

TERMS AND CONDITIONS OF SALE

The Customer's attention is drawn in particular to the provisions of clause 9.

1. INTERPRETATION

1.1 Definitions. In these Conditions, the following definitions apply:

"Anti-Corruption Rules": all laws, regulations and administrative requirements in any jurisdiction relating to the prevention and/or penalisation of bribery, money laundering and other forms of corrupt behaviour or practices or terrorism (including without limitation the anti-corruption laws of those countries subject to Sanctions and appearing on the Sanctions List).

"Anti-Slavery Rules" all laws regulations and administrative requirements in any jurisdiction relating to the prevention and/or penalisation of modern slavery practices and human trafficking activities. This includes, but is not limited to the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act 2010.

"Associated Person": any officer, employee, consultant, agent or other person who performs services or business acts for or on behalf of the relevant member of the Customer's Group.

"Business Day": a day (other than a Saturday, Sunday or public holiday) 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 13.6 with the latest version always being available on the Dialight website (www.dialight.com) if there is any conflict between the paper Conditions and the version available on the Dialight website, the version on the website shall prevail.

"Contract": the contract between Dialight and the Customer for the sale and purchase of the Goods in accordance with these Conditions.

"Customer": the person, organisation, company or firm who purchases the Goods from Dialight.

"Dialight": Dialight Europe Limited (registered in England and Wales with company number 1865338).

"financial and other advantage": any payment or other advantage in whatever form and however characterised (including any bribe, rebate, pay-off, influence payment, kickback, inducement or gift).

"Force Majeure Event": any event beyond a party's reasonable control, which by its nature could not have been foreseen, or, if it could have been foreseen, was unavoidable, including strikes, lock-outs or other industrial disputes (whether involving its own workforce or a third party's), failure of energy sources or transport network, acts of God, war, terrorism, riot, civil commotion, interference by civil or military authorities, national or international calamity, armed conflict, malicious damage, breakdown of plant or machinery, nuclear, chemical or biological contamination, sonic boom, explosions, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, epidemics or similar events, natural disasters or extreme adverse weather conditions, or default of suppliers or subcontractors.

"Goods": the goods (or any part of them) set out in the Order.

"Group": in relation to a company, means that company, any subsidiary or holding company from time to time of that company and any subsidiary from time to time of a holding company of that company. In relation to an individual, sole trader, partnership, or other organisation in whichever form, means any person, sole trader, partnership or other organisation in whichever form associated or working for or on their behalf.

"Order": the Customer's order for the Goods, as set out in the Customer's purchase order or the Customer's written acceptance of Dialight's quotation as the case may be.

"Restricted Party": a person that is: (a) listed on, or owned or controlled by a person listed on, a Sanctions List, or a person acting on behalf of such a person; (b) located in or organised under the laws of a country or territory that is the subject of country- or territory-wide Sanctions, or a person who is owned or controlled by, or acting on behalf of such a person; or (c) otherwise a subject of Sanctions.

"Sanctions": any trade, economic or financial sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by a Sanctions Authority.

"Sanctions Authority": (a) The Security Council of the United Nations; (b) The United States of America; (c) The European Union; (d) The members of the European Union; (e) Hong Kong; (f) the Commonwealth of Australia; and (g) The governments and official institutions or agencies of any of paragraphs (a) to (f) above, including OFAC, the US Department of State, the Hong Kong Monetary Authority and Her Majesty's Treasury.

"Sanctions List": the Specially Designated Nationals and Blocked Persons list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and Investment Ban List maintained by Her Majesty's Treasury, or any similar list maintained by, or public announcement of a Sanctions designation made by, a Sanctions Authority, each as amended, supplemented or substituted from time to time.

"unlawful": in relation to any financial or other advance, means that the offer, giving, promise, request or acceptance of, or agreement to receive, such financial or other advantage is or may be in breach of Anti-Corruption Rule or Anti-Slavery Rules

1.2 Construction. In these Conditions, the following rules apply:

- a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- a reference to a party includes its personal representatives, successors or permitted assigns;
- reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted and includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- a reference to writing or written includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 Unless otherwise agreed in writing by the parties, these Conditions constitute the entire agreement between the parties and supersede and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter. 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 these Conditions. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in 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 are complete and accurate.

2.3 The Order shall only be deemed to be accepted when Dialight issues a written acceptance for or otherwise acknowledges the Order ("Acknowledgement of Order"), at which point the Contract shall come into existence. Each Order shall constitute a separate Contract.

2.4 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of Dialight which is not set out in the Contract.

