

RFS (UK) LTD

Terms and Conditions

1 Definitions

- 1.1 The “Buyer” means the person who accepts a quotation of the Seller or whose order for the Goods is accepted by the Seller.
- 1.2 “Conditions” means the conditions of sale set out in this document and any special and/or additional conditions agreed in writing by the Seller.
- 1.3 “Good” or “Goods” means the goods (including any instalment of goods or any parts for them), which the Seller is to supply in accordance with these Conditions.
- 1.4 “Normal Working Hours” means the hours of 9 am to 5 pm (inclusive) on any day other than Saturday or Sunday or a Bank or Public Holiday;
- 1.5 The “Seller” means RFS (UK) Limited a company incorporated in England and Wales with registered number 2497031 having its registered office at Unit 9, Haddenham Business Park, Pegasus Way, Haddenham, Bucks, HP17 8LJ;
- 1.6 “Writing” includes facsimile transmission, email and other comparable means of communication; and
- 1.7 “Including” and “in particular” shall be construed as not limiting any general words or expressions in conjunction with which either of those expressions is used.

2 Conditions

- 2.1 Unless otherwise agreed in writing by the Seller, these conditions shall apply to all contracts for sale of Goods by the Seller to the Buyer to the exclusion of all other terms and conditions including any which the Buyer may purport to apply under any purchase order, confirmation of order or any such similar document.
- 2.2 Where the Seller has agreed to provide the Buyer with services relating to the installation, commissioning, and testing of Goods, then the provision of such services shall be governed by the Seller’s separate Conditions for the Provision of Services, a copy of which shall be supplied to the Buyer if appropriate.
- 2.3 No variation or addition to these Conditions shall be effective unless agreed in Writing by the Seller.
- 2.4 The Seller’s employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Seller in Writing and in entering into the contract the Buyer acknowledges that it does not rely on any such representations which are not so confirmed.
- 2.5 Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller and without any prior notification. The views and opinions expressed in any sales literature or on the Seller’s website are the views of the contributors and should not be taken necessarily as fact.
- 2.6 No contract for the sale of Goods shall arise until the Seller despatches the Goods to the Buyer or the Buyer notifies the Seller in writing of its acceptance of the Seller’s quotation (whichever shall first occur).
- 2.7 Acceptance of delivery of Goods shall be deemed conclusive evidence of the Buyer’s acceptance of these Conditions.

3 Quotations and Orders

- 3.1 Quotations by the Seller are valid for thirty days from the date of the quotation (unless otherwise agreed in writing) and an order placed by a Buyer must be identified with the Buyer's order number and all such other information as notified by the Seller.

4 Prices and Exchange Rate and Other Fluctuations

- 4.1 The price shall be that on the Seller's current list price or as otherwise agreed in writing by the Seller and the Buyer should confirm prices at the time of ordering.
- 4.2 All prices quoted are exclusive of VAT and charges for packing, postage and carriage (plus VAT) shall be detailed on the invoice and paid in addition (unless otherwise agreed in writing by the Seller).
- 4.3 Where a currency exchange rate clause is used the invoice will be calculated by reference to the rate of exchange on the date of payment of the invoice. Where payment is not made within the stipulated time the Seller reserves the right to calculate the final invoice value at the rate obtained when payment was made to the Seller. Any interest payments to be met by the Buyer caused by late payment will be calculated in sterling and added to the final invoice.
- 4.4 The Seller reserves the right to revise prices prior to the despatch of the Goods to reflect any indirect or direct increase in costs to the Seller including any such increases resulting from any act or default of the Buyer, from changes in exchange rates, transport costs or otherwise but if the price has been paid in full prior to despatch no price revision may take place without the prior written agreement of the Buyer.

