

Standard Conditions of Supply



1. Definitions and interpretation

1.1 Definitions:

Business Day	a day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.
Conditions	the terms and conditions set out in this document as amended from time to time in accordance with clause 12.4.
Contract	the contract between RHEON and the Customer for the sale and purchase of the Goods in accordance with these Conditions.
Customer	the person or firm who purchases the Goods from RHEON.
Delivery Location	has the meaning given in clause 4.3.
Force Majeure Event	an event, circumstance or cause beyond a party's reasonable control.
Goods	the goods (or any part of them) set out in the Order.
Intellectual Property Rights	all intellectual property rights of any nature in any part of the world including patents, copyright and related rights (including rights in computer software), trade marks, designs and database rights and rights in confidential information (including know-how and trade secrets).
Order	the Customer's order for the Goods, as set out in the Customer's written acceptance of RHEON's quotation, or overleaf, as the case may be.
RHEON	RHEON Labs Ltd (registered in England and Wales with company number 10828503) or such other entity as is specified in the Order.
Specification	the RHEON Standard of Quality for the Goods, or any similar expression for the Goods as is agreed in writing between the Customer and RHEON.

1.2 Interpretation:

- 1.2.1 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.2.2 A reference to legislation or a legislative provision is a reference to it as amended or re-enacted. A reference to legislation or a legislative provision includes all subordinate legislation made under that legislation or legislative provision.
- 1.2.3 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.2.4 A reference to **writing** or **written** includes fax and email.

2. Basis of contract

- 2.1 Except as expressly provided, these Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate (whether prior to or after the date of the Contract), or which are implied by law, trade custom, practice or course of dealing. The Customer waives any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of the Customer that is inconsistent with these Conditions.
- 2.2 The Order constitutes an offer by the Customer to purchase the Goods in accordance with these Conditions. The Customer is responsible for ensuring that the terms of the Order, and any applicable element of the Specification submitted by the Customer are complete and accurate.
- 2.3 The Order shall only be deemed to be accepted when RHEON issues a written acceptance of the Order, at which point the Contract shall come into existence.

2.4 RHEON's acceptance of an Order may be subject to any conditions or requirements notified to the Customer (including in the quotation), including as to minimum order quantities applicable to Goods.

2.5 Any samples, drawings, descriptive matter or advertising produced by RHEON and any descriptions or illustrations contained in RHEON's catalogues or brochures are produced for the sole purpose of giving an approximate idea of the Goods referred to in them. Unless specifically referred to in the Specification they shall not form part of the Contract nor have any contractual force.

2.6 A quotation for the Goods given by RHEON shall not constitute an offer. Unless expressly stated otherwise, a quotation shall be valid for a period of ten (10) months from its date of issue.

2.7 Once an Order has been accepted by RHEON in accordance with clause 2.3 it may not be cancelled or amended without RHEON's written consent, which consent may be conditional on RHEON receiving compensation for losses and expenses (including internal expenses) incurred as a result of such cancellation or amendment.

2.8 The Customer acknowledges and agrees that Goods are supplied on a business-to-business basis and that it deals with RHEON in a business context and not as a consumer or private individual. These Conditions are for the supply of Goods in a business context only.

3. Goods

3.1 The Goods are described in the Specification.

3.2 To the extent that the Goods are to be manufactured in accordance with a Specification (or elements of it) provided by the Customer, the Customer warrants that it has all necessary rights (including licences) to authorise the Customer to manufacture and supply Goods in accordance with such Specification (or element of it).

3.3 RHEON reserves the right to amend the Specification including if required by any applicable statutory or regulatory requirement, and RHEON shall notify the Customer in any such event.

4. Delivery

4.1 The provisions of this clause 4 are subject to any terms expressly agreed between the parties in relation to the Order, including any Incoterms®. In the absence of express agreement, the applicable terms shall be Incoterms® 2020 EXW (ex works) Asia. Delivery terms for sample quantities of Goods may vary.