2.5 Any samples, drawings, descriptive matter, or advertising produced by Dialight and any descriptions or illustrations contained in Dialight's catalogues or brochures are produced for the sole purpose of giving an approximate idea of the Goods described in them. They shall not form part of the Contract or have any contractual force.

2.6 A quotation for Goods given by Dialight shall not constitute an offer. A quotation shall only be valid for a period of 30 Business Days from its date of issue.

2.7 Dialight reserves the right to assign or refer any Order or Contract to a Dialight authorised distributor for completion. Where such a right is exercised Dialight shall inform the Customer of the same.

3. GOODS

3.1 The Goods are described in Dialight's brochures, catalogues and data sheets which are available from Dialight's website (www.dialight.com).

3.2 To the extent that the Goods are to be manufactured in accordance with specific requirement as requested and or supplied by the Customer, or where the Customer trades, exports or uses the Goods outside of the United Kingdom, the Customer shall indemnify Dialight against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by Dialight in connection with any claim made against Dialight for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with Dialight's use of those specifications and shall notify Dialight of any such claim or threat thereof. This clause 3.2 shall survive termination of the Contract.

3.3 Where the Customer requires specific requirements or specifications, Dialight reserves the right to amend the specification of the Goods if required by any applicable statutory, regulatory or practical requirements. Dialight shall inform the Customer where the same is required.

3.4 Dialight reserves the right to change or amend any Goods at any time without notice, including but not limited to if required by any applicable statutory or regulatory requirements.

4. DELIVERY

4.1 Dialight shall ensure that each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, all relevant Customer and Dialight reference numbers, the type and quantity of the Goods (including the code number of the Goods, where applicable) and special storage instructions (if any).

4.2 The Customer shall collect the Goods at the location specified by Dialight prior to delivery ("Delivery Location") within 3 Business Days of Dialight notifying the Customer that the Goods are ready. For international deliveries the latest version of Incoterms shall apply and delivery shall be Ex-Works unless otherwise agreed by Dialight in the Acknowledgement of Order.

4.3 Where Dialight requires the Customer to return any packaging materials to Dialight, Dialight shall inform the Customer. In such circumstances the Customer shall make any such packaging materials available for collection at such times as Dialight shall reasonably require. Returns of packaging materials shall be at Dialight's expense.

4.4 Delivery of the Goods shall be completed on the completion of loading of the Goods at the Delivery Location.

4.5 Any dates quoted for delivery are approximate only, and the time of delivery is not of the essence. Dialight shall not be liable for any delay in delivery of the Goods that is caused by a Force Majeure Event or the Customer's failure to provide Dialight with adequate delivery instructions or any other instructions or parts that are relevant to the supply of the Goods.

4.6 If Dialight fails to deliver the Goods, its liability shall be limited to the costs and expenses properly and reasonably incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. Dialight shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event or the Customer's failure to provide Dialight with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods.

4.7 If the Customer wishes to delay or suspend delivery, it must give Dialight at least one calendar month's prior written notice. Such delay or suspension shall not exceed 3 calendar months after the original delivery date. Any related costs or expenses (including insurance) shall be charged to the Customer.

4.8 If the Customer fails to accept delivery of the Goods within 3 Business Days of Dialight notifying the Customer that the Goods are ready, then, except where such failure or delay is caused by a Force Majeure Event or Dialight's failure to comply with its obligations under the Contract:

(a) 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 Dialight notified the Customer that the Goods were ready; and

(b) Dialight shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses (including insurance) at the end of each calendar month following the date when the Goods are ready for delivery.

4.9 If 10 Business Days after the day on which Dialight notified the Customer that the Goods were ready for delivery the Customer has not taken delivery of them, Dialight 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.

4.10 The Customer shall not be entitled to reject the Goods if Dialight delivers up to and including 5% more or less than the quantity of Goods ordered, but a pro rata adjustment shall be made to the Order invoice on receipt of notice from the Customer that the wrong quantity of Goods was delivered.

4.11 Dialight 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.

5. QUALITY AND WARRANTY

5.1 The Customer is directed to Dialight's website (www.dialight.com/warranties) for the relevant warranty document which sets out the terms of the warranty including the relevant warranty period attached to the Goods. Should the Customer be in any doubt regarding the warranty period they should contact Dialight or a Dialight authorised representative.

5.2 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.

6. TITLE AND RISK

6.1 Risk in the Goods shall pass to the Customer on completion of delivery in accordance with clause 4.2.

6.2 Title to the Goods shall not pass to the Customer until Dialight has received payment in full (in cash or cleared funds) for the Goods and any other Goods that Dialight has supplied to the Customer in respect of which payment has become due, in which case title to the Goods shall pass at the time of payment of all such sums.