5 Payment

- 5.1 Payment may be made by bank transfer, debit or credit card.
- 5.2 In the case of sales made to customers with credit facilities, payment is due in full on the terms of credit agreed which shall not be more than 30 days from the date of the invoice unless otherwise agreed in writing by the Seller notwithstanding that delivery may not have taken place and the property in the Goods has not passed to the Buyer.
- 5.3 The Seller may at any time review, alter or withdraw any agreed credit terms provided to the Buyer.
- 5.4 In the case of sales to Buyers who do not have a credit facility with the Seller, payment must be made in full prior to the despatch of any Goods as notified to the Buyer in writing.
- 5.5 Time for payment shall be of the essence and any failure to pay shall entitle the Seller at his option to treat the contract as repudiated by the Buyer, to delay delivery until paid or appropriate any payment made by the Buyer to such of the Goods as the Seller may think fit notwithstanding any purported appropriation by the Buyer (without prejudice to any other remedy that the Seller may have). Receipts for payment shall be issued only on request.
- 5.6 All invoices shall be paid in full, free from any deduction for any set-off, counterclaim or otherwise howsoever and the Buyer shall not be entitled to withhold payment under any circumstances howsoever arising.
- 5.7 Interest on any overdue invoices will become payable at the statutory rate interest on any sums outstanding after the stipulated due date for payment in accordance with The Late Payment of Commercial Debts (Interest) Act 1998.

- 5.8 In the event that a Buyer fails to make a payment of any due sum under the contract the Seller shall have the right to suspend further deliveries until the default is made good or cancel the order so far as any Goods remain to be delivered there under.

6 Delivery

- 6.1 Packaging of the Goods will be to the Seller's normal specification in non-returnable packaging unless otherwise stated.
- 6.2 Where carriage is arranged by the Seller it will be at the cost of the Buyer or as otherwise agreed in writing.
- 6.3 Quoted delivery periods commence from the Seller's acknowledgement of the Buyer's order.
- 6.4 Whilst every reasonable effort shall be made to keep to any estimated delivery date, time of delivery shall not be of the essence and the Seller shall not be liable for any losses, costs, damages or expenses incurred by the Buyer or any other person or company arising directly or indirectly out of any failure to meet any estimated delivery date. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer.
- 6.5 Notification of delivery may be made by telephone call or by leaving a telephone message, email or text on the due date.
- 6.6 A carrier's first attempt to deliver shall be considered as the delivery date and unless otherwise agreed in writing by the Seller all deliveries can take place during Normal Working Hours.
- 6.7 Unless otherwise agreed the Seller may deliver by instalments and in such case each instalment shall be treated as a separate contract and any delay, default or non-delivery in respect of any instalment by the Seller shall not entitle the Buyer to cancel the remainder of the contract.
- 6.8 In the event that any delivery is made by instalments each instalment may be invoiced separately.
- 6.9 Failure by the Buyer to pay for any instalments or delivery when due shall entitle the Seller to withhold any further deliveries and the Buyer shall be liable for any costs incurred by the Seller relating to such Goods.
- 6.10 Delivery of the Goods shall be made to the Buyer's address and the Buyer shall at his own expense ensure that the site for delivery is ready to receive the Goods not later than five working days before the estimated date of delivery and the Buyer shall ensure that all necessary installation facilities are provided unless otherwise agreed in writing.
- 6.11 If the Buyer prevents, delays or fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Buyer's reasonable control) then, without prejudice to any other right or remedy available to the Seller, the Seller may:
- 6.11.1 Store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage; or
- 6.11.2 Sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over the price under the contract or charge the Buyer for any shortfall below the price of the contract.

