

CVI Laser Ltd. trading as CVI Infrared Optics
TERMS AND CONDITIONS OF PURCHASE

1. Interpretation

- 1.1 The following capitalized terms used in this document shall have the following definitions:
- 1.1.1 "Buyer" means CVI Laser Ltd. (trading as CVI Infrared Optics), 28 Ashville Way, Whetstone, Leicester, LE8 6NU
 - 1.1.2 "Conditions" means the terms and conditions of purchase set out in this document and any additional terms and conditions contained in the Order or agreed in Writing between the Buyer and the Seller
 - 1.1.3 "Goods" means the goods (including any instalment of the goods or any part of them) described in the Order
 - 1.1.4 "Order" means the Buyer's purchase order to which this document is attached or in which this document is referenced
 - 1.1.5 "Price" means the price of the Goods and/or the charge for the Services
 - 1.1.6 "Seller" means the person so described in the Order
 - 1.1.7 "Delivery Address" means the delivery address stated on the Order
 - 1.1.8 "Contract" means the contract for the sale and purchase of the Goods and/or the supply and acquisition of the Services. The Contract includes the Order, the Specification and the Conditions.
 - 1.1.9 "Services" means the services (if any) described in the Order
 - 1.1.10 "Specification" includes any and all plans, drawings, data, descriptions and other information relating to the Goods and/or Services
 - 1.1.11 "Writing" includes email, telex, cable, facsimile transmission and comparable means of communication.
- 1.2 Any reference in the Contract to a law, rule or regulation or a provision thereof shall be construed as a reference to such law, rule or regulation or provision thereof as amended, re-enacted or extended at the relevant time.

2. Basis of Purchase

- 2.1 The Order constitutes an offer by the Buyer to purchase the Goods and/or acquire the Services subject to the Conditions.
- 2.2 The Conditions shall apply to the exclusion of any conflicting, different or additional terms and conditions of the Seller, including, but not limited to, any such terms and conditions in any proposal or quotation issued by or on behalf of the Seller and any such terms and conditions in any acceptance of the Order by or on behalf of the Seller.
- 2.3 No variation to the Order, Specification or Conditions by the Seller shall be accepted by or be binding on the Buyer unless agreed in Writing between the Buyer's purchasing department and the Seller. The Buyer may make changes in the Specification at any time.

3. Specification

- 3.1 The quantity, quality and description of the Goods and the Services shall be as specified in the Order and/or in any applicable Specification referenced in the Order or separately agreed in Writing by the Buyer and the Seller.
- 3.2 Any Specification supplied by the Buyer to the Seller, or specifically produced by the Seller for the Buyer, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of the Buyer. The Seller shall not disclose the Specification or any part thereof to any third party or use the Specification or any part thereof except to the extent required to properly carry out the Contract.
- 3.3 The Seller shall comply with all requirements of the Buyer and all applicable laws, rules and regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods and the performance of the Services.
- 3.4 The Seller shall not unreasonably refuse any request by the Buyer to submit samples, status reports and any other documents which are required to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to despatch, and the Seller shall allow the Buyer to access its premises for such purposes and shall provide the Buyer with all facilities reasonably required for inspection and testing. No inspection or test carried out by either party shall relieve the Seller of its responsibilities under or in relation to the Contract.
- 3.5 If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all respects with the Contract, and the Buyer so informs the Seller within 15 days of inspection or testing, then the Seller shall at its own expense take such steps as are necessary to ensure compliance.
- 3.6 The Goods shall be marked in accordance with the Buyer's instructions and any applicable laws, rules or regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged and safe condition.
- 3.7 The Buyer reserves the right at any time to direct changes, or cause the Seller to make changes, to the Specification or to otherwise change the scope of the work covered by the Order, including work with respect to such matters as inspection, testing or quality control and the Seller agrees to promptly make such changes. Any difference in price or time for performance resulting from such changes shall be equitably adjusted by the Buyer after receipt of confirmation, in such form and detail, as the Buyer may direct providing verification of any increased costs and expenses to the Seller and any increased time for performance by the Seller. Seller shall advise the Buyer of any such increased costs and expenses and any such increased time for performance within 7 days after receiving a direction for a change from the Buyer.
- 3.8 All materials used in part manufacture shall satisfy current governmental and safety constraints on restricted, toxic and hazardous materials; as well as environmental, electrical and electromagnetic considerations applicable to the country of manufacture and sale. It is, therefore, the Seller's responsibility to ensure that data sheets in respect of Health and Safety and COSHH regulations are forwarded to the Buyer prior to supply. If any of the Goods or Services to be supplied are subject to the US International Traffic in Arms Regulations (ITAR), the Seller shall notify the Buyer thereof in writing prior to supply, and, no Order shall be binding on the Buyer if any of the Goods or Services to be supplied are subject to such regulations unless the Buyer consents in Writing to the provision of such Goods or Services subject to such regulations.

