

Definitions

"Buyer" shall mean the Company so named in the Purchase Order.

"Seller" shall mean the Person, Firm or Company to whom the Purchase Order is issued.

"Goods" shall mean each and every item to be supplied and or work to be done by seller as specified in the Purchase Order.

"Contact" shall mean the agreement between Buyer and Seller comprising the Purchase Order, these Conditions and any other documents (or parts thereof) specified in the Purchase Order.

Acknowledgement and Acceptance

The seller shall acknowledge this Order within SEVEN days. Acceptance of this Order by seller shall constitute acceptance of these Conditions, and any variation or modification which appears in the Sellers acceptance or otherwise, shall be without effect unless especially accepted by Buyer in writing.

Incorrect Delivery

All goods must be delivered at the delivery point specified in the Purchase Order. If goods are incorrectly delivered Seller shall be responsible for any additional expense incurred in delivery them to their correct destination.

Price

Buyer shall pay the agreed purchase price which is calculated in accordance with or is recorded in the Contract. Unless otherwise stated on the Purchase Order prices shall be fixed and Buyer shall not be liable to any increase in respect of any increase in the cost of materials, labour, or other costs or for storage, packaging, insurance, delivery, or minimum order charges. Value Added Tax, where applicable, shall be shown separately on all invoices as a strictly nett extra charge.

Terms of Payment

Unless otherwise stated on the Purchase Order, payment will be effected by the close of the month following the month during which the Goods and any documents or parts thereof specified in the Purchase Order are received at the specified delivery point, subject to the receipt of a valid invoice referenced to the Purchase Order Number.

Property and Risk

Goods (other than as provided for under clause 6 (b)) shall become the property of the Buyer immediately on the delivery at the point specified in the Purchase Order.

Where Buyer pays part of the said agreed purchase price before taking delivery of the Goods or any part thereof then such payments shall be regarded as part payments and not deposits of the said agreed purchase price, and the property in any materials procured for or manufactured by Seller for the purpose of the Contract, or otherwise appropriated to the Contract, shall pass to Buyer from the date of such payments up to the total value thereof.

The risk in the goods including any free issue materials provided by Buyer and any materials referred to in clause 6 (b) the property in which has passed to Buyer shall remain with Seller until such are delivered and accepted at the point specified in the Purchase Order.

Acceptance

In the case of goods delivered by Seller not conforming with the Contract including without limitation reasons of quality or being unfit for the purpose for which they are specified (where such purpose has been made known in writing to Seller) Buyer shall have the right within a reasonable time of their delivery to reject such Goods, and shall give Seller reasonable opportunity at Seller's expense to remove and replace rejected Goods with Goods which conform with the Contract. In the event of continuing failure of Seller to provide Goods which conform with the Contract. Buyer may terminate the Contract under the provisions of Clause 16.1. The making of payment shall not prejudice Buyer's rights under this clause.

Patent Rights

Seller will indemnify Buyer against any claim for infringement of Letters Patent, Registered Design, Trade Mark or Copyright by the use or sale of any article or material supplied by Seller to Buyer and against all costs and damages which Buyer may incur in any action for such infringement or for which Buyer may become liable in any such action. Provided always that this indemnity shall not apply to any infringement which is due to Seller having followed a design or instruction furnished or given by Buyer or to the use of such article or material in a manner or for a purpose or in a foreign country not specified by or disclosed to Seller, or to any infringement which is due to the use of such article or material in association or combination with any other article or material not supplied by Seller. And provided also that this indemnity is conditional on Buyer giving to Seller the earliest possible notice in writing of any claim being made or action threatened or brought against Buyer and on Buyer permitting Seller at Seller's own expense to conduct any litigation that may ensue and all negotiations for a settlement of the claim. Buyer on his part warrants that any design or instruction furnished or given by him shall not be such as will cause Seller to infringe any letters Patent, Registered Design, Trade Mark or Copyright in the execution of the Contract.

Force Majeure

If either party is prevented or hindered from carrying out its obligations under the Contract by circumstances beyond its reasonable control, including without limitation, any form of Government intervention, strikes and lockouts, (such circumstances being herein referred to as Force Majeure) then the performance of such obligations shall be suspended for such time as the circumstances aforesaid last and the party affected shall not be liable for any delay occasioned thereby. Provided that if such delay shall extend for an unreasonable time the party not affected by the circumstances aforesaid may by notice in writing cancel any or all deliveries not made and no liability shall be by reason of such cancellation attached to either party. Buyer shall pay Seller such a sum as may be equitable in respect of work performed prior to cancellation. Shortage of labour, materials or utilities or delays by sub contractors shall not by themselves constitute Force Majeure unless they are caused by circumstances which are Force Majeure circumstances within the meaning of the clause. Costs arising from Force Majeure circumstances shall be borne by the party incurring such costs.