4.2 RHEON shall:

- 4.2.1 provide with each delivery of the Goods a delivery note showing the date of the Order, all relevant RHEON and/or Customer reference numbers and the type and quantity of the Goods (including the code number of the Goods, where applicable); and
- 4.2.2 notify the Customer if RHEON requires the Customer to return any packaging materials to RHEON. The Customer shall make any such packaging materials available for collection at such times as RHEON shall reasonably request. Returns of packaging materials shall be at RHEON's expense.

4.3 RHEON shall deliver the Goods to, or make available the Goods for collection from, the location set out in the Order or such other location as the parties may agree in writing (**Delivery Location**) at any time after RHEON notifies the Customer that the Goods are ready.

4.4 Any dates quoted for delivery are approximate only, and the time of delivery is not of the essence. RHEON shall not be liable for any delay in delivery of the Goods that is caused by a failure of the Customer to pay sums due to RHEON in accordance with clause 7, a Force Majeure Event or the Customer's failure to provide RHEON with adequate delivery instructions or any other instructions or assistance or to perform its obligations (including pursuant to the applicable Incoterms® 2020) that are relevant to the supply of the Goods.

4.5 If RHEON fails to deliver the Goods, its liability shall be limited to the price of the Goods including delivery costs. RHEON shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a failure of the Customer to pay sums due to RHEON in accordance with clause 7, a Force Majeure Event or the Customer's failure to provide RHEON with adequate delivery instructions or any other instructions or assistance or to perform its obligations (including pursuant to the applicable Incoterms®) that are relevant to the supply of the Goods.

4.6 If the Customer fails to take delivery of the Goods within three (3) Business Days of RHEON notifying the Customer that the Goods are ready, then, except where such failure or delay is caused by a Force Majeure Event or RHEON's failure to comply with its obligations under the Contract in respect of the Goods:

- 4.6.1 Delivery of the Goods shall be deemed to have been completed at 9.00 am on the third Business Day after the day on which RHEON notified the Customer that the Goods were ready; and
- 4.6.2 RHEON shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses (including insurance).

4.7 If five (5) Business Days after the day on which RHEON notified the Customer that the Goods were ready for delivery the Customer has not taken actual delivery of them, RHEON may resell or otherwise dispose of part or all of the Goods and, after deducting reasonable storage and selling costs, account to the Customer for any excess over the price of the Goods or charge the Customer for any shortfall below the price of the Goods.

4.8 If RHEON delivers up to and including 5% more or less than the quantity of Goods ordered the Customer may not reject them, but on receipt of notice from the Customer that the wrong quantity of Goods was delivered, RHEON shall make a pro rata adjustment to the invoice for the Goods.

4.9 RHEON may deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

4.10 Goods shall be packaged in a manner which is (in RHEON's judgment) suitable for long distance transportation.

4.11 Unless expressly agreed otherwise in between the parties (including in compliance with the applicable Incoterms® 2020) the Customer is responsible for obtaining, at its own cost, such import licences and other consents in relation to Goods as are required from time to time and, if required, those licences and consents shall be made available to RHEON prior to the relevant shipment of Goods.

5. Quality

5.1 Subject to clause 5.3, RHEON warrants that on delivery, and for a period of five (5) years from the date of delivery (the **warranty period**), the Goods shall conform in all material respects with the Specification.

5.2 Subject to clause 5.3, if:

- 5.2.1 the Customer gives notice in writing to RHEON during the warranty period within a reasonable time of discovery that some or all of the Goods do not comply with the warranty set out in clause 5.1;
- 5.2.2 RHEON is given a reasonable opportunity of examining such Goods; and
- 5.2.3 the Customer (if asked to do so by RHEON) returns such Goods to RHEON's place of business at the Customer's cost, RHEON shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods (and any return costs) in full.

