

# STANDARD CONDITIONS OF PURCHASE



Issued by:

In these Conditions:-

"The Company" means the Company buying the Contract  
"The Contract" means any contract formed between the Company and the Supplier for the purchase of goods and/or services.  
"The Supplier" means the person, firm or company receiving any order from the Company for goods and/or services.

## 1. General

- (a) The Company will only accept responsibility for an order if issued on the Company official form and duly signed by an authorised officer of the Company.
- (b) Authorised officers of the Company are the directors and other named persons who are entitled to place orders.
- (c) No conditions submitted or referred to by the supplier upon any documentation or orally shall form part of the contract unless agreed to in writing by an authorised officer of the Company.
- (d) No amendments to the Company's orders shall form part of the contract unless agreed in writing by an authorised officer of the Company.
- (e) The supplier shall keep confidential and will not disclose to any third party (except on the express permission of an officer of the Company) all information given by the Company in connection with an order, or which becomes known to the Supplier through their work on an order. The Supplier will not disclose the identity of the Company in connection with an order or disclose the existence of an order to any third party without the Company's prior consent in writing.
- (f) The Supplier may not assign or transfer an order or part thereof to any other person without the Company's written consent. The Supplier may not, without the Company's written consent, sub-contract an order or part thereof, other than for materials or minor details.
- (g) Goods and materials shall be supplied strictly in accordance with the quantities, specifications and conditions stipulated on the order. The Supplier will notify the Company of changes in the product, processes and/or changes of supplier and, where applicable, obtain the Company's approval of these changes.
- (h) The Supplier will ensure that in all respects (except by way of design or specification where the Company has supplied the same) the goods and/or services comply with all relevant requirements of statute, statutory rule or order, or other instrument having the force of law, which may be in force when the goods are delivered and/or the work performed as the case may be.

## 2. Delivery

- (a) The Supplier will notify the Company as soon as possible that the goods or materials are at the Supplier's premises ready for delivery so that the Company has an opportunity to exercise the right hereby to inspect the same before dispatch from the Supplier's premises, but such inspection shall not relieve the Supplier from responsibility nor be interpreted in any way to imply acceptance of such goods and materials after delivery. All goods are subject to inspection and acceptance after delivery.
- (b) In the absence of any earlier expressed acceptance by the Supplier, delivery by the Supplier shall of itself constitute acceptance of these conditions.
- (c) Where time for delivery and/or performance of the Supplier is specified, time shall be of the essence of the contract, for the avoidance of doubt the Company reserves the right to cancel any order in full or part without paying compensation if not delivered within the time stated or alternatively, to claim reasonable compensation on any losses due to the delayed delivery.
- (d) i) The details referred to in Condition 2 (d) ii) must be clearly shown on the outer packaging of all goods delivered under an order and must also be shown on the Supplier's delivery note which should be attached to the outside of the packaging. Failure to comply with this condition may result in the Company refusing to accept the delivery.  
ii) The details referred to are: details of goods, order number, quantity, the Company's part number (if applicable), description and batch number (where applicable).
- (e) If for any reason, the Company is unable to accept delivery of the goods on or after the agreed delivery date, the Supplier will store the goods, safeguard them and take all responsible steps to prevent deterioration until delivery.
- (g) The Company may from time to time without liability in damages or otherwise to the Supplier change any delivery schedule specified in an order or direct temporary suspension of such deliveries.
- (h) The goods and materials shall be delivered during normal business hours unless previously arranged otherwise.

## 3. Ownership

- (a) Title to and property in all goods and materials shall pass to the Company when delivery has been made to the premises specified by the Company but all goods and materials remain at the risk of the Supplier until they have been sufficiently inspected to ascertain that they have been supplied in accordance with the details stated in the order without prejudice to the right of rejection which the Company may have under these conditions and/or at common law and/or by statute.
- (b) The Company's signature, given on any delivery note, or other documentation, presented for signature in connection with the delivery of the goods, is evidence only of the number of packages received. In particular, it is no evidence that the correct quantity or number of goods has been delivered or that the goods delivered are in good condition or of the correct quality.