Progress and Inspection

Buyer's representatives shall have the right to progress and inspect all goods at Seller's works and the works of sub contractors at all reasonable times and to reject Goods or any part thereof that do not comply with the Contract. Seller's sub contracts shall be made and endorsed accordingly. Any inspection, checking, approval or acceptance given on behalf of Buyer shall not relieve Seller or his sub contractors from any obligation under the Contract.

Buyer's Rights in Specifications, Plans, Drawings, Patterns etc.

Any specification, plans, drawings, patterns or designs supplied by the Buyer to Seller in connection with the Contract shall remain the property of Buyer, and any information derived therefrom or otherwise communicated to Seller in a connection with the Contract shall be kept secret and confidential by Seller and shall not, without the consent in writing of Buyer, be published or disclosed to any third party, or made use of by the Seller except for the purpose of implementing the Contract. All drawings, plans, specifications, patterns and the like must be returned to the Buyer on completion of the Order. The obligation with respect to secrecy and confidentiality contained in this clause shall not apply to information which was already in Seller's possession or in the public domain prior to its disclosure by Buyer, or is purchased or otherwise legally acquired by Seller at any time from third parties having good title thereto, or comes into the public domain, otherwise than through the fault of Seller.

Responsibility for Information

Seller shall be responsible for any errors or omissions in any drawings, calculations, packing details or other particulars supplied by him, whether such information has been approved by Buyer or not, provided that such errors or omissions are not due to inaccurate information furnished in writing by Buyer.

Assignment and Subletting

The contract shall not be assigned by Seller nor shall the Contract be sub let as a whole. Seller shall not sub let, nor permit any sub contractor to sub let any part of the Contract without Buyer's written consent, which shall not be unreasonably withheld. The restriction contained in this clause shall not apply to sub contracts for materials, for minor details, or for any part of the Goods for which the makers are named in the Contract. Seller shall be responsible for all work done and materials and articles supplied by sub contractors.

Free Issue Materials

Where Buyer for the purpose of the contract free issue materials to Seller for incorporation into the Goods such materials shall be and remain the property of Buyer. Seller shall maintain all such material in good order and condition subject, in the case of tooling, patterns and the like, to fair wear and tear, Seller shall use such material economically and solely in connection with the Contract Surplus free issue materials shall be disposed of at Buyer's discretion. Waste or loss of such materials arising from bad workmanship or failure of Seller to maintain such materials in good order and condition shall be made good at Seller's expense. Seller shall certify to Buyer that free issue material has been incorporated into the Goods to the extent required by the Purchase Order. All such free issue material, patterns and the like provided by the Buyer to Seller shall be the Seller's responsibility in respect of loss or damage whilst in the Seller's possession.

Warranty Period

Seller shall as soon as reasonably practicable and at his own expense make good, repair or replace all Goods which are or become defective during the period of twelve months from delivery, whichever expires first, where such defects occur under proper usage and are due to faulty design, Seller's erroneous instructions as to use or erroneous use data, or inadequate or faulty materials or workmanship, or any other breach of Seller's warranties expressed or implied. Repairs or replacements shall themselves be subject to the foregoing obligations for a period of twelve months from the date of delivery, reinstallation or passing of tests (if any) whichever is appropriate after repair or replacement. Unless otherwise stated in the Contract, seller shall further be liable in damages (if any) up to the limit of the price of the defective Goods. Seller shall not in any event be liable for damages in respect of loss of production or of profits resulting from defects.

Seller's Default or Insolvency

If Sellers commits a breach of the Contract and fails within ten days of notice by Buyers to take such steps as are reasonable to rectify such breach, Buyer may, without prejudice to any other of his rights, terminate the Contract forthwith by notice in writing to Seller.

If Seller becomes insolvent or (being a Company) makes an arrangement with its creditors or has a liquidator or a receiver appointed or commences to be wound up (other than for the purpose of amalgamation or reconstruction) Buyer may without prejudice to any other of his rights terminate the Contract forthwith by notice to Seller or any person in whom the Contract may have become vested. In such event it shall be lawful for Buyer to enter the premises where the Goods are situated and take possession of the Goods any materials the property in which has passed to or is vested in the Buyer.

Law

The construction, validity and performance hereof shall be governed by the Law of England.