7 Ownership and Risk

- 7.1 The risk in Goods shall pass to the Buyer from the time of despatch of the Goods for delivery from the Seller's premises (save where the carriage has been arranged by the Seller) or upon the Goods being appropriated to the Buyer if they are kept at the Seller's premises at the Buyer's request.
- 7.2 Where carriage has been arranged by the Seller risk in the Goods passes upon the delivery of the Goods and the Buyer must notify the Seller within 3 working days of receipt of the Goods of any damage in transit and provide such information as is requested by the Seller to enable the Seller to comply with the carrier's conditions. Any claims not made in accordance with this procedure shall be repudiated.
- 7.3 The Buyer shall be free to sell any such Goods in the ordinary course of its business so as to pass good title to any third party, provided always that claims for proceeds from such resale shall be deemed to be assigned to the Seller and proceeds from such resale received by the Buyer shall be held by the Buyer in a separate account on trust for the Seller to the extent necessary to effect full payment to the Seller and the Buyer shall if required by the Seller immediately upon such resale notify the Seller with full details of such resale. Furthermore, the Seller shall be entitled to notify the ultimate purchaser that such resale price is to be paid direct to the Seller.
- 7.4 Notwithstanding delivery and the passing of risk in the Goods or any other provision of these Conditions, the Seller remains the owner of the Goods affected by the contract until the Seller has been paid in full in cash or cleared funds for such Goods and all other Goods agreed to be sold by the Seller to the Buyer for which payment is due.
- 7.5 Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods as the Seller's fiduciary agent and bailey and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property.
- 7.6 The Buyer hereby grants the Seller the irrevocable licence to enter upon the premises and if either:
- 7.6.1 Any payment due under these Conditions is overdue in whole or in part; or
- 7.6.2 At any time prior to the date on which payment is due the Buyer convenes a meeting of its creditors or a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or a proposal for any other composition scheme or arrangement with (or assignment for the benefit of) the Buyer's creditors or if the Buyer is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or if a trustee receiver or administrative receiver or similar officer is appointed in respect of all or any part of the business or assets of the Buyer or if a meeting is convened for the purpose of considering a resolution or other steps are taken for the winding up of the Purchaser or for the making of an administration order (otherwise than for the purpose of amalgamation or reconstruction)

Then the Seller may (without prejudice to any of its other rights or legal remedies that it may have) recover and/or re-sell the Goods or any of them and may enter on the Buyer's premises by its servants or agents to recover the Goods and the Buyer shall be liable for all the Seller's costs of so doing.

- 7.7 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller, but if the Buyer does so all moneys owing by the Buyer to the Seller shall (without prejudice to any other right or remedy of the Seller) immediately become due and payable.
- 7.8 This clause 7 shall apply to all contracts within the United Kingdom and to all export contracts except those where any applicable law would render a contract containing this or a similar condition void or subject to registration, in which case this clause shall not apply.

8 Warranties and Liabilities

- 8.1 Customers of products manufactured by Radio Frequency Systems GmbH ("GmbH") are supplied with a separate warranty ("the Warranty") by the Seller and appear as Appendix 1 hereto. Where there are any conflicting terms with these Conditions, the Warranty shall prevail.
- 8.2 Customers of goods that are not manufactured by GmbH shall be sold with the warranties outlined in clause 8.3.4.
- 8.3 The provisions contained in clause 8.1 and 8.2 are subject to the following conditions:
- 8.3.1 The Seller shall be under no liability in respect of any defect in the Goods arising from any drawing, design or specification supplied by the Buyer;
- 8.3.2 The Seller shall not be under liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions including instructions in respect of operation, maintenance or storage (whether oral or in writing), misuse or alteration or repair of the Goods without the Seller's written approval;
- 8.3.3 The Seller shall be under no liability under the above warranties (or any other warranty, conditions or guarantee) if the total price for the Goods has not been paid by the due date for payment;
- 8.3.4 Where the Goods are covered by manufacturer's warranties the Buyer shall only be entitled to the benefit of such warranties or guarantees as are given by the manufacturer to the Seller and the Seller shall not be required to bear any liability or expense greater than the amount actually recovered from any such manufacturers.
- 8.4 The Buyer shall as soon as practicable after discovery of such defect or failure return the defective goods or parts thereof to the Seller at the Buyer's expense and if the Seller deems the Goods not to be defective (or where the defect is attributable to the Buyer's actions, design or materials) the Goods will be returned to the Buyer at the Buyer's expense and the Seller is entitled to charge any costs incurred in carrying out any works it deemed necessary to test or calibrate the Goods together with VAT thereon and the Seller shall be entitled to exercise such repairers' liens as it shall deem expedient with regard thereto.
- 8.5 The Goods shall not be deemed defective unless they are not constructed in accordance with the Seller's specification and where there is no specification the Goods shall only be deemed defective if the design performance or quality is of a lesser standard than is normal for Goods of a like type sold at similar prices.
- 8.6 Subject as expressly provided in these conditions and except where the Buyer is dealing as a consumer (as defined in the Unfair Contract Terms Act 1977, section 12) all warranties, conditions, or other terms implied by statute, common law or otherwise are excluded to the fullest extent permitted by the law.

