

R&A ENGINEERING LTD (the Company)

TERMS & STANDARD CONDITIONS OF PURCHASE

1. GENERAL

Except where expressly agreed otherwise by us in writing every Purchase Order shall be subject to these terms and conditions (hereinafter called Conditions). Any conditions other than these Conditions are expressly excluded. By taking actions against this Order, you will be deemed to have accepted these Conditions and no document issued by you after receipt of our order, which might be construed as a counteroffer shall apply unless agreed by us in writing.

2. AUTHORISATION

We accept no liability for any Goods delivered or services provided unless the Order has been placed or amended on our behalf by a duly authorised representative of the Company.

3. PRICES

The price as stated on the order is fixed. Unless otherwise specified by us the price of the Goods stated is exclusive of VAT.

4. PAYMENT

Payment shall normally be made against the Suppliers invoice at the end of the month following the month in which the goods are received or in which the invoice for such Goods is received, whichever is the later, provided such Goods comply with the specification and with the Terms and Conditions of the Order. The payment terms shall only be amended by agreement in writing from the purchaser. Payment shall be without prejudice to any claims or rights which we have against you and shall not constitute any admission by us as to your performance of your obligations hereunder. Prior to paying the price of the Goods or any other sums due to you hereunder we shall be entitled to make deductions or deferrals in respect of any disputes or claims whatsoever with or against you.

5. PACKAGING, MARKING, DOCUMENTATION

You will package the Goods in a manner suitable for transit and/or storage at no cost to us and where applicable to comply with regulations relating to the carriage of Hazardous Goods and Health and Safety at Work. We will not pay for or return packaging materials unless previously arranged and confirmed in writing. All goods must be clearly marked with our order number plus other identification markings as may be specified in the order. The marking shall be by a method that cannot be accidentally removed or erased by normal handling or dampness. All such marks and numbers must be quoted on advice notes and invoices. Each packing case must contain a detailed packing note inside with a copy attached to the outside in a suitable waterproof carrier. Where applicable all documentation including drawings and operating instructions should be included with the delivery or sent under separate cover together with all material safety data sheets necessary to comply with the Substances Hazardous to Health Act.

6. TIME

The time stipulated for delivery shall be of the essence. We may Order the manufacture of the Goods or delivery thereof or other performance of the Order to be suspended at any time for such period as we in our sole discretion consider expedient or necessary. We shall not be under any liability or obligation to you in respect thereof.

7. DELIVERY

Unless otherwise specified by us delivery of the Goods shall be affected by you at your own risk and expense at the place and on the date(s) specified on the Order. In the event of the Goods not being made available on the date(s) specified on the Order, we retain the right to cancel the Order

8. PROPERTY

The property and risk in the Goods shall pass on delivery or (in the case of delivery by instalments) on the delivery of each instalment. Where the goods or any part of them though ready for delivery are retained by you pending delivery instructions, then the property in such Goods shall pass to us upon payment but the risk in such Goods shall remain with you until actual delivery.

9. QUALITY

The Goods shall:

- a. Conform in all respects with the samples and particulars stated in the Order and the specifications and any instructions given by us.
- b. Be free from defects in materials and workmanship and design.
- c. Be suitable and fit for the purpose intended.
- d. Be new except where the buyer has agreed otherwise in writing.

You shall grant us in the goods the benefit of all the conditions and warranties implied in law or in equity or by statute save as expressly varied herein.

You shall be responsible for and pay any extra cost occasioned by errors or omissions in any drawings, calculations, packing details or other particulars supplied by you, whether such information has been approved by us or not, provided that such errors or omissions are not due to inaccurate information furnished in writing by us.

10. FREE ISSUE MATERIALS

Where materials are supplied by us for the purpose of the Order they shall remain our property. You are responsible for their safe custody and the return of any surplus materials. You are to make good any loss caused through your negligence or faulty workmanship.

11. INSPECTION AND TESTING

Our authorised representative shall have full power to reject all or any portion of the Goods that he/she considers defective or inferior in quality workmanship or design. Any portion so rejected shall be immediately replaced by you at your expense unless in our opinion the said portion can be rendered fit for use. You shall give us a minimum of 5 working days notice or such longer periods as may be specified in the Order when any part of the Goods is ready for inspection or test. No lack of complaint or approval given on or after such inspection or test, or the making of any payment shall be deemed to constitute a waiver of any of our rights or remedies, or an acceptance of the Goods or to relieve you from your obligation under the Order. All test and measuring equipment used to ensure conformity to drawings and specifications shall be in a known state of calibration at the time such tests and/or measurement are made. Where the Goods are to comply with established codes of practise you shall at your expense supply such certificates and other evidence of tests as may be required. Furthermore, you shall maintain records detailing calibration and other check procedures carried out on all test equipment. Copies of such calibration certificates shall be made available to us on request.

12. GUARANTEE

Without prejudice of any right that we may have by statute, common law or otherwise, if within twelve months after the Goods have been put into service any defects in the Goods shall be discovered or arise in the normal course of usage, you shall remedy the defect either by replacement or repair at your own expense. You will not be entitled to reject any claim made in respect of any defect arising within the Guarantee period on the basis that we failed to make the complaint during that period. The provisions of this clause shall apply to the Goods so replaced or repaired and shall be effective from the date of such replacement being put into service but shall not prejudice any of our rights resulting from any defective Goods

13. DETERIORATION OF GOODS

If the Goods are perishable or have a life expectancy of a fixed duration or if there are any circumstances known to you which would adversely affect the life span of the Goods you will forthwith advise us in writing of all such necessary and appropriate information relating thereto which shall form part of the description of the Goods.

14. FORCE MAJEURE

If the manufacture or delivery of the Goods including supply of services by you is delayed or prevented or we must suspend deliveries of work due to circumstances beyond the control of either party then provided in your case you shall without delay have given written notification to us, such deliveries or services shall be suspended. If the resumption cannot be made within a reasonable time, we by notice in writing cancel the Order.

15. ASSIGNMENT AND SUBCONTRACTING

You shall not assign or transfer the whole or any part of this Order or subcontract the production or the supply for any Goods to be supplied under this Order without prior written consent.

16. CONFIDENTIALITY

This Order and the subject matter thereof shall be treated as confidential between the parties and shall not be disclosed or publicised to any third party for any reason without prior written consent. Neither shall you use our name or other identity for advertising or publicity purposes without our prior consent. Any specifications, plans, drawings, patterns or designs supplied by us to you in connection with the Order shall remain our property and any information derived therefrom or otherwise communicated to you shall be regarded as secret and confidential and shall not without consent in writing from us