

PROTEC CAMERFIELD LTD

TERMS AND CONDITIONS OF PURCHASE

1.0 GENERAL

- 1.1 The following are the terms and conditions upon which Protec Camerfield Ltd, (hereinafter referred to as "the Purchaser") contracts for the purchase of all goods and services which it orders.
- 1.2 Unless otherwise stated by the Purchaser upon the face of any purchase order or enquiry these terms and conditions shall be incorporated into any contract made between the Purchaser and any person firm or company with whom it contracts and shall prevail in case of inconsistency between any other terms or condition in any contract.
- 1.3 All invitations to treat offers to supply and acceptances of offers made to the Purchaser shall be deemed to incorporate these terms and conditions to the exclusion of any conflicting terms and conditions submitted by any person firm or company with whom the Purchaser ultimately contracts.
- 1.4 There shall be no variation from these terms and conditions unless separately stated in writing by the Purchaser prior to formation of any contract
- 1.5 Without prejudice to the generality of the foregoing the Purchaser will not be bound by any standard or printed terms at variance with these terms and conditions furnished by the Vendor in any of its documents including any quotation acceptance or confirmation of Order unless the Vendor specifically states, in writing, separately from such document that it intends such terms to apply to any Order and the Purchaser acknowledges such notification in writing, endorsed by a Director's signature.
- 1.6 Nothing herein shall deprive the Purchaser from its rights under Common Law or Statute

2.0 DEFINITIONS

In these conditions the following expressions shall have the following meanings:-

- 2.1 'The Vendor' shall mean the person, firm or company with whom the Order is placed.
- 2.2 'The Goods' shall mean any goods or services specified or described in the Order and all parts or components including design thereof and/or all work or services to be done or supplied by the Vendor.
- 2.3 'The Order' shall mean the Order including design or subsequent amendment to

Order, placed by the Purchaser with the Vendor for the supply of the Goods.

- 2.4 'The Specification' shall mean the technical description (if any), drawing sample or packaging of the Goods contained or referred in the Order.
- 2.5 "The Contract" means any contract for the purchase of the Goods by the Purchaser from the Vendor and shall incorporate the Order any specifications, drawings or conditions referred to in it the terms and conditions set out herein and all terms and conditions implied by law

3.0 ORDER

- 3.1 No responsibility will be accepted by the Purchaser for an Order unless issued on the official order form of the Purchaser duly signed on behalf of the Purchaser
- 3.2 The Order is liable to cancellation by the Purchaser unless accepted by the Vendor within ten working days of the date of the Order.
- 3.3 Acceptance shall be by means of any written acknowledgement or delivery of the Goods
- 3.4 Any acceptance and delivery shall be subject to condition 1.3 hereof.

4.0 INSPECTION

- 4.1 The Purchaser's representative and any representatives of the Purchaser's purchaser or sub-purchaser and any government department shall be entitled on the Purchaser's authority to inspect or test the Goods at any reasonable time at the premises of the Vendor at any stage of manufacture
- 4.2 The Vendor shall give adequate notice of all tests and furnish such test certificates as the Purchaser requires evidence of all tests and examinations and research made in compliance with the provisions of that Act.
- 4.3 No inspection or test or failure to inspect or test shall constitute acceptance of the Goods or affect any liability of the Vendor under the Contract.
- 4.4 The Purchaser requires the right of access which the Vendor grants by acceptance of the Order to any part of the Vendor's premises involved in fulfilling any Order to verify product conformance.

5.0 DELIVERY

- 5.1 The Vendor shall:-

- 5.1.1 On despatch of the Goods or completion of any work send detailed advice notes (which shall accompany the Goods) and invoices in which VAT will be shown as a strictly net item
- 5.1.2 Send by the tenth day of each month a statement of all invoices rendered during the previous month; and