8.7 Except in respect of death or personal injury caused by the Seller's negligence, the Seller shall not be held responsible for or held liable to the Buyer by reason of any representation (unless fraudulent) or any implied warranty, condition, or other term or any duty at common law or under the express terms of the contract, for any indirect, contingent, special or consequential loss or damage, costs, expenses or other claims for consequential compensation whatsoever (whether caused by negligence of the Seller, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods or their use or resale by the Buyer including, without limitation, losses or damages of the types listed below:-

- 8.7.1 Loss of profit; and/or
- 8.7.2 Loss of anticipated savings.
- 8.7.3 Loss of business and/or goods; and/or
- 8.7.4 Loss of revenue; and/or
- 8.7.5 Loss of contract; and/or
- 8.7.6 Loss of goodwill; and/or
- 8.7.7 Loss of use; and/or
- 8.7.8 Loss and/or corruption of any information; and/or
- 8.7.9 Any damage relating to the procurement by you of any substitute goods.

8.8 The entire liability of the Seller under or in connection with the contract shall not exceed the price of the Goods, except as expressly provided in these Conditions.

9 Patent/Copyright

9.1 The Buyer warrants that any design or instructions furnished or given by it shall not be such so to cause the Seller to infringe any intellectual property of any nature whatsoever belonging to the Buyer or a third party including letters patent, registered designs, trademarks, trade names and/or copyrights in the Seller's performance of the contract and the Buyer shall keep the Seller fully and completely indemnified against each and every claim of such nature howsoever arising.

9.2 Notwithstanding the sale of the Goods and the provision of technical data by the Seller to the Buyer, the Seller expressly reserves all its intellectual property rights in respect of the Goods and/or any such technical data.

10 Materials Supplied by the Buyer

10.1 In the event that the Buyer supplies materials to the Seller for the purposes of facilitating fulfilment of the contract such materials shall be defect free and provided at the time requested by the Seller.

10.2 If the materials provided to the Seller are defective in any way whatsoever the Buyer shall not then be entitled to reject the Goods made with the defective materials nor make deductions for the contract price nor seek damages against the Seller.

10.3 Further the Buyer shall keep the Seller indemnified from all liability for damages or otherwise arising from defects in such materials supplied. The Seller does not accept liability for loss or damages to the Buyer's materials in its possession (whether on the Seller's premises or in transit) unless such loss or damage is shown to have been caused by the wilful default or neglect of the Seller, in which case the Company's liability shall not exceed the replacement value of materials damaged or destroyed. Where the Seller has been requested to process the Buyer's materials no objection shall be raised to a reasonable wastage allowance.

11 Cancellation

- 11.1 In the event of an order having been placed but thereafter being cancelled prior to delivery the Seller reserves the right to invoice the Buyer for any losses incurred including (without prejudice to the generality of the foregoing) loss or profit, carriage charges and handling charges.
- 11.2 For the avoidance of doubt the Seller will not accept cancellation by the Buyer after delivery, deemed or actual.

12 Sub-Contract

- 12.1 The Seller reserves the right to sub-contract or assign the whole or any part of the contract at its discretion.
- 12.2 The Buyer shall not assign any of its rights and/or obligations under this contract without prior written consent of the Seller.

13 Health and Safety

- 13.1 The Buyer shall ensure that the use of Goods supplied by the Seller under this contract will not give rise to any danger to health and safety or to any breach of any legislation or statutory or governmental regulation relating to health and/or safety and the Seller shall have no liability whatsoever in this regard.
- 13.2 The Buyer hereby undertakes to indemnify and keep indemnified the Seller against and in respect of all claims, losses, damages, liabilities, costs, charges, expenses, legal and other professional fees paid incurred, suffered, sustained and/or payable by the Seller (including without limitation the reasonable costs of investigating or defending any prosecution or claim imposed on, incurred by or asserted against the Seller) and/or all or any of its directors, agents and employees whether arising directly or indirectly in whole or in part from the Seller's breach of any of the matters outlined in clause 13.1.

