

TERMS & CONDITIONS OF PURCHASE

1. DEFINITIONS

In these conditions, the following words shall have the following meanings:-

- the 'Buyer' shall mean the company in whose name the order is placed.
- the 'Supplier' shall mean the person, firm or organisation to which the order is addressed.
- the 'Goods' shall mean all or any of the products that are the subject of a contract between the 'Buyer' and the 'Supplier'

2. ACCEPTANCE

Acknowledgement, execution or part execution of the order shall signify acceptance by the supplier of the terms herein unless any separate contrary agreement is affected by both parties. Where any conflict arises, the terms of the Buyer shall take precedence. The Buyer shall be under no obligation to accept the goods which are not fully in accordance with the requirements of the order and the terms herein.

3. AUTHORITY

The Buyer shall not be liable for any order, order amendment or instructions to proceed with orders unless and until authorised or confirmed on the Buyer's printed order or amendment form.

4. PRICES

Unless specifically agreed otherwise, all prices shall be fixed firm and not subject to any form of surcharge or variation.

5. QUALITY

The goods shall conform as to quantity, quality and description with the particulars stated in the order, be of sound material and workmanship, be equal to the samples, patterns or specification provided or be given by either party, be capable of any standard or performance specified in the order and, if the purpose for which the goods are required is made to the Supplier either expressly or implied, be fit for that purpose.

6. DELIVERY

Any time or period for delivery or despatch or completion shall be of the essence. The Buyer shall be entitled to cancel the order and/or claim reimbursement for all losses and expenses suffered in the event:-

- a) The Supplier fails to deliver goods or provide services in accordance with the terms of the order, or
- b) The Supplier fails to make adequate progress with the order such that delivery, in the opinion of the Buyer, is unlikely to be achieved.

The Supplier undertakes to notify the Buyer in writing without delay of any change in circumstances which may delay delivery.

The Buyer reserves the right to require the Supplier to suspend deliveries in the case of any strike, lockout, fire, accident or stoppage of the Buyer's business or work beyond all reasonable control of the Buyer, which prevents or hinders the use of the goods. Payment shall be postponed until such time as deliveries shall be resumed.

7. FORCE MAJEURE

The Supplier may not be liable for failure to perform this order if delayed by some cause outside the control of the Supplier; in such instance the Supplier shall give written notice of such cause within seven days of its occurrence. The Buyer may then, at his discretion, either:-

- a) Obtain the goods elsewhere and the amount of goods compromised in this order be reduced accordingly, or
- b) Allow such extra time for delivery as is reasonable in the circumstances.

In the event that the reasons for delay do not constitute force majeure, the Buyer shall have the right to cancel this order in whole or part and procure the goods elsewhere.

The Supplier shall pay to the Buyer any sum by which the expenditure reasonably incurred by the Buyer in replacing the rejected goods exceeds the sum deducted.

8. PASSING OF PROPERTY

Property in the subject matter of the order shall pass to the Buyer not later than the time of delivery provided that any passing of title shall not prejudice either the Buyer's right to reject for non-conformity with specification or any other rights that the Buyer may have under the order provided that where advance or progress payments are made title but not risk shall pass to the Buyer as soon as items are allocated to the order. All items so allocated shall be adequately marked and recorded as being the property of the Buyer.

9. DOCUMENTATION

All correspondence must quote the Buyer's order number. If so required a certificate of conformity to the specifications required shall be provided by the Supplier. Failure to supply such certificates will entitle the Buyer to reject the delivery in part or whole at his discretion.

10. PACKING, DELIVERY & MARKING

All goods supplied against the order must be adequately protected against damage and deterioration in transit and delivered to the Buyer's address; carriage paid or as otherwise notified in writing to the supplier, and must bear the Buyer's order number on the packages thereof. The goods shall be at the Supplier's risk until delivered to the Buyer at the point specified in the order unless the Buyer otherwise agrees in writing. Unless otherwise provided in the order, all containers and packing materials supplied by the Supplier shall be considered non returnable and their costs shall be included in the price. Where the Buyer receives goods as unexamined by the Buyer's right subsequently to inspect goods and reject them if they do not comply with the specification or claim for shortage shall not be prejudices. When goods are rejected they will be returned at the Supplier's risk and expense.

11. WARRANTY & REJECTION

Unless otherwise agreed the Buyer shall be under no obligation to carry out any form of inspection, nor tests to the goods on or after delivery. Without prejudice to any other rights and remedies of the Buyer the Supplier shall, at the option of the Buyer, promptly replace, repair, reinstate or refund the price of any goods found to be defective within 18 months of delivery, whether such defects arise from faulty design, materials, workmanship or otherwise. All costs in relation to rejection, replacement, reinstatement and repair shall be paid by the supplier.

12. BUYER'S PROPERTY

Where tools and/or test equipment and/or materials are supplied by the Buyer the Supplier shall accept full responsibility for their proper storage, safe custody and method of use and shall accept the risk of loss and damage howsoever arising. Any such tools, test equipment and materials shall be used by the Supplier only for performing work placed by the Buyer and shall be returned at the Supplier's expense at the completion of the work unless otherwise agreed by the Buyer in writing. Surplus materials and/or scrap shall be disposed of in accordance with the Buyer's instructions.