6.3 Until title to the Goods has passed to the Customer, the Customer shall:

- hold the Goods on a fiduciary basis as Dialight's bailee;
- store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as Dialight's property;
- not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
- maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery;
- notify Dialight immediately if it becomes subject to any of the events listed in clause **Error! Reference source not found.**

(f) give Dialight such information relating to the Goods as Dialight may require from time to time; and

(g) allow Dialight entry into its premises to remove any part of or the whole of the Goods during normal business hours.

6.4 Subject to clause 6.5, the Customer may resell or use the Goods in the ordinary course of its business (but not otherwise) before Dialight receives payment for the Goods. However, if the Customer resells the Goods before that time:

(a) it does so as principal and not as Dialight's agent; and

(b) title to the Goods shall pass from Dialight to the Customer immediately before the time at which resale by the Customer occurs.

6.5 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause **Error! Reference source not found.**, or Dialight reasonably believes that any such event is about to happen and notifies the Customer accordingly, then, without limiting any other right or remedy Dialight may have:

- the Customer's right to resell the Goods or use them in the ordinary course of its business ceases immediately; and
- Dialight may at any time:
 - require the Customer to deliver up the Goods in its possession which have not been resold, or irrevocably incorporated into another product; and,
 - if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

7. PRICE AND PAYMENT

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

7.2 Dialight may, by giving notice to the Customer at any time before delivery, increase the price of the Goods to reflect any increase in the cost of the Goods that is due to:

- any factor beyond Dialight's control (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
- any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, additional testing, documentation or certification, or the any specification; or
- any delay caused by any instructions of the Customer or failure of the Customer to give Dialight adequate or accurate information or instructions.

7.3 The price of the Goods is exclusive of the costs and charges of packaging, insurance and transport of the Goods, which shall be invoiced separately to the Customer.

7.4 The price of the Goods is exclusive of amounts in respect of value added tax ("VAT"). The Customer shall, on receipt of a valid VAT invoice from Dialight, pay to Dialight such additional amounts in respect of VAT as are chargeable on the supply of the Goods.

7.5 Where tools are acquired by Dialight to satisfy any requirements or specification as requested by the Customer, Dialight shall invoice the Customer for the cost price of the tools. Half of the estimated cost of the tools shall be payable upon the Customer placing the Order, and the balance of the cost price shall be payable upon the Customer receiving the sample Goods. The Customer acknowledges that the tools shall be the property of Dialight. Where any tooling is not used for a period of 3 years, Dialight reserves the right to remove and/or destroy the same.

7.6 The Customer shall pay the invoice in full and in cleared funds within 30 calendar days of the date of the invoice (unless otherwise agreed and confirmed in writing by Dialight) ("Due Date"). Invoices are raised and issued to the Customer upon shipment of an Order. Payment shall be made to the bank account nominated in writing by Dialight. Time of payment is of the essence.

7.7 If the Customer fails to make any payment due to Dialight under the Contract by the Due Date, then the Customer shall pay interest on the overdue amount at the rate of 4% per annum above Barclays Bank plc's base rate from time to time. Such interest shall accrue on a daily basis from the Due Date until the date of actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

7.8 The Customer shall pay all amounts due under the Contract in full without any deduction or withholding except as required by law and the Customer shall not be entitled to assert any credit, set-off or counterclaim against Dialight in order to justify withholding payment of any such amount in whole or in part. Dialight may at any time, without limiting any other rights or remedies it may have, set off any amount owing to it by the Customer against any amount payable by Dialight to the Customer.

7.9 Where the Customer fails to satisfy payment on the Due Date, Dialight shall be entitled to suspend manufacture or delivery of Goods relating to any Contract or Orders (including those Goods already in transit) and terminate any unsatisfied or incomplete Contract Dialight has with the Customer. Dialight shall give the Customer notice of the same.

8. CUSTOMER'S INSOLVENCY OR INCAPACITY

8.1 If the Customer becomes subject to or Dialight reasonably believes that the Customer is about to become insolvent, subject to insolvency or bankruptcy proceedings, unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986, or is in negotiations with any of its creditors with a view to rescheduling its debts or their financial situation deteriorates to an extent that they cannot adequately fulfil their obligations under the Contract then, without limiting any other right or remedy available to Dialight, Dialight may terminate or suspend the Contract, pay the supply of Goods under any other contract between the Customer and Dialight without incurring any liability to the Customer, and all outstanding sums in respect of Goods delivered to the Customer shall become immediately due. This clause also applies to equivalent events or circumstances in any jurisdiction where the Customer does business.

