

## Article 1 - Definitions

The following terms in the Procurement Terms & Conditions are defined as follows:

**Acceptance** means acceptance of the tests of the Products in accordance with the provisions of Clause 10;

**CESL** means Claxton Engineering Services or other legal entity stated on the Contract, and its successors and assignees.

**CESL Group** means CESL, its affiliates, its clients of every tier, its other sub-suppliers or subcontractors of every tier, and its and their employees, agents, servants, directors, officers or invitees;

**Supplier** any natural person or legal entity stated on the Contract and/or from whom CESL orders Products and/or Services;

**Supplier Group** means the Supplier, its affiliates, its sub-suppliers or subcontractors of any tier and their respective affiliates, and its and their respective employees, agents, servants, directors, officers or invitees;

**Contract** the written agreement between CESL and the Supplier, and any amendments thereto, concerning the supply of Products and/or Services;

**Products** all goods supplied, including the results of Services and/or software, at any time under the terms of the Contract, irrespective of whether the Contract relates purely to the supply of the goods, or/also of Services;

**Rental Item** means the items hired by the Supplier to CESL, required for the performance of the Services under the Contract

**Services** all work of any nature howsoever described (e.g. service provision, commencement of work, contracting out) performed by the Supplier for the benefit of and in consideration for CESL, whether or not in connection with the supply of Products;

**Supply** i) Supply of Products: to give possession of, or control over, the Products to CESL, together with any assembly/installation of such Products.

ii) Supply of Services: the performance of Services by the Supplier either on CESL's instructions or pursuant to the nature of the agreement between the Parties;

**Description** of the Products and/or Services supplied by CESL at any time, as specified or otherwise referred to in the Contract or, in the absence of such description, the description normally applied to such Products or Services;

**Party, Parties** - CESL and/or the Supplier, as the case allows.

## Article 2 - Scope

2.1 These Procurement Terms & Conditions apply to all requests, offers and orders for the supply of Products and/or Services by the Supplier to CESL and any and all negotiations conducted in this respect. The applicability of procurement terms and conditions, or any other terms of the Supplier are herewith explicitly rejected.

2.2 In the event of any discrepancy between the documents forming the Contract, these Procurement Terms and Conditions shall take precedence.

## Article 3 - Binding contracts and their amendment

A Contract is binding either when CESL has placed a written order, or when the Supplier has provided a written offer that is accepted in writing by CESL. Any amendment to any term of the Contract and/or these Procurement Terms and Conditions must be agreed in writing. If such an amendment is agreed, it only applies to the relevant Contract. CESL may withdraw from any negotiations at any time, without the need to give reasons or to pay any compensation or the obligation to continue the negotiations.

## Article 4 - Price and price adjustment

4.1 The Supplier shall indicate prices in GBP unless otherwise agreed. The prices are fixed unless the Contract specifies circumstances in which the price could be adjusted and the method for making such adjustment.

4.2 Unless agreed otherwise, the specified price includes all costs involved in performing the Supplier's obligations. Prices for Products include but are not limited to standard postage and packaging free from import duties. Prices for Services include but are not limited to all travel and/or accommodation costs. Prices for all Products and Services include all

preparatory work necessary for complying with the CESL's requirements, and the Description.

## Article 5 - Invoicing and payment

5.1 Invoices from the Supplier must be in writing and itemised in accordance with CESL's instructions. CESL may pay the invoice including taxes, within 60 days upon receipt of the actual invoice (not the invoice date). If an invoice is not received by CESL within 60 days of the contract being completed the invoice will be rejected. Any invoice submitted which does not match a CESL purchase order will be placed on hold until resolved.

CESL is entitled to suspend payment if it discovers any defect in any Product or the installation/assembly thereof, or in any Service.

5.2 CESL is entitled to reduce the amount of the invoice by amounts that the Supplier owes CESL. Payment by CESL under no circumstances constitutes any waiver of rights hereunder.

## Article 6 - Transfer and obligations

6.1 The Supplier shall perform the Contract itself, unless CESL has specifically consented in writing to the use of subcontractors or purchases from third parties or has given written instructions to such effect. The Supplier is fully responsible for any third-party involvement in the performance of the Contract, as though it were its own performance. The Supplier also indemnifies CESL against any claims brought by any third party involved in such performance.