## 4. Terms

- (a) Where no payment terms are specified, payment shall be due at the end of the month following the end of the month in which (a) the goods are delivered or the work is fully performed or (if later) (b) the invoice is delivered.
- (b) Without prejudice to any legal or equitable remedies available for any breach of contract, if either party defaults of any of its obligations under this contract (other than

matters covered by Paragraph 1(h) hereof) and fails to comply with a written notice from the other party warning against a further default of a similar nature or, if it is practicable, requiring the default to be remedied within a reasonable period specified by the notice then the other party may terminate the contract forthwith by giving the party in default written notice to that effect.

## 5. Defective Goods and/or services

- (a) The Supplier agrees to replace any defective goods with all due expedition and to indemnify the Company against any extra expenses, costs and losses (including consequential loss) incurred by them of any part of the goods or services supplied, whether being defective or otherwise and to indemnify the Company against claims for infringements of patents or accidents to the Supplier's employees whether engaged at the Company's premises or elsewhere in the execution of the contract between the parties.
- (b) The Supplier will notify the Company of non-conforming product and obtain approval of this product from the Company prior to dispatch.

## 6. Quotation

- (a) All prices as stated on the order are firm and not subject to alteration.
- (b) The Supplier warrants that the price of the items set forth on the order do not exceed those charged by the Supplier to any other customer purchasing the same item or items in like or smaller quantities and other similar conditions.

## 7. Cancellation

- (a) The rights and remedies of the Company under the contract shall not be diminished, waived or extinguished, nor shall any acceptance of the performance by the Supplier of their obligations hereunder be implied by the granting of any indulgence, forbearance or extension of time by the Company not by any failure of, or delay by the Company in asserting or exercising any such rights or remedies over by any payment by the Supplier of, or on account of the contract price.  
i) If either the Supplier or the Company are delayed or prevented from performing the Company's obligations under an order, by circumstances beyond the reasonable control of either of them (including without limitation any form of governmental intervention, strikes and lock-outs relevant to the order, breakdown of plant or delays by sub-contractors concerned) such performance shall be suspended, and if it cannot be completed within a reasonable time after the due date specified on the order, the order may be cancelled by either party. The Company will pay to the Supplier such sum as may be fair and reasonable in all the circumstances of the case in respect of work performed by the Supplier under the order prior to cancellation, and in respect of which the Company has received the benefit. This condition can only have effect if it is called into operation by the party wishing to rely on it giving written notice to the other to that effect.  
ii) Subject to Condition 7 (b) i), the Company reserves the right to cancel the whole or any part of an order or any consignment on account thereof, if the same is not completed in all respects in accordance with the instructions and specifications stated in the order.  
iii) If the Supplier shall become bankrupt or have a receiving order or administration order made against it or shall make any composition or arrangement with or any conveyance or assignment for the benefit of its creditors, or shall purport so to or shall have any application made against it under any bankruptcy act, or (being a company) if any resolution shall be passed or an order of the court be made that it be wound up (save for the purpose of reconstruction or amalgamation) or a receiver or manager be appointed by any creditor or any act shall be done which would cause any of the foregoing to be done, the Company shall be entitled to cancel the order forthwith by written notice to the Supplier without liability to it of any kind, but without prejudice to any other right or action which the Company may have at the date of such notice.  
iv) In the event of the Company cancelling the order under Condition 7 (b) ii) and/or iii) as to all or any of the goods and/or services covered thereby the Company shall be entitled to purchase from a third party a like quantity of goods of similar description and quality, or a reasonable alternative thereto, bearing in mind its needs to take delivery of the goods by the date specified on the order, or to contract a third party to perform the work of a similar description and quality, and in that event the Supplier shall be liable to reimburse to the Company on demand all expenditure incurred by it in connection with their said cancellation including any increase in the quoted price.

## 8. Environmental Impact

- (a) The Supplier acknowledges that the Company operates in accordance with the requirements of ISO14001. It therefore encourages all its suppliers to minimise the adverse environmental impact of their activities.

## 9. Applicable Law

- (a) The Contract and these Conditions shall in all respects be construed in accordance with and be governed by English law and the parties submit to the exclusive jurisdiction of the English courts.