5.3 RHEON shall not be liable for the Goods' failure to comply with the warranty set out in clause 5.1:

- 5.3.1 if the Customer makes any further use of such Goods after giving notice in accordance with clause 5.2;
 - 5.3.2 to the extent that the defect arises because the Customer or end users of the Goods failed to follow RHEON's oral or written recommendations (including as set out in the Specification) as to the storage, commissioning, installation, use and maintenance of the Goods or (if there are none) good trade practice regarding the same;
 - 5.3.3 to the extent that the defect arises as a result of RHEON following any drawing, design or Specification (or part thereof) provided by the Customer;
 - 5.3.4 if the Customer alters or repairs such Goods without the written consent of RHEON;
 - 5.3.5 if the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal storage or working conditions;
 - 5.3.6 if the Goods differ from the Specification as a result of changes made to ensure they comply with applicable statutory or regulatory requirements; or
 - 5.3.7 to the extent that RHEON's liability to the Customer exceeds the Customer's own liability to its own customers or end users in relation to the Goods or other products into which the Goods are installed or incorporated.
- 5.4 Except as provided in this clause 5, RHEON shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.
- 5.5 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from the Contract.
- 5.6 These Conditions shall apply to any repaired or replacement Goods supplied by RHEON.

6. Title and risk

- 6.1 The risk in the Goods shall pass to the Customer on completion of delivery.
- 6.2 Title to the Goods shall not pass to the Customer until RHEON receives payment in full for the Goods.
- 6.3 Until title to the Goods has passed to the Customer, the Customer shall:
 - 6.3.1 store the Goods separately from other goods so that they remain readily identifiable as RHEON's property;
 - 6.3.2 not remove, deface or obscure any identifying mark or packaging on or relating to the Goods; and



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6.3.3 maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery.

7. Price and payment

7.1 The price of the Goods shall be the price set out in the Order, or, if no price is quoted, the price set out in RHEON's published price list in force as at the date of delivery.

7.2 The price of the Goods:

7.2.1 excludes amounts in respect of value added tax or other sales tax (VAT), which the Customer shall additionally be liable to pay to RHEON at the prevailing rate, subject to the receipt of a valid VAT invoice; and

7.2.2 excludes the costs and charges of packaging, insurance and transport of the Goods, which shall be invoiced to the Customer.

7.3 Unless agreed otherwise in writing in the Order, the Customer shall pay RHEON for the Goods in two instalments:

7.3.1 a deposit of 50% (or, in relation to non-customised Goods, 25%) of the value of the Order on acceptance of the Order pursuant to clause 2.3; and

7.3.2 the balance of the Order value on or after the date on which RHEON notifies the Customer that the Goods are ready for delivery.

7.4 Unless agreed otherwise in writing in the Order and subject to clause 7.6, the Customer shall pay each invoice submitted by RHEON (in full and in cleared funds to the bank account nominated in writing by RHEON). Time for payment shall be of the essence of the Contract

7.5 The Customer acknowledges and agrees that RHEON shall be under no duty to progress an Order (including the production and, as applicable, despatch or release of Goods) until such time as the sums set out in clause 7.3 have been paid in full by the Customer.

7.6 If the Customer fails to make a payment due to RHEON under the Contract by the due date, then, without limiting RHEON's remedies under clause 10, the Customer shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this clause 7.6 will accrue each day at 4% a year above the Bank of England's base rate from time to time, but at 4% a year for any period when that base rate is below 0%.

7.7 All amounts due under the Contract shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

8. Intellectual Property Rights

8.1 Except to the extent provided by the Customer, all Intellectual Property Rights subsisting in the Goods are owned and shall remain owned by RHEON or its licensors (as the case may be). The Customer agrees not to analyse or reverse engineer (or attempt to analyse or reverse engineer) the composition, manufacture or make up of the Goods.

9. Limitation of liability

9.1 The limits and exclusions in this clause reflect the insurance cover RHEON has been able to arrange and the Customer is responsible for making its own arrangements for the insurance of any excess loss.

9.2 The restrictions on liability in this clause 9 apply to every liability arising under or in connection with the Contract including liability in contract, tort (including negligence), misrepresentation, restitution or otherwise.

9.3 Nothing in the Contract limits any liability which cannot legally be limited, including liability for:

9.3.1 death or personal injury caused by negligence;

9.3.2 fraud or fraudulent misrepresentation;

9.3.3 breach of the terms implied by section 12 of the Sale of Goods Act 1979; or

9.3.4 defective products under the Consumer Protection Act 1987.