6.2 The Supplier will not transfer, assign or pledge any of the rights and obligations ensuing from the Contract to a third party without prior written consent of CESL.

6.3 The Supplier hereby acknowledges that compliance with the time schedule is an essential condition of the Contract. For any Supply made after the date stated in the Contract, the Supplier shall be liable (without prejudice to any other contractual rights and remedies CESL may have under the Contract) for payment of liquidated damages for delay at 1% per day up to a maximum of 15% (fifteen percent) of the Contract value.

## Article 7 - Delivery

7.1 The Supplier shall deliver the Products and/or Services properly packed and marked, secured and, if required, insured, such that they reach CESL by normal means of transport in good condition. The Supplier must deliver the Products and/or Services at its own expense and risk on the date, or within the time limit, specified in the Contract, to a destination specified by CESL and in accordance with the CESL's instructions.

7.2 Unless agreed upon otherwise explicitly in writing, the agreed delivery date or agreed period for performance of the Contract is a firm deadline. In the event of a failure to meet this firm deadline, the Supplier will automatically be in default without the need to issue a prior a notice of default.

7.3 Unless agreed otherwise in writing, the period for performing the Contract commences on the date the Contract is signed.

7.4 The Supplier must immediately notify CESL in writing of any threatened delay to the delivery date or period for performance. Such notice shall have no effect on any consequences of the breach by virtue of the Contract or statutory provisions.

7.5 CESL is entitled to postpone delivery. In such a case, the Supplier shall package the goods properly, store them separately and identify them, preserve them, secure and insure them free of charge.

7.6 The Supply includes delivery of all auxiliary materials and documentation related to the Products and/or Services, including but not limited to required licenses, drawings, datasheets, detailed function lists, quality-, inspection-, and/or warranty certificates, maintenance- and instruction booklets, and all other manuals necessary for an optimal functioning of the delivered Products and/or Services. Supplier will, immediately and free of charge, provide CESL with updates of the materials in this Article 7.6

## Article 8 - Performance, increase / reduction in Supply

8.1 The Supplier shall perform the Contract in strict compliance with the Description.

8.2 The Supplier must follow timely and responsible directions given by CESL in relation to the performance of the Contract.

8.3 CESL is entitled either before or during the performance of the Contract to make changes to the Description. The Supplier confirms that it is prepared to perform such amended Contract, having regard to the provisions under Articles 8.4 through 8.6 below, with regard to additional/less work, but otherwise subject to these Procurement Conditions.

- 8.4 If the performance required of the Supplier as a result of a change to the Description is demonstrably less, the reduction in work is to be discussed between the Parties.
- 8.5 If the performance required of the Supplier as a result of a change to the Description is demonstrably greater, or expanded, then there is an increase in work for which the Supplier will receive additional payment. If the Supplier believes it is entitled to a payment for additional work, it shall issue an offer relating to the scope of the anticipated additional work. The Supplier shall not commence performance of the relevant work until it has received written offer and according instructions from CESL to do so. The Supplier shall not be entitled to charge CESL for any anticipated additional work without having received formal offer and written instructions (as the case may be) thereto from CESL in accordance with this Article.
- 8.6 Additional work that the Supplier could and should have foreseen at the time of entering into the Contract is specifically not deemed to be additional work.

**Article 9 - Transfer of ownership and risk**

Ownership of the Products passes to CESL at the time of Supply and once, where necessary, they have been assembled/installed, or such earlier time as Supply is deemed completed under the applicable statutory provisions. The risk of damage to, or loss of, the Products transfers to CESL on Acceptance.