- 5.1.3 Mark the Purchaser's order numbers and any part numbers on all invoices, advice notes, statements, correspondence, packages and packing
- 5.2 Without prejudice to any other remedy the Purchaser may delay payment without loss of any prompt payment discount if the Supplier fails to comply with the provisions of condition 5.1.
- 5.3 The time stipulated for delivery shall be of the essence.
- 5.4 The Purchaser reserves the right to refuse delivery of any part of the Goods if they are supplied before the time specified, if such right is exercised all charges arising therefrom shall be the responsibility of the Vendor.
- 5.5 The Goods must be delivered in good condition, carriage paid to the address as instructed by the Purchaser in the Order.
- 5.6 Delivery of the goods is to include off loading and placement to the reasonable instructions of the Purchaser.
- 5.7 The Vendor shall furnish such programmes of manufacture or completion as the Purchaser requires and shall promptly advise the Purchaser in writing if such programmes are or are likely to be delayed
- 5.8 The Vendor shall be responsible for any expenses incurred to deliver any incorrectly delivered Goods to the correct delivery point or return any items delivered in excess of the quantity specified in the Order
- 5.9 All Goods supplied by the Supplier shall conform as to quality, quantity and description with the Order and be fit for the purpose (if any) stated in the Order any specifications, drawings, samples, designs, patterns or other information which may have been supplied by the Purchaser or the Vendor and shall be free from defects

6.0 PACKAGING

- 6.1 Unless otherwise agreed in writing:-
- 6.1.1 All Goods must be securely and adequately packed free of charge and in such a manner as to reach the Purchaser in good condition free from damage or deterioration.
- 6.1.2 The Vendor shall fully and accurately describe the Goods in all tickets, labels, invoices, packing and delivery notes and in any description which appears on any container or other matter covering, containing or protecting the Goods.
- 6.1.3 The Vendor shall submit with the Goods full instructions for use and clear warnings with respect to anything which may reasonably be done or omitted to be done in relation to the Goods or which could

render them unsafe.

- 6.1.4 The Purchaser will not accept any charge in respect of packing cases and other packing materials and will not be responsible for safe keeping returning or for the cost of returning any such packing cases and materials.

7.0 NON-DELIVERY

- 7.1 If the Vendor does not deliver the Goods, or any part thereof, within the time specified in the Order, the Purchaser shall be entitled to terminate the contract, purchase other Goods of the same or similar description to make good such default and recover from the Vendor the amount by which the cost of so purchasing other goods exceeds the price which would have been payable to the Vendor in respect of the goods replaced by such purchase without prejudice to any other remedy of the Purchaser for Breach of Contract.

8.0 EXCESS QUANTITIES

- 8.1 Any Goods delivered in excess of the amount stated in the Order and not accepted by the Purchaser, shall remain the responsibility and risk of the Vendor and must be removed by the Vendor from the place of delivery at their own expense. The Purchaser shall take reasonable steps to notify the Vendor of any such excess.

9.0 REJECTION OF GOODS

- 9.1 The Goods shall in every respect be equal to the Specification and to previous supplies (if any) and shall be subject to the Purchaser's inspection and approval before acceptance within a reasonable time after delivery.
- 9.2 The Purchaser reserves the right to reject any Goods which the Purchaser considers defective or inferior.
- 9.3 If the Goods do not conform to the Contract on any grounds at all including without limitation by reason of quality or being unfit for the purpose for which they are required or not equal to the Specification the Purchaser shall be entitled at its discretion and without prejudice to any other remedy to exercise any one or more of the following rights:-
- 9.3.1 Reject the Goods in whole or in part
- 9.3.2 Permit the Vendor to replace, repair or reinstate the Goods so that they conform to the Contract; and
- 9.3.3 Carry out or have carried out at the Vendor's expense such work as is necessary to make the Goods conformed to the Contract
- 9.4 Where entitled to reject the Goods the Purchaser shall do so by written notice to the Vendor in which case
- 9.4.1 The Goods supplied shall be held at the risk of the Vendor and