14 Force Majeure

- 14.1 The Seller shall not be liable to the Buyer or be deemed to be in breach of the contract by reason of any delay in performing or any failure to perform any of the Seller's obligations in respect of the Goods, if the delay or failure was due to any cause beyond the Seller's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond the Seller's reasonable control:
 - 14.1.1 Act of God, explosion, flood, tempest, fire or accident;
 - 14.1.2 War, threat of war, sabotage, insurrection, civil disturbance or requisition;
 - 14.1.3 Acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;
 - 14.1.4 Import or export regulations or embargoes;
 - 14.1.5 Strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);
 - 14.1.6 Difficulty in obtaining materials, labour or machinery; and
 - 14.1.7 Power failure or breakdown in machinery.

15 Group Company

- 15.1 The Seller may share a Buyer's information with other companies in the group and other third parties.

16 Insolvency of Buyer

16.1 This clause applies if:

- 16.1.1 If the Buyer shall make default in or commit any breach of his obligations to the Seller; or
- 16.1.2 The Buyer makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or if any petition or receiving order in bankruptcy shall be presented or made against him or (being a company) becomes subject to an administration order or goes into liquidation or any resolution or petition to wind up such company's business shall be passed or presented (otherwise than for the purposes of amalgamation or reconstruction); or
- 16.1.3 An encumbrance takes possession, or a receiver is appointed of or any distress or execution is levied on any of the property or assets of the Buyer; or
- 16.1.4 The Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.

If this clause applies then without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to cancel the contract or suspend any further deliveries under the contract without any liability to the Buyer and if the Goods have been delivered but not paid for, the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

17 Third Party (Rights) Act 1999

17.1 The parties hereby exclude the application of the Contracts (rights of Third Parties) Act 1999 to each and every contract made under these Conditions.

18 No Waiver

18.1 The Seller's failure to insist upon strict performance of any provision of these Conditions or any other terms agreed in writing shall not be deemed a waiver of its rights or remedies in respect of any present or future default of the Buyer in performance or compliance with any of these Conditions.

19 Notice

- 19.1 Any notice required or permitted to be given by either party to the other under these Conditions 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 notice.
- 19.2 Notice shall be delivered personally or sent by first class prepaid recorded delivery of by registered post (airmail if overseas) and shall be deemed to be given in the case of delivery personally on delivery and in the case of posting (in the absence of evidence of earlier receipt) 48 hours after posting (six days if sent by airmail).

20 Enforceability

20.1 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provision of these Conditions and the remainder of the provision in question shall not be affected.

21 Dispute

21.1 In the event of a dispute between the Buyer and the Seller, should the Seller in writing require, the Buyer agrees to submit to the jurisdiction in accordance with the Arbitration Act 1996 for the time being in force as a legally binding alternative to court action.

22 Law and Jurisdiction

These Conditions and the contract shall be subject to and construed in accordance with English Law and the Buyer agrees to submit to the exclusive jurisdiction of the English courts.

23 Reporting – Audit

Buyer shall keep full and accurate records and accounts of each Goods purchased. Upon fifteen (15) days prior written notice, during regular business hours at Buyer's principal place of business, Buyer shall make these records available for audit by RFS or by an independent auditing firm. Such audit shall be limited to checking the compliance with the terms and conditions of these T&C's. Buyer undertakes to retain all corresponding books and records for the minimum period as required by the applicable laws or regulations in the country of incorporation of Buyer.

24 Customer business practices

Customer warrants that it—as well as its directors, officers, employees and shareholders have not been convicted of or pleaded guilty to an offence involving fraud, corruption, or money laundering, and that is not now listed by any government authorities as debarred, suspended, or otherwise ineligible for government procurement programs. Furthermore, Customer shall immediately inform RFS of any conviction of, or investigation proceedings initiated against, any of its directors, officers, employees, and shareholders.

Customer acknowledges having been made fully acquainted with the “Electronic Industry Code of Conduct” (as updated from time to time and permanently available at the EICC website <http://www.eiccoalition.org/standards/code-of-conduct/> and incorporated by reference hereof). Customer undertakes, in particular, to apply the standards set out therein with respect to its performance under this Supply Contract and related Orders as such relates to labor, international human rights, environmental, health and safety, combating bribery, and ethics. Customer recognizes that violation of such principles will be considered a material breach of this Supply Contract. In the event RFS reasonably believes that a breach of any of the representations and warranties in this Article has occurred or may occur, and provided that RFS provides Customer prior written notification explaining such belief, RFS may withhold further delivery to Customer until such time as it has received confirmation to its satisfaction that no breach has occurred or will occur. RFS shall not be liable to the Customer for any claim, losses, or damages whatsoever related to its decision to withhold delivery under this provision. Customer accepts to receive and make known to relevant Customer personnel anti-corruption information and/or training materials from RFS in connection with this Supply Contracts.