**Article 10 – Quality and Acceptance**

- 10.1 The Supplier shall carefully and continuously monitor the quality of the Products and/or Services in order that the Products and/or Services are in compliance with requirements that can be imposed thereon pursuant to the Contract.
- 10.2 At the first request of CESL, the Supplier shall offer CESL, or the authorized representative of CESL, the opportunity to inspect all aspects of the Contract, among others, at the offices of the Supplier or those of a third party appointed by the Supplier. Non-performance of such inspection does not release the Supplier of any obligation or liability ensuing from the Contract.
- 10.3 CESL shall examine the Products and/or Services within a reasonable period of delivery or performance to check that everything complies with the terms of the Contract.
- 10.4 Acceptance extends only to the outward appearance of the Products or physical performance, or the visible result of the Services are in accordance with the Contract, the requirements of CESL and the Description.
- 10.5 If the Products and/or Services are rejected by CESL, or if in the reasonable judgment of CESL it appears that these are not in accordance with the Contract, the Supplier shall be informed as quickly as possible about the nature and extent of the defect discovered. The Supplier shall then be given the opportunity to repair/remedy the defect within a reasonable period not exceeding ten (10) working days, or to supply replacements.
- 10.6 If, in the reasonable judgment of CESL, the repair or replacement described under Article 10.5 above, is not possible or is not performed within the specified time by the Supplier, then CESL is entitled to take the necessary steps and recover the relevant costs from Supplier, including the extra expenses reasonably incurred by CESL to obtain replacement Products and/or Services, such without prejudice to CESL's other rights.
- 10.7 For the Supply of software and without prejudice to the provisions of this Article 10, the following applies: Irrespective of the Acceptance of the software, CESL reserves the right to reject the software during a period of ninety (90) days after Acceptance thereof, if the software appears to contain flaws. CESL will not reject the software if flaws are of minor importance and do not prevent the proper functioning of the software. The Supplier will immediately correct the flaws in consultation with and to the satisfaction of CESL.

**Article 11 - Breach of Contract and Force Majeure**

- 11.1 If the Supplier is in breach of all or any part of an obligation under the Contract, then it is automatically in default without the need of CESL to serve notice of default.
- 11.2 CESL is entitled to terminate the Contract in accordance with Article 15 hereof. In such a case, the Supplier cannot claim any kind of compensation.
- 11.3 In the event of force majeure, the obligations of both Parties are suspended until such time as the reason for force majeure has ceased to exist. In the event of force majeure and termination as a result thereof, neither Party may claim any kind of compensation. 'Force majeure' here

is limited to unforeseen circumstances from outside, over which the Supplier has no influence whatsoever, and by virtue of which it is unable to comply with its obligations. 'Force majeure' does not include strikes, excessive sick-leave of personnel, any temporary or permanent lack of personnel, fire, technical or other defects within the office of the Supplier or external parties engaged by the Supplier, (cost) price increases, the shortage of raw materials and/or services necessary for the production process, a claim by the Supplier not to possess adequate information from CESL or incorrect information from or concerning CESL, or an allegation by the Supplier of inadequate co-operation by CESL.

**Article 12 - Warranty**

- 12.1 The Supplier warrants that the Products and/or Services it supplies are of the proper standard. This warranty includes as a minimum that:
- a) the Products and/or Services are suitable for the purpose for which the Contract was entered into and comply with the relevant terms in the Contract;
  - b) the Products and/or Services are entirely in accordance with the Description;
  - c) the Products are new, of good quality and free of errors concerning design, processing, manufacture, construction and measurement, that they are free of defects in the materials used, and that they provide the safety that may be expected of them as per international standards;
  - d) the Products are entirely complete and ready for use, such that the Supplier supplies all such Products together with (spare) parts, documents, tools, user guides and instruction manuals, even if such ancillary items are not specifically referred to;
  - e) the Products and/or Services satisfy all relevant standards and regulations concerning, for example, quality, environment, health and safety;
  - f) the Products and/or Services also satisfy the requirements that are reasonable to impose and the standards that CESL may reasonably expect;
  - g) in the case of software and without prejudice to the other warranties set forth in these Procurement Conditions: contain no undefined functionality or viruses and that the technical and functional qualities meet the agreed specifications;
- 12.2 The Supplier warrants that, during the term of the Contract, it will have available the knowledge and capacity necessary for the proper execution of the Supply to be carried out under the Contract.
- 12.3 If any defect in the Goods are attributable to design, workmanship or operating characteristics arises within 24 months from the date when the Goods are first put into service. The Supplier shall, at its own expense, do all things necessary to remedy the Defect and must reimburse CESL for any costs incurred in connection with the Defect, including the cost of CESL remedying the Defect, if the Supplier does not do so within a reasonable period following notice of the Defect from CESL.
- 12.4 If CESL determines that a Defect cannot adequately be remedied, then CESL may, at its option, elect either to accept the non-conforming Goods with an adjustment in the purchase price or to direct that the defective Goods be removed at the Supplier's expense.
- 12.5 In the event where CESL finds/identifies/discovers subsequent to the delivery of Goods on CESL premises, the presence/contains of any hazardous and/or illegal material, including but not limited to asbestos, CESL shall be entitled to a full refund of the amount paid for such Goods. Supplier shall also remove such hazardous and/or illegal material immediately from the CESL premises at its own cost and risk.
- 12.6 In the event of any remedial work, a new warranty will apply to such work for a period of 12 months from its completion or until expiry of the normal warranty period, whichever is later.
- 12.7 In the event that the Supplier cannot remedy the Defect within a reasonable commercial cost and timeframe, CESL shall have the right to terminate this Contract forthwith.