returnable at the expense of the Vendor to be removed by the Vendor forthwith

- 9.4.2 The goods supplied shall not count as having been delivered unless the Purchaser elects to make the same fit for their purpose in which case the Vendor shall be charged with the cost thereof.
- 9.4.3 If required by the Purchaser the Vendor shall replace such rejected goods with Goods which conform to the contract or return to the Purchaser all monies paid by the Purchaser in respect of such goods.
- 9.4.4 Any acceptance of such Goods or election by the Purchaser shall be without prejudice to any rights that the Purchaser may have against the Vendor.
- 9.5 If the Purchaser terminates the Contract the Vendor shall return to the Purchaser all payments made and if the Purchaser rejects any Goods the Vendor shall return all payments already made for the rejected Goods.
- 9.6 Where upon termination the Purchaser elects to keep or take any Goods it shall account to the Vendor for them at a proportion of their price or their value to the Purchaser whichever is less but otherwise no compensation shall be payable to the Vendor on termination or rejection
- 9.7 No failure or delay on the part of the Company to exercise any of its rights in respect of any default under the Contract by the Supplier shall prejudice its rights in connection with the same or any subsequent default

10.0 TITLE TO GOODS

- 10.1 Title in all components and materials for the Goods and tools to be used exclusively in connection with the Goods shall pass to the Purchaser as soon as they are allocated by the Vendor to the Contract and in all documents of any kind included drawings, designs, test certificates, certificates of quality, parts, lists and manuals as soon as they are prepared or obtained by the Vendor. The Vendor shall clearly mark and store all such items so that they can be identified as the property of the Purchaser at any time and comply with all instructions of the Purchaser with regard to them
- 10.2 Title to the Goods shall pass to the Purchaser when the Goods are delivered to the Purchaser at the delivery address stipulated on the Order. Until such delivery is made the Goods remain at the Vendor's risk in all respects.

11.0 RESTRICTION ON SALE

- 11.1 In the case of any Goods which have been designed or manufactured by the Vendor in accordance with drawings and/or specifications or patterns supplied by the Purchaser, the Vendor agrees not to sell any such goods to any third party except against an order of the Purchaser or with the permission of the Purchaser in writing.

- 11.2 The Vendor further undertakes not to manufacture quantities in excess of the Order for the purpose of sale.
- 11.3 All materials including without limitation any drawings, patterns, gauges, samples and specifications made available by the Purchaser in connection with the Contract shall be and remain the property of the Purchaser and Vendor shall:-
- 11.3.1 Keep those materials in good order and condition and be responsible for any loss or damage to them
 - 11.3.2 Use those materials only for the purpose of the Contract; and
 - 11.3.3 Return those materials carriage paid to the Purchaser upon the Purchaser's request at any time or if no request is made upon completion of the Contract

12.0 INSOLVENCY

- 12.1 If the Vendor defaults in any of its obligations under the Contract, becomes insolvent, enters into Administration, has a receiver appointed of its business or is compulsorily or voluntarily wound up or if the Purchaser bona fide believes that any of such events may occur, the Purchaser shall be entitled at its discretion without prejudice to any other remedy:-
- 12.1.1 To suspend the performance of or terminate the Contract; and
 - 12.1.2 In the event of termination to keep or take possession of any Goods or of any items belonging to the Purchaser and to enter any premises of the Vendor for that purpose.
 - 12.1.3 To give such receiver, liquidator, Administrator or other person the opportunity of carrying out the Contract subject to them providing a guarantee satisfactory to the Purchaser for the due and faithful performance of the Contract.

13.0 INDEMNITY

- 13.1 In addition to all warranties and conditions implied by Law, the Vendor guarantees the fitness for purpose for which the Goods are intended and shall indemnify the Purchaser against all claims, costs, expense, loss or damage whether or not consequential which the Purchaser may suffer, howsoever arising, from the Vendor's breach of any of its obligations.
- 13.2 The Vendor shall indemnify the Purchaser against any loss, damage or injury suffered by the Purchaser howsoever caused and from and against any claim in respect of loss, damage or injury made against the Purchaser by third parties and any costs and expenses arising in connection therewith which result whether directly or indirectly from a defect in the Goods or their material or workmanship or their design or any other failure of the Vendor to comply with the terms of the contract or

from the Vendor's performance of the Contract (whether negligent or otherwise)

