 Except for information that is otherwise publicly available, Vendor shall keep the Confidential Information (defined in section 1.4) confidential and not disclose to any third party, use or copy or otherwise reproduce the Confidential Information for any purpose except where necessary for the proper performance of the Agreement.
- 6.2 Vendor shall limit access to Confidential Information to only its officers and employees to the extent necessary for the proper performance of the Agreement and shall ensure that all such persons are subject to confidentiality obligations at least as restrictive as the provisions provided under these Terms and Conditions of Purchase.
- 6.3 To the extent that the parties have entered into a separate non-disclosure agreement which relates to the same disclosures contemplated in relation to the Agreement, the obligations of confidentiality contained in the non-disclosure agreement shall be deemed to be continuing obligations in addition to the obligations contained in the Agreement or as provided under these Terms and Conditions of Purchase.

7. Delays/Force Majeure

7.1 Vendor shall promptly notify the Buyer and advise the Buyer of any anticipated delays in delivery. The Buyer shall then have the option of terminating the Purchase Order without obligation for payment or accepting the revised delivery date. In the event of delays in delivery due to a cause beyond the Vendor's reasonable control, including acts of God, acts of the Buyer, acts of civil or military authorities or governmental priorities, strikes or other labor disturbances, floods, epidemics, war, riot, delay in transportation or transportation problems (an event of "Force Majeure"), the date of delivery shall be extended for a period equal to the time lost by reason of such occurrence, provided, however, the Buyer may, at its option, cancel the acknowledged Purchase Order without recourse by Vendor save and except for any appropriate cancellation charges that may be negotiated between the parties. Should an event of Force Majeure continue for a period of thirty (30) days or more, Buyer may terminate this Purchase Order in its entirety.

8. General

8.1 Nothing in the Agreement shall be constructed to create a partnership, joint venture, principal/agent or employer/employee relationship between Vendor and Buyer. The relationship of Vendor to Buyer will be one of independent contractor.

8.2 If any term or provision in the Agreement is held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of the Agreement but the enforceability of the remainder of the Agreement shall not be affected.

8.3 Buyer's failure to insist upon strict performance of any provision of the Agreement shall not be deemed to be a waiver thereof or of any right or remedy for breach of a like or different nature. Any waiver must be written and signed by the waiving party and will not be deemed a waiver of any subsequent breach or default.

8.4 Any notice in connection with the Agreement must be set out in a written document in English. It shall be validly given with respect to each Party if delivered by hand, pre-paid recorded delivery post, by professional courier or by facsimile transmission (provided that a hard copy is delivered by hand or pre-paid recorded delivery post within 24 hours of transmission).

8.5 The parties agree to exclude the United Nations Convention on Contracts for the International Sale of Goods from any Agreement or other documents of purchase.