**Article 13 - Intellectual property**

- 13.1 All intellectual property rights, including, but not limited to patent rights, (use of) designs, brand names and know-how which can be exercised now or in future – wherever and whenever – for the purposes of use as well as for the purposes of exploitation by CESL of any bespoke Products specifically developed by Supplier under the Contract for CESL will be vested in CESL. These rights will be assigned under the Contract by the Supplier to CESL, which assignment of rights is, to the extent required, accepted by CESL in advance immediately after the creation of those rights.
- 13.2 The Supplier grants CESL a non-exclusive, irrevocable, worldwide and perpetual license for all (parts of) Products other than as referred to under Article above covering all and any of its intellectual property rights to the Products and/or Services, including, but not limited to patent rights, (use of)

designs, brand names and know-how. Under such licence CESL is entitled to use, market and exploit the Products, including the right to change, (re-)process and repair them, as well as the authority to supply the Products to, or allow them to be used by, a third party whether or not they form a part of other goods. Payment for such licence is included in the price.

- 13.3 The Supplier shall provide the relevant documentation to CESL either before or at the same time as the Supply. CESL may use these documents as it sees fit, including copying them for its own use.
- 13.4 The Supplier warrants the free and uninterrupted use by CESL of the Products and/or Services supplied without infringement of any patent, trademark or other third-party right. The Supplier indemnifies CESL in this respect against the financial consequences of any third-party claim alleging infringement of intellectual property rights.

#### Article 14 - Indemnity and insurance

- 14.1 The Supplier shall at all times be responsible for and shall defend, indemnify and hold CESL Group harmless from and against any and all claims, damage, loss, cost and expense in respect of:
- death or personal injury to any personnel of Supplier Group;
  - loss of or damage to the property of Supplier Group (whether owned, hired or otherwise provided for the purposes of or in connection with the Services);
  - death or personal injury and loss or damage to property of a third party to the extent that the same is caused by the negligence or breach of duty (whether statutory or otherwise) of Supplier Group;
  - any pollution caused in the course of its performance of the Services, originating from Supplier's property, equipment or premises;
  - loss of or damage to the property of CESL Group where such property is in the custody and/or control of Supplier Group, such custody and/or control ceasing on delivery; and
  - any alleged or actual infringement of any patent or proprietary or protected right, arising out of or in connection with the performance or non-performance of the Services or the relevant purchase order
- 14.2 The Supplier shall sufficiently insure itself against:
- Professional and/or corporate liability;
  - Employer liability;
  - Product and service liability; and
  - Professional liability for information technology companies (only applicable if the Supplier provides Products and/or Services in the field of computerisation).
- 14.3 The insurance policy(ies) for the liabilities referred to herein, will provide coverage to amount(s) that conform to or exceed statutory requirements and/or applicable industry norms.
- 14.4 At CESL's first request, the Supplier will immediately provide copies of the insurance certificates. The Supplier will not terminate the (these) insurance contract(s), or modify or respectively reduce the terms of the (these) contract(s) and the insured amount(s) to the prejudice of CESL, without prior written permission from CESL. The insurance premiums payable by the Supplier are considered to be included in the agreed prices and rates.
- 14.5 CESL shall at all times be responsible for and shall defend, indemnify and hold Supplier Group harmless from and against any and all claims, damage, loss, cost and expense in respect of:
- death or personal injury to any personnel of CESL Group;
  - loss of or damage to the property of CESL Group (whether owned, hired or otherwise provided for the purposes of or in connection with the Services);
  - death or personal injury and loss or damage to property of a third party to the extent that the same is caused by the negligence or breach of duty (whether statutory or otherwise) of CESL Group;