- 13.3 The Vendor hereby warrants that the Goods when delivered shall be in all respects in accordance with the Contract and free from any defect whatsoever. Without prejudice to such other rights as the Purchaser may have by law, statute or otherwise in respect of any such defect in the event of any defect due to faulty workmanship material or design appearing in the Goods within twelve months from the date on which the Goods are accepted by the Purchaser or by the Purchaser's customer, whichever shall be later, the Vendor shall forthwith, on receipt of notice of such defect from the Purchaser, and at its own cost and expense, carry out such repairs and supply and fit such replacements parts as are necessary to remedy such defect, provided that the Purchaser may at its option itself repair or replace the defective Goods and charge the Vendor with the cost thereof
- 13.4 All replacement goods or parts supplied by the Vendor in accordance with the provisions of clause 13.3 hereof shall be subject to repair or replacement in accordance with clause 13.3 hereof for a period of twelve months from the date of which such replacement parts are supplied and fitted
- 13.5 The Purchaser reserves the right to assign the benefit of the warranty herein contained and all its rights thereunder to any customer of the Purchaser to whom the Goods are sold or transferred by the Purchaser whether or not incorporated into any component unit or building
- 13.6 The Vendor shall indemnify and hold harmless the Purchaser against any loss damage or injury to the Purchaser, any claims in respect of loss damage or injury made against the Purchaser by third parties and any costs and expenses arising in connection with them with result from the Vendor's failure to comply with the Contract (whether negligent or otherwise) and in particular resulting from any defect in the Goods or their materials, constructions, workmanship or design (to the extent that the Vendor is responsible for design) or any claim that any Goods prepared or supplied under the Contract otherwise than exclusively in accordance with a design or instruction given by the Purchaser infringe or are alleged to infringe the rights of any third party claimed under or in connection with any patent, registered design, copyright or breach of confidence

14.0 INFRINGEMENT OF PATENT

- 14.1 The Vendor represents and warrants that the sale or use of the Goods will not infringe the intellectual property rights of any third party including any British or foreign patent trade mark, trade name, or registered design and agrees to indemnify the Purchaser against all actions, costs, claims, demands and expenses arising out of or resulting from any actual or alleged infringement and agrees and undertakes at their own expense to defend or assist in the defence of any action which may be brought in respect of any such actual or alleged infringement.

15.0 SPECIAL CONDITIONS

- 15.1 In the event that the Goods are ordered for any use or subsequent sale where the Purchaser may be contractually bound to any of their customers terms and

conditions which are under a formal Contract or Sub-contract, the terms of which may be inspected on request at the Head Office of the Purchaser on request, the Vendor shall also be deemed to have accepted such terms and conditions insofar as they relate to the Goods.

16.0 COPYRIGHT, INTELLECTUAL PROPERTY AND SOFTWARE RIGHTS

- 16.1 The Vendor will pass to the Purchaser with property in the Goods all copyright intellectual property and software rights in respect of all Goods equipment supplied to the Purchaser. These shall include rights of use, maintenance and modification.
- 16.2 The Goods and copyright in designs, drawings and other documents prepared in connection with the Order or the Contract or supplied to the Purchaser shall belong to the Purchaser
- 16.3 The Vendor shall be responsible for any errors or omissions in any drawings, calculations or particulars supplied by it whether or not such information has been approved by the Purchaser

17.0 PUBLICITY

- 17.1 The Order and all details appearing thereon the Contract and its subject matter shall be treated as confidential between the Purchaser and the Vendor, and shall not be disclosed to any third party, nor used for publicity/promotional purposes without the consent of the Purchaser in writing.

18.0 QUALITY ASSURANCE

- 18.1 The Vendor is required to operate a Quality System such as ISO 9000 which indicates that the Quality of Products to be provided conform to the specified requirements of this Order.
- 18.2 The Vendor undertakes that the Goods are safe and without risk to health when properly used and comply in all respects with all relevant statutes, regulations, byelaws and standards in force at the date of delivery including without prejudice to the generality of the foregoing the Factories Act 1961, the Health and Safety at Work etc Act 1974, the Supply of Goods and Services Act 1982, the Consumer Protection Act 1987 and the Sale and Supply of Goods Act 1994.
- 18.3 The Vendor shall supply in respect of the Goods such information about the use of them as complies with the Health and Safety at Work etc Act 1974 and proper evidence of all tests and examinations and research made in compliance with the provisions of that Act
- 18.4 The Vendor warrants that the Contract and the Goods comply in all respects with EEC/UK Government Legislation, Regulations, Codes and Orders.
- 18.5 In the case of Goods for shipment overseas, the Vendor shall, in addition, ensure compliance with all Government Legislation, Regulation, Codes and Orders of the country of destination.