13. TERMS OF PAYMENT

Payment will be made 30 days to 60 days from either:-

- a) The end of the month during which delivery took place, or
- b) The end of the month during which the invoice was raised, whichever is the later.

14. TERMINATION

The Buyer reserves the right to terminate this order at any time by giving notice in writing, in which case the supplier will reduce production rate of the goods specified to the Buyer's order as rapidly as possible. Goods in process of manufacture or manufactured in accordance with delivery requirements may, at the option of the Buyer, either be completed and delivered and paid for or, alternatively, the Buyer may pay reasonable compensation in respect of the cost of material and labour involved in the production of such goods up to the time of the termination of the order.

Without prejudice to any other rights the Buyer may have, the Buyer shall also be at liberty to terminate the order forthwith in the event:-

- a) Of breach or non observance of any of these conditions by the Supplier
- b) If the Supplier shall become bankrupt or insolvent or go into liquidation or have a receiving order made against him or shall make any composition with his creditors.
- c) If more than 50% of the supplier shall pass to a third party.

15. CONFIDENTIALITY & PUBLICITY

The Buyer shall treat all information provided by the Buyer as confidential and use such information only for the purpose of performing the order. Where drawings and/or other data are issued, the Supplier shall exercise proper custody and control and return/dispose of such in accordance with the Buyer's instructions.

Prior written consent shall be obtained from the Buyer before any publicity is issued by the Supplier in connection with the order.

16. ACCESS

The Buyer's inspector or representative and any inspector or representative of the Buyer's customer or his agent or of any Government department concerned shall be entitled on the Buyer's authority to witness the inspection or testing of the goods or work which are the subject matter of the order at any reasonable time at the Supplier's works or at the works of any of the Supplier's subcontractors. If required by the Buyer the Supplier shall give the Buyer adequate notice of the Supplier's works test which the Buyer shall be entitled to attend. Reasonable facilities shall be provided at the Supplier's expense for the Inspector or Representative. The Supplier shall provide the Buyer with such certificates as the Buyer may require. Such inspection does not relieve the Supplier of any liability nor does it imply acceptance of the goods or work which are the subject matter of the order.

17. INDEMNITY

Where development forms part of the order the ownership of any intellectual property rights but not limited to patents, registered designs, unregistered design rights and copy right arising from such development shall be transferred to the Buyer and the Supplier shall co-operate in any measure necessary to make such transfer effective as soon as any such right arises. The Supplier shall keep the Buyer indemnified in respect of any claims of infringement of intellectual property rights by the use or sale of any goods supplied under the order and against all costs and damages for which the Buyer may become liable or may incur in any action for such infringement. The Supplier shall also keep the Buyer indemnified in respect of all loss and/or expense which results during the proper use directly or indirectly in whole or in part from defective materials, goods, workmanship or faulty design supplied by the Supplier including but not limited to the incursion of any such statutory liability.

The Supplier shall also keep the Buyer indemnified against any damage to the Buyer's property (including any materials, tools or patterns sent to the Supplier for any purpose) and against any claims for loss or injury to any person or death of any person or to the property of any person to the extent caused by the Supplier's negligence or any act or omission on the part of the Supplier's employee's, subcontractors or agents, arising out of the performance of the order.

18. SUB-CONTRACTS

The Supplier shall not subcontract the whole or part of this order without prior written agreement of the Buyer. Any such agreement shall not relieve the Supplier of any obligations to the Buyer.

19. HEALTH & SAFETY

The Supplier undertakes with the Buyer as follows:-

- a) That he has carried out all testing and examination and other work necessary to minimise and, so far as is reasonably practicable, eliminate any risk to health or safety resulting from use of the goods for any purpose for which they are designed.
- b) That where conditions exist under which there will or may be any risk to health or safety, the Supplier shall immediately on acceptance of this order bring such conditions to the attention of the Buyer in writing and shall provide free of cost adequate information about such conditions and the safeguard which should be observed to ensure that the goods can be transported, stored, processed and/or used safely and without risk to health.
- c) That where goods comprise rotating or moving parts or where there is any risk from explosion or flying parts then the Supplier shall provide, fit and bear the costs of suitable guards and/or protective devices to minimise or, where reasonably practicable, eliminate any risk to health or safety resulting from the use of the goods for any purpose for which they are designed.
- d) In accordance with the requirements of the Health and Safety at Work act 1974 and any enactment or amendment thereof, any safety precautions for the handling of material covered by the order are to be clearly indicated on each consignment.

20. GOVERNMENT and OTHER SPECIAL CONDITIONS

Where any Government or other special condition is incorporated by reference in the order such special conditions shall apply.

21. LAW

The construction validity and performance of the order shall be governed by the law of England and subject to the exclusive jurisdiction of the English courts.