#### Article 15 - Termination

- 15.1 CESL is entitled to terminate all or any part of the Contract in writing without the requirement for notice of default or court order, if:
- The Supplier is in default of its obligations under the Contract or other contracts derived thereunder;
  - The Supplier is declared insolvent, is granted or applies for a moratorium of its business, ceases operations or is in liquidation, or property of Supplier is subject to an attachment order;
  - The Supplier transfers all or any part of its business to a third party, whereby control vests in different hands;

- The Supplier or any of its subordinates or representatives offers or supplies any benefit to any person involved in the business of CESL or to any of its subordinates or representatives.
- 15.2 CESL is entitled to terminate the Contract for CESL's convenience by means of a written notification to the Supplier, with a notice period of thirty (30) calendar days.

#### Article 16 - Confidentiality, documentation

- 16.1 The Supplier, its personnel and any third parties it engages shall not disclose any information concerning the business of CESL that it learns of in connection with the Contract and performance thereof, including the nature of, reasons for and results of Services performed by the Supplier, without the written consent of CESL.
- 16.2 The Supplier is entitled to use the information supplied by CESL only for the purposes of performance of the Contract.
- 16.3 All designs, drawings, models, pictures, films, photos, stamps and other materials supplied by CESL to the Supplier or manufactured or purchased by the Supplier at the expense of CESL, remain / become the property of CESL and shall be returned to CESL either on CESL's first request or on Supply of the Products or Services at the latest.

#### Article 17 - Safety, health and the environment

- 17.1 The Supplier, its personnel and any third parties it engages must comply with all statutory health, safety and environmental regulations, as well as with any Client/company rules and regulations imposed by CESL from time to time with regard to health, safety and the environment. A copy of such rules and regulations will be made available to the Supplier immediately on request, and free of charge.
- 17.2 In addition and without prejudice to the provisions of this Article 17, the Supplier shall strictly follow all safety and access instructions issued by authorized representatives of CESL when performing Services or supplying Products on the premises of CESL.
- 17.3 Should, in the reasonable opinion of CESL, an employee of the Supplier be unsatisfactory or inadequate, CESL shall consult with the Supplier. The Supplier shall, on first request of CESL replace the employee concerned, as soon as possible. CESL is authorised to deny anyone access to its premises or otherwise.

#### Article 18 - Taxes

All duties and taxes which the Supplier is required by law to collect from CESL are included in the price. The Supplier shall pay all taxes and social contributions relating to the Supplier's employees and shall indemnify CESL against claims made by the Supplier's employees, agents or subcontractors for such taxes, contributions and levies. If CESL is required to pay any taxes or contributions on behalf of the Supplier, CESL shall have recourse against the Supplier for the full amounts paid, plus interest.

#### Article 19 - Variations

CESL may at any time, upon written notice to Supplier, make change(s) to the relevant purchase order. In the event that CESL and Supplier anticipate that such change(s) will directly affect the price of the Services (whether by way of increase or decrease) and/or the timing of performance of the Services (whether by way of shortening or extending), CESL and Supplier shall meet and discuss in good faith an equitable and proportionate adjustment to price and/or delivery.

#### Article 20 - Jurisdiction, disputes, entire agreement

- 20.1 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 the laws of England and Wales, and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.
- 20.2 These CESL standard terms & conditions shall apply between CESL and Supplier and represent the entire agreement between the Parties in respect of the provision of the Services under the relevant purchase order and supersede all agreements (whether oral or written) or representations between the Parties relating to the subject matter.