19.0 ASSIGNMENT

19.1 The Vendor shall not assign or without the written consent of the Purchaser sub-let the Contract in whole or in part and it shall be a condition of any such consent to any sub-letting of the Contract that the Vendor shall:-

19.1.1 Ensure and be responsible for the compliance of any sub-contractor with the terms of the Contract

19.1.2 Include in the sub-contract provisions consistent with these conditions for the benefit of and enforceable by the Purchaser; and

19.1.3 Furnish the Purchaser with copies of any sub-contract upon the Purchaser's request at any time

19.2 All invoices for the Goods must be rendered to the Head Office address as shown on the Order, detailing the full Order reference number.

20.0 PAYMENT

20.1 Payment for Goods will normally be made at the end of the second month following the month in which the Goods are received, or in which the invoice for such Goods is received whichever is the later.

21.0 PRICES

21.1 The prices stated in the Order are firm and not subject to variation unless otherwise agreed in writing.

21.2 Where prior agreement has been given to allow certain price adjustment each application for a change in price shall be brought to the attention of the Purchaser in writing immediately and if these are deemed by the Purchaser to be excessive the Purchaser shall have the right to be exercised in writing by the Purchaser to cancel the order or any part thereof.

22.0 INSURANCE

22.1 The Vendor shall insure with a reputable insurance company in respect of damage and/or injury to persons and/or property occasioned by negligence of the Vendor or on the part of its servants or agents or occasioned as a result of the Goods being unfit for their purpose, defective, unsafe or deemed to be unsafe of in amount of not less than £5,000,000.00 in respect of each occurrence or as otherwise agreed in writing by the Purchaser with the Vendor and will keep such insurance in force and produce at any time on demand the policy or policies of such insurance and a receipt for the current premium and will indemnify and keep indemnified the Purchaser from and against all such liabilities.

22.2 The Vendor shall provide all facilities, assistance and advice required by the Purchaser or its insurers for the purpose of contesting or dealing with any action,

claim or matter arising out of the Vendor's performance or purported performance of or failure to perform the Contract

23.0 BREAK

23.1 The Purchaser reserves the right to cancel the Order by giving written notice to the Vendor, providing that such notice is given before the agreed date of delivery.

23.2 The Purchaser may at its absolute discretion consider that cancellation may cause actual loss and expense to the Vendor and therefore, providing that the Vendor can establish to the satisfaction of the Purchaser that it have suffered such loss and expense, the Purchaser will indemnify the Vendor against such loss and expense subject to such indemnity not exceeding 25% of the order value of the actual goods cancelled. Such indemnity shall constitute the Purchaser's whole liability upon cancellation.

24.0 AMENDMENT TO SPECIFICATION

24.1 The Vendor shall not alter or amend in any way the size of the Goods or the specification without the prior approval of the Purchaser in writing and all dimensions furnished in any way to the Purchaser shall be deemed to be certified and accurate.

24.2 The Goods must comply with the accepted EEC Trade Standard Regulations, including any appropriate International Trade Standard Regulations.

25.0 OBSOLESCENCE AND SPARE PARTS

25.1 It shall be the Vendor's responsibility to notify the Purchaser if the Goods or part thereof are scheduled to become obsolete within 12 months of the date of delivery.

25.2 Notwithstanding any such obsolescence the Vendor warrants to provide at a fair price to be agreed between the Vendor and the Purchaser, spare parts for a period of 5 years, or such length of period as may be prescribed by any proper Government or other authority, after the date of delivery.