4. Price of the Goods and Services

- 4.1 The Price of the Goods and the Services shall be as stated in the Order and, unless otherwise so stated, shall be:
 - 4.1.1 exclusive of any applicable value added tax (which shall be payable by the Buyer subject to receipt of a proper VAT invoice); and

- 4.1.2 Inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts, levies other than any applicable value added tax.
- 4.2 No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in Writing.
- 4.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Seller, whether or not shown on the Order, the Conditions or the Seller's own proposal, quotation, or terms and conditions of sale.
- 5. Terms of Payment**
- 5.1 The Seller shall not be entitled to invoice the Buyer until proper delivery of the invoiced Goods or proper performance of the invoiced Services, as the case may be, and each invoice shall quote the number of the Order.
- 5.2 Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods and the Services within 90 days after the end of the month of receipt by the Buyer of a proper invoice or, if later, after acceptance of the invoiced Goods or invoiced Services by the Buyer.
- 5.3 The Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Seller.
- 6. Delivery**
- 6.1 The Goods shall be delivered to, and the Services shall be performed at, the Delivery Address on the date or within the period stated in the Order, in either case during the Buyer's usual business hours. If the Goods are incorrectly delivered, the Seller will be liable for any additional cost or expense involved in handling and delivering them to the correct destination.
- 6.2 Where the date of delivery of the Goods or performance of the Services is to be specified after the placing of Order, the Seller shall give the Buyer reasonable notice of the specified date.
- 6.3 The time of delivery of the Goods and performance of the Services is of the essence of the Contract. The Seller shall immediately notify the Buyer if the delivery date for the Goods or performance of the Services cannot be met. Unless a substitute date for delivery of the Goods or performance of the Services is agreed by the Buyer in Writing, the Buyer shall be entitled to cancel the Order as to any or all of the ordered Goods or Services without liability to Seller and to recover from the Seller any part of the Price paid for the Goods or Services as to which the Order is cancelled and any losses or additional costs or expenses incurred.
- 6.4 A delivery note quoting the number of the Order must accompany each delivery or consignment of the Goods and must be displayed prominently.
- 6.5 If the Goods are to be delivered, or the Services are to be performed, by instalments, the Contract will be treated as a single contract and not severable.
- 6.6 The Buyer shall be entitled to reject any Goods delivered or Services performed which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods or Services until the Buyer has had a reasonable time to inspect them following delivery or performance or, if later, within a reasonable time after any latent defect in the Goods or Services has become apparent.
- 6.7 The Seller shall supply the Buyer in good time with any instructions or other information required to enable the Buyer to accept delivery of the Goods and performance of the Services.
- 6.8 If the Goods are not delivered or the Services are not performed on the due date then, without prejudice to any other remedy, the Buyer shall be entitled to deduct from the Price or (if the Buyer has paid the Price) to claim from the Seller by way of liquidated damage for delay one per cent of the Price for every week's delay, up to a maximum of ten per cent of the Price.
- 7. Risk and Property**
- 7.1 Any tools, gauges or other materials or equipment furnished to the Seller by the Buyer shall remain the property of the Buyer, be stored separately and clearly identified as the property of the Buyer. The Seller shall ensure that such materials or equipment are maintained, protected, calibrated, and not lost or damaged (and shall indemnify the Buyer for any loss or damage suffered or costs or expenses incurred as a result thereof), and the Seller shall return such materials or equipment to the Buyer in an acceptable condition upon demand or notice.
- 7.2 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery in accordance with the Contract.
- 7.3 Title to and ownership of the Goods shall pass to the Buyer upon delivery in accordance with the Contract, unless payment for the Goods is made prior to delivery, in which case, they shall pass to the Buyer once payment has been made and the Goods have been appropriated to the Contract.
- 8. Warranties and Liability**
- 8.1 Without prejudice to any other liability or obligation to the Buyer, the Seller warrants and represents to the Buyer that the Goods:
- 8.1.1 will be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Seller or made known to the Seller in Writing at the time the Order is placed;
- 8.1.2 will be free from defects in design, material and workmanship;
- 8.1.3 will correspond with any relevant Specification or sample;
- 8.1.4 will comply with all statutory requirements and laws, rules and regulations relating to the Goods;
- 8.1.5 will be free and clear of all liens, claims, or encumbrances of any kind.
- 8.2 Without prejudice to any other liability or obligation to the Buyer, the Seller warrants to the Buyer that the Services will be performed by appropriately qualified and trained personnel with all due care and diligence and to such high standard of quality as it is reasonable for the Buyer to expect under the circumstances and will comply with all statutory requirements and laws, rules and regulations relating to the Services.
- 8.3 Without prejudice to any other remedy, if any Goods or Services supplied are not in accordance with the Contract, then the Buyer shall be entitled:
- 8.3.1 to require the Seller to repair the Goods or to supply replacement Goods or Services in accordance with the Contract or;
- 8.3.2 at the Buyer's sole option, and whether or not the Buyer has previously required the Seller to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid;
- 8.4 The Seller shall indemnify the Buyer in full against all liability, loss, damages, costs and expenses (including legal expenses)

awarded against or incurred or paid by the Buyer as a result of or in connection with:

- 8.4.1 breach of any warranty given by the Seller in relation to the Goods or Services
- 8.4.2 any claim that the Goods infringe, or their importation, use or resale, infringes, any patent, copyright, design right, trade mark or other intellectual property right of any other person, except to the extent that the claim arises from compliance with a Specification supplied by the Buyer;
- 8.4.3 any liability under the Consumer Protection Act 1987 in respect of the Goods;
- 8.4.5 any act or omission of any of the Seller or any of its employees, subcontractors or agents in supplying or performing any of the Services; and
- 8.4.6 failure to supply Goods or Services in accordance with the Contract.

9. Termination

9.1 The Buyer shall be entitled to cancel the Order and terminate the Contract for convenience in respect of all or part only of the Goods and/or the Services by giving notice to the Seller at any time prior to delivery of the Goods and/or or performance Services to which the cancellation or termination applies. With respect to the Goods and/or Services as to which the Order is cancelled or the Contract is terminated by the Buyer for convenience, the parties shall have the following liabilities and obligations:

9.1.1 The Seller shall take all commercially reasonable actions and do all commercially reasonable things to mitigate and minimize the Buyer's liabilities and obligations in connection with the cancellation or termination, including, but only if and to the extent authorized in writing by the Buyer: (A) selling to third parties completed Goods as to which the Order is cancelled or the Contract is terminated; (B) selling or completing and selling to third parties Goods in process as to which the Order is cancelled or the Contract is terminated; and (C) selling, returning for credit, cancelling orders for, or using for other purposes materials, parts and components purchased or ordered for Goods as to which the Order is cancelled or the Contract is terminated; and

9.1.2 After Seller has taken all commercially reasonable actions and done all commercially reasonable things to mitigate and minimize the Buyer's liabilities and obligations in connection with the cancellation or termination, the Buyer shall reimburse Supplier for its unrecovered costs in respect of the Goods and/or Services as to which the Order is cancelled or the Contract is terminated; provided, however, that (A) the Buyer shall have no liability for anticipated profits that are not realized; (B) the Buyer's liability shall not exceed the total price for the Goods and/or Services as to which the which the Order is cancelled or the Contract is terminated; and (C) the Buyer shall have no liability for completed Goods that Seller manufactures or assembles or materials, parts or components that the Seller purchases or commits to purchase at times in advance or in quantities in excess of the times and quantities reasonably required to enable the Seller to deliver the Goods on the date or within the period stated in the Order.

9.2 The Buyer shall be entitled to cancel the Order or terminate the Contract in whole or in part without liability to the Seller by giving notice to the Seller at any time if:

- 9.2.1 the Seller fails to comply with the Contract in any respect; or
- 9.2.2 the Seller makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction); or
- 9.2.3 an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Seller; or
- 9.2.4 the Seller ceases, or threatens to cease, to carry on business; or
- 9.2.5 the Buyer reasonably apprehends that any of the events mentioned above is about to occur and notifies the Seller accordingly.

9.3 Unless and except to the extent authorized otherwise in writing by the Buyer, upon the cancellation of the Order or termination of the Contract for any reason, the Seller shall immediately cease to supply the Goods and Services as to which the Order is cancelled or Contract is terminated.

10. General

10.1 The Contract is personal to the Seller and the Seller shall not assign or transfer or purport to assign or transfer to any other person any of its rights or subcontract any of its obligations under the Contract.

10.2 Any notice required or permitted to be given by either the Buyer or the Seller to the other party under the Contract shall be in Writing addressed to the other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

10.3 No waiver by either the Buyer or the Seller of any breach of the Contract by the other party shall be considered as a waiver of any subsequent breach of the same or any other provision.

10.4 If any provision of the Contract is invalid or unenforceable in whole or in part, the validity of the other provisions of the Contract and the remainder of the provision in question shall not be affected thereby.

10.5 The Contract shall be governed by the laws of England, and the Seller agrees to submit to the non-exclusive jurisdiction of the English courts for the purposes of the Contract and all disputes related thereto.

10.6 The Seller shall comply with the IDEX Supplier Code of Conduct and the "Expectations for Suppliers" under the IDEX Conflict Minerals Policy. The IDEX Supplier Code of Conduct and the IDEX Conflicts Minerals Policy are posted on the IDEX Corporation website at <http://idexcorp.com/segments/sourcing/index.asp>, and copies of the IDEX Supplier Code of Conduct and the IDEX Conflicts Minerals Policy may be obtained from Buyer upon request.

Effective January 1, 2016