**Article 21 - Supplier Code Of Conduct**

(a) Supplier acknowledges that it has received and has actual knowledge of the Acteon Supplier Code of Conduct ("SCoC"), a copy of which is available at CESL's website:

www.acteon.com

Any reference to the SCoC shall (except where the context otherwise requires) be construed as referring to such SCoC as amended and in force from time to time.

(b) Supplier agrees to comply, and procures its employees, subsidiaries, affiliates, subcontractors, agents and any other business partners whose activities relate to Supplier's business with CESL pursuant to this Contract comply, with the principles and standards set forth in the SCoC.

(c) Supplier shall maintain reasonable records and information necessary to evidence its compliance with the SCoC and promptly notify CESL in writing of any material breach of the SCoC.

(d) CESL reserves the right to conduct an audit (either itself or by using a third-party auditor appointed by CESL) at any time during the term of this Contract to verify Supplier's compliance with the SCoC, which may include an inspection of any of Supplier's premises. CESL shall use reasonable endeavours to ensure that any such audit and inspections will be conducted and carried out in accordance with any applicable data protection law(s) and shall neither unreasonably interfere with Supplier's business activities nor violate any of the Supplier's confidentiality agreements with third parties. Supplier shall reasonably cooperate with any such audits and inspections conducted. Where it is determined by such audit or inspection that Supplier is compliant with the principles and standards of the SCoC, CESL shall bear the cost of such audit or inspection, and where it is determined that Supplier is not compliant with the aforementioned principles and standards, Supplier shall bear the cost of such audit or inspection.

(e) Without prejudice to any other rights which CESL may have pursuant to this Contract or available at law, in the event of a breach of the principles and standards as set out in the SCoC, CESL shall have the right to take such action it considers reasonably appropriate in the circumstances, including the right to terminate, and suspend performance under, this Contract with immediate effect and without any liability of CESL for any loss or damage arising as a result of such termination or suspension.

**Article 22 – Free Issue Materials**

Title in all free issue materials or items shall remain with CESL at all times and must only be used for the purpose of the Contract. The Supplier shall, on completion or earlier termination of the contract, return to CESL all free issue materials and items which are in the supplier's possession, care, custody or control. Risk of the free issue material or items shall remain with the supplier whilst the free issue materials or items are in the possession, care, custody or control of the supplier and the supplier shall indemnify CESL Group against all loss or damage to the free issue materials or items.

**Article 24 – Consequential Loss**

Notwithstanding any provision to the contrary elsewhere in the Contract and except to the extent of any agreed liquidated damages provided for in the Contract, Supplier shall save, indemnify, defend and hold harmless CESL Group from Supplier Group's own Consequential Loss, and CESL shall save, indemnify, defend and hold harmless Supplier Group from CESL Group's own Consequential Loss, arising from or relating to or in connection with the performance or non-performance of the Contract and notwithstanding the negligence or breach of duty (statutory or otherwise) of the indemnified party and its respective Group. Consequential Loss means consequential or indirect losses under applicable law, loss and/or deferral of production, loss of product, loss of use, loss of revenue, business interruption, loss of profit or anticipated profit, or any other similar direct or indirect loss whether or not foreseeable at the commencement date of the Contract.

**Article 25 – Legal Requirements**

In performing any work under the Contract, the Supplier will observe and comply with all Legal Requirements in its area, location, country of its performance. If any part of this Contract is in conflict with any local laws/ Legal Requirements, the Supplier must immediately bring it to the notice of CESL and work towards a mutual remedy and/or solution.

**Article 26 – Inspection, Testing and Audit**

CESL representative is entitled to expedite, inspect and witness tests on the Goods at the Supplier's and any subcontractor's premises. The Supplier must allow CESL access at any time to the Supplier's and any subcontractor's premises for this purpose. The Supplier must make this a condition of any subcontract. CESL shall have the right to inspect and/or test the Goods at any time before delivery. Supplier shall give CESL at least 7 days' notice of the Goods being ready for inspection or testing and shall not dispatch the Goods until CESL has confirmed whether it wishes to inspect and/or test them.