8.2 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

9. LIMITATION OF LIABILITY

9.1 Nothing in these Conditions shall limit or exclude Dialight's liability for:

- Death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);
- Fraud or fraudulent misrepresentation;
- Breach of the terms implied by section 12 of the Sale of Goods Act 1979;
- Defective products under the Consumer Protection Act 1987; or
- Any matter in respect of which it would be unlawful for Dialight to exclude or restrict liability.

9.2 Subject to clause 9.1:

- Dialight shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract; and
- Dialight's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed 100% of the price of the Contract.

10. COMPLIANCE WITH LAWS & BUSINESS PARTNERS POLICY

10.1 The Customer, on its behalf and on behalf of its Group, officers and employees, makes the following warranties and undertakings to Dialight:

- That it will adhere to the terms of Dialight's Business Partners Policy, as available on the Dialight website and as updated from time to time.
- Neither the Customer nor the Customer's Group nor their respective officers or any of their employees has, nor, so far as the Customer is aware, none of our respective Associated Persons is or has engaged in any activity or conduct that has or will result in a violation of any Anti-Slavery Rules.
- Neither the Customer nor the Customer's Group nor their respective officers or any of their employees has, nor, so far as the Customer is aware, none of our respective Associated Persons is or has engaged in any activity or conduct that has or will result in a violation of any Anti-Corruption Rules;

(d) The Customer has maintained such systems and controls as are necessary to ensure compliance by it and its Associated Persons with Anti-Slavery Rules and Anti-Corruption Rules, and so far as the Customer is aware, there has not been any breach by it or any of its Associated Persons of any such systems or controls; and

(e) The Customer has not at any time received any enquiry regarding or report of complaint of, or initiated any investigation or disciplinary proceedings in connection with, any possible breach of any Anti-Slavery Rules and/or Anti-Corruption Rules by it or any of our Associated Persons.

10.2 No member of the Customer's Group is or has, within the last 6 years, been subject to any investigation, inquiry, enforcement proceedings or sanction by any governmental, administrative, regulatory or law enforcement body relating to Anti-Corruption Rules or Anti-Slavery Rules.

10.3 To the best of its knowledge (having made due and careful enquiry), neither the Customer nor the Customer's Group nor their respective officers or any of our employees:

(a) Is a restricted Party or is engaging in or has engaged in any transaction or conduct that could reasonably be expected to result in it becoming a Restricted Party;

(b) Is or ever has been subject to any claim, proceeding, formal notice or investigation with respect to Sanctions;

(c) is engaging or has engaged in any transaction that evades or avoids or has the purpose of evading or avoiding, or breaches or attempts to breach, directly or indirectly, any Sanctions applicable to it; or

(d) Has engaged or is engaging, directly or indirectly, in any trade, business or other activities with or for the benefit of a Restricted Party.

Except, in the case of sections 10.3 (b) and (d), where the Customer, or the Customer's Group, or their respective officers or any of their employees is resident or incorporated in a country or territory that is the subject of country- or territory-wide Sanctions, but is not otherwise a Restricted Party or acting on behalf of a Restricted Party, and where the Agent has notified Dialight of such residency or incorporation.

10.4 Any breach of this clause 10 shall be regarded as a material breach of the Contract and Dialight reserves the right, in its sole discretion, to terminate the Contract without notice and without incurring any liability to the Customer

11. INTELLECTUAL PROPERTY

11.1 All intellectual property (all Dialight patents, trademarks and copyright (including drawings, designs, documents, brochures, data sheets and price lists)) is solely owned by Dialight.

11.2 The Customer unconditionally acknowledges that it shall not use any of Dialight's intellectual property in any way, unless otherwise previously agreed and confirmed in writing by Dialight.

12. FORCE MAJEURE

Neither party shall be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by a Force Majeure Event.

13. GENERAL

13.1 Assignment and subcontracting

(a) Dialight may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract.

(b) The Customer may not assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract without Dialight's prior written consent.

13.2 Notices

(a) Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first class post or recorded delivery in the UK, commercial courier, or fax.

(b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 13.2(a); if sent by pre-paid first class post or recorded delivery, at 10.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax, one Business Day after transmission.

(c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

13.3 Severance

(a) If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

(b) If any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

13.4 Waiver. A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract by or law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

13.5 Third party rights. A person who is not a party to the Contract shall not have any rights under or in connection with it.

13.6 Variation. Except as set out in these Conditions, any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by Dialight.

13.7 Governing law and jurisdiction. 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, English law, and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

August 2018