26.0 FORCE MAJEURE

- 26.1 The Purchaser shall not be in breach of Contract in the event of any delay in performance or any non-performance of any of its obligations hereunder and shall not be liable for any loss or damage caused thereby where the same is occasioned by any cause whatsoever that is beyond its control including, but not limited to, any Act of God, war, civil disturbance, requisitioning Government or Parliamentary, restrictive prohibitions or enactment's of any kind, import or export regulations, exchange control regulations, strike, lockout, trade dispute (whether involving its own employees or those of any other person) breakdown of machinery, fire or accident shipwreck, unavailability of vessels or transport.
- 26.2 Should any such event occur the Company may cancel or suspend (for up to six months) the Contract without incurring any liability for any loss or damage thereby occasioned

27.0 LAW

- 27.1 These conditions and any contract of which they form part shall be governed by and construed in accordance with English Law and Purchaser and Vendor submit to the non exclusive jurisdiction of the English Courts.

28.0 ARBITRATION

- 28.1 If at any time any questions, dispute or difference whatsoever arise between the Purchaser and the Vendor upon or in relation to or in connection with the Order either party may give to the other notice in writing of the existence of such question, dispute or difference and at the request of either party the same shall be referred to the arbitration of a person to be mutually agreed upon or failing agreement within 14 days of receipt of such of such notice by some person appointed by the President for the time being of the Institute of Electrical Engineers.
- 28.2 Arbitration proceedings shall be carried out in accordance with and subject to the Arbitration Act 1979 or any statutory modification or re-enactment thereof.
- 28.3 In any case the award of the Arbitrator shall be binding on the parties.

29 Corruption

- 29.2 The Vendor shall comply with this clause together with the provisions of the Purchaser's Code of Ethics. The Vendor shall not itself or in conjunction with any other person:

29.2.1 corruptly solicit, receive or agree to receive for itself or for any other person; or

29.2.2 offer to agree to give any person in the Purchaser's service, or other vendor/ Sub-Contractor or other party who has a contract with the Client;

any gift or consideration of any kind as an inducement or reward for doing or not doing anything, or for showing favour or disfavour to any person, in relation to this Order or any other Contract; or

- 29.2.3 enter into any contract with the Purchaser in connection with which commission has been paid or agreed to be paid by it or on its behalf or to its knowledge unless, before any such contract is made, particulars of any such commission, and of the terms and conditions of any agreement for the payment thereof, have been disclosed in writing to the Purchaser.
- 29.2.1 The Purchaser may by notice with immediate effect determine the appointment of the Vendor under this Order and any other contract if:
- 29.2.2 the Purchaser is reasonably satisfied that the Vendor or anyone employed by it or acting on its behalf (whether with or without the knowledge of the Vendor) is in breach of this clause 29; or
- 29.2.3 the Vendor or anyone employed by it or acting on its behalf is convicted of any offence under the Prevention of Corruption Acts 1889 to 1916 in relation to this Order or any other Contract, or is convicted of a criminal offence related to business or preferential conduct, or commits an act of grave misconduct in the course of business or profession; or
- 29.2.4 the Vendor is guilty of serious misrepresentation in providing any information required of it under this Order or any contract; or
- 29.2.5 in accordance with clause 29.4 the Purchaser is reasonably satisfied that a conflict of interest exists, or may exist, and following written notice from the Purchaser the Vendor has failed to cease such other activity or activities which is causing the conflict within a reasonable time.
- 29.2.6 If the Purchaser so determines the appointment of the Vendor under this Order and any other contract in accordance with clause 29.2 then the Purchaser shall be entitled to recover from the Vendor the amount or value of any such gift, consideration or commission.
- 29.2.7 The Vendor warrants that it is not aware of any actual or potential conflict of interest between the Programme or any Project appointment and any other activity or activities of the Vendor. The Vendor must immediately inform the Purchaser where it is aware of any actual or potential conflict of interest, and the Purchaser may serve written notice on the Vendor requesting that it cease the other activity or activities causing the actual or potential conflict of interest. Where the Vendor fails to cease such activity within a reasonable time, the Purchaser may terminate the appointment of the Vendor in accordance with clause 29.2 hereof.
- 29.2.8 All references to the Vendor shall be deemed to include a company and every holding company of that company for the time being, and every subsidiary for the time being of every such holding company.

30.0 SET OFF

The purchaser shall be entitled to deduct all costs from any amounts owing to the vendor which may have resulted from default or non delivery by the Vendor.