The Supplier must, at no cost to CESL, remedy any defect in the Goods notified by CESL following inspection if it does not meet the Specifications as instructed by CESL on the Purchase Order and in this Contract. CESL shall be entitled to require Supplier to provide certificates of origin or test certificates for the Goods at any stage of manufacture or assembly. Such certificates must clearly state CESL's Order Form number and any item/equipment numbers. No inspection or test will release Supplier from any of its obligations under the Contract. Supplier shall remain fully responsible for the manufacture, supply and delivery of the Goods.

During the course of the Supply and for a period ending six (6) years thereafter, CESL or its duly authorised representative shall have the right to audit at all reasonable times and, upon request, take copies of all of the Supplier's records, books, personnel records, accounts, correspondence, memoranda, receipts, vouchers and other papers of every kind relating to:

- (a) all invoiced charges made by the Supplier to CESL; and
- (b) any provision of this Contract under which the Supplier has obligations the performance of which is capable of being verified by audit.

In this respect CESL shall not be entitled to investigate the make-up of rates and lump sums included in the Contract except to the extent necessary for the proper evaluation of any variations.

**Article 27 – Subcontractors/Sub-Suppliers**

Supplier shall not subcontract the Products or Services under the Contract in whole or part without the written agreement of CESL. The Terms of the Contract shall apply mutatis mutandis to any subcontractor or supplier, and Supplier shall not be relieved of any of its obligations under the Contract as a result of such subcontract or supply.

**Article 28 – Rental Items**

Unless otherwise agreed and expressly stated elsewhere in the Contract:

- (a) The Supplier is responsible for the delivery and all costs associated with the delivery of the Rental Items to CESL's premises.
- (b) The Supplier, where appropriate is responsible for the installation of the Rental Items.
- (c) The Rental Items must be of the best quality and workmanship, free from faulty design and defects, suitable for the purpose intended and conform to the Contract requirements and any applicable national, state or international standards.
- (d) The Supplier must furnish all operating manuals and instructions for the Rental Items in accordance with and within the time stated in the Contract.

**Article 29 – Duration of Rental**

The rental will continue for the period specified in the Contract or until CESL notifies the Supplier that the Rental Items are available for collection, whichever is the earlier. If CESL continues to retain possession of the Rental Items, with the Supplier's consent, beyond the period specified in the Contract, CESL shall be deemed to have leased the Rental Items on a day-to-day basis on the same terms as the Contract, including any changes necessary to make the terms appropriate for a daily rental. The supplier will provide a weekly report on the last working day of each week to show what equipment CESL has on hire with the supplier.

**Article 30 – Rental Goods Defects**

During the term of the rental, CESL will notify the Supplier of any defect in the Rental Items as soon as practicable after becoming aware of such defect. The Supplier must, at its own expense, do all things necessary to remedy the defect and must reimburse CESL for any costs incurred in connection with the defect, including the cost of CESL remedying the defect if the Supplier does not do so within a reasonable period following notice of the defect from CESL. If a defect cannot be remedied, the Supplier must make replacement Rental Items available for lease to CESL in accordance with the terms of the Contract.

**Article 31 – Rental Goods Maintenance and Repair**

The Supplier will be responsible for carrying out all routine and non-routine maintenance of the Rental Items that may be required during the term of the rental and should consult with CESL on timelines/schedule for the maintenance to be carried out. The Supplier will maintain the Rental Items in good and operable condition

**Article 32 – Rental Item Insurance**

The Supplier is responsible for insuring the Rental Items for their full replacement value against accidental loss or damage

**Article 33 – No Encumbrances**

The Supplier shall ensure that no Rental Items are sold or otherwise disposed of by Supplier during the rental period without prior written consent of CESL, which consent shall not be unreasonably withheld.

**Article 34 – Termination**

At the end of the term of the rental or upon the termination of the Contract for any reason, the Rental Items will be returned to the Supplier subject to fair wear & tear and all costs associated with the return and delivery of the Rental Items from CESL to the Supplier will be borne by the Supplier

Claxton Engineering Services Limited is a company registered in England with company number 01927530 whose registered office is at Ferryside, Ferry Road, Norwich, Norfolk, NR1 1SW (UK)