9.4 Subject to clause 9.3, the Customer acknowledges and agrees that RHEON does not control the use made of Goods by or on behalf of the Customer, including their use with or installation or incorporation into other products for sale to other customers or end users. Accordingly unless expressly agreed otherwise in writing between the parties the Customer is solely responsible for ensuring that any use made of the Goods is appropriate and in compliance with applicable laws.

9.5 Subject to clause 9.3, RHEON's total liability to the Customer shall not exceed the value of the Order to which the liability in question relates.

9.6 Subject to clause 9.3, the following types of loss are wholly excluded:

9.6.1 loss of profits;

9.6.2 loss of sales or business;

9.6.3 loss of agreements or contracts;

9.6.4 loss of anticipated savings;

9.6.5 loss of use or corruption of software, data or information;

9.6.6 loss of or damage to goodwill; and

9.6.7 indirect or consequential loss.

9.7 This clause 9 shall survive termination of the Contract.

10. Termination

10.1 Without limiting its other rights or remedies, RHEON may terminate this Contract with immediate effect by giving written notice to the Customer if:

10.1.1 the Customer commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within fourteen (14) days of that party being notified in writing to do so;

10.1.2 the Customer fails to pay any amount due under the Contract on the due date for payment;

10.1.3 the Customer takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), obtaining a moratorium, being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business or, if the step or action is taken in another jurisdiction, in connection with any analogous procedure in the relevant jurisdiction;

10.1.4 the Customer suspends, threatens to suspend, ceases or threatens to cease to carry on all or a substantial part of its business; or

10.1.5 the Customer's financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of the Contract is in jeopardy.

10.2 Without limiting its other rights or remedies, RHEON may suspend provision of the Goods under the Contract or any other contract between the Customer and RHEON if the Customer becomes subject to any of the events listed in clause 10.1.3 to clause 10.1.5, or RHEON reasonably believes that the Customer is about to become subject to any of them, or if the Customer fails to pay any amount due under this Contract on the due date for payment.

10.3 On termination of the Contract for any reason the Customer shall immediately pay to RHEON all of RHEON's outstanding unpaid invoices and interest and, in respect of any Goods supplied but for which no invoice has been submitted, RHEON shall submit an invoice, which shall be payable by the Customer immediately on receipt.

10.4 Termination or expiry of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination or expiry, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry.

10.5 Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination or expiry of the Contract shall remain in full force and effect.

11. Force majeure

Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under the Contract if such delay or failure results from a Force Majeure Event. In such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations. If the period of delay or non-performance continues for twelve (12) weeks, the party not affected may terminate the Contract by giving fourteen (14) days' written notice to the affected party.

12. General

12.1 Assignment and other dealings.

12.1.1 RHEON may at any time assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

12.1.2 The Customer may not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract without the prior written consent of RHEON.

12.2 Confidentiality.

12.2.1 Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party, except as permitted by clause 12.2.2.

12.2.2 Each party may disclose the other party's confidential information:

a) to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under the Contract. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause 12.2; and

b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

12.2.3 Neither party shall use the other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with the Contract.

12.3 Entire agreement.

12.3.1 The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

12.3.2 Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in the Contract.

12.4 Variation. No variation of this Contract shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

12.5 Waiver. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

12.6 Severance. If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of the Contract. If any provision of the Contract is deemed deleted under this clause 12.6 the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

12.7 Notices.

12.7.1 Any notice given to a party under or in connection with the Contract shall be in writing and shall be:

a) delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case); or
b) sent by email to the address specified in the Order.

12.7.2 Any notice shall be deemed to have been received:

a) if delivered by hand, at the time the notice is left at the proper address;
b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; or
c) if sent email, at the time of transmission, or, if this time falls outside business hours in the place of receipt, when business hours resume. In this clause (c), business hours means 9.00am to 5.00pm Monday to Friday on a day that is not a public holiday in the place of receipt.

12.7.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

12.8 Third party rights. Unless it expressly states otherwise, the Contract does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract.

12.9 Governing law. The Contract, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

12.10 Jurisdiction. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.