Customer accepts that this Article constitutes a condition of this Supply Contract and that any Violation of any principles set forth herein will be considered as a material breach of this Supply Contract or any related Order, allowing RFS to terminate this Supply Contract with immediate effect, without RFS incurring any liabilities in respect of such termination and without prejudice to any other remedies RFS may have in law, equity, or in contract in respect of such breach.

RFS shall not be obliged to perform deliveries, orders, and other obligations under Supply Contract if that performance is hindered by the applicable export laws and regulations. Each Party and its respective agents and Affiliates shall, and shall cause their respective employees to, comply at their own expense with all applicable local, national, regional, and international laws, ordinances, regulations, codes, standards, directives, and international conventions and agreements to the extent that any of the foregoing have the force of law by being directly enforceable by a governmental authority, a court, or other proper tribunal, (collectively "Laws"), including, as applicable, but not limited to anti-bribery and records keeping laws, conventions, and/or directives of each country in which such Party conducts business as it relates to this Supply Contract including, but not limited to, the U.S. Foreign Corrupt Practices Act ("FCPA"), the Organization for Economic Cooperation and Development convention on combating bribery of foreign public officials ("OECD"), and the United Nations Convention Against Corruption ("UNCAC") (also known as the Merida convention), including but not limited to offering of payment or transfer of anything of value as defined in the FCPA and other laws implementing the Convention on combating Bribery of Foreign Public Officials in international business transactions

25 "No Re-Export to Russia and Belarus" Clause

"No Re-Export to Russia and Belarus" Clause

(1) The Customer shall not sell, supply, transfer, export, or re-export, directly or indirectly,

- to the **Russian Federation** or for use in the **Russian Federation** any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014, and/or

- to **Belarus** or for use in **Belarus** any goods supplied under or in connection with this Agreement that fall under the scope of Article 8g of Council Regulation (EU) No. 765/2006 and/or

- to the **Russian Federation** or for use in the **Russian Federation** intellectual property rights, trade secrets or related information of any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014. The Customer is required to extend this prohibition to its potential sublicensees of such intellectual property rights or trade secrets.

(2) The Customer shall undertake its best efforts to ensure that the purpose of paragraph (1) is not frustrated by any third parties further down the commercial chain, including by possible resellers.

(3) The Customer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph (1).

(4) Any violation of paragraphs (1), (2) or (3) shall constitute a material breach of an essential element of this Agreement, and RFS shall be entitled to seek appropriate remedies, including, but not limited to:

- (i) termination of this contract in whole or in part;

- (ii) indemnification from all cost, loss and damages resulting from such breach and

- (iii) all other remedies available to the Seller under applicable law.

In case of a culpable (intentional and/or grossly negligent) violation of paragraphs (1), (2) or (3) above, RFS reserves the right to apply a penalty of 20 % of the value of this contract or price of the goods exported, whichever is higher. However, the Customer is permitted to prove that RFS GmbH has not suffered any damage or only to a lesser extent. The right to claim indemnification of any higher damages under (ii) above shall not be affected by this penalty.

(5) The Customer shall immediately inform RFS about any problems in applying paragraphs (1), (2) or (3), including any relevant activities by third parties that could frustrate the purpose of paragraph (1). The Customer shall make available to RFS information concerning compliance with the obligations under paragraph (1), (2) and

- (3) within two weeks of the simple request of such information.

(6) If the Customer breaches the contractual obligations, RFS shall inform the competent authority as soon as it becomes aware of the breach

GENERAL

The Health and Safety at Work Regulations 1999. We hereby give you notice that we have available information or product literature concerning the conditions necessary to ensure that the goods supplied hereunder will be safe and without risk to health when properly used. Unless you request such information or literature immediately on receipt of this document it will be assumed that you are already in possession of such information and literature and do not require any information or advice in connection with the safe use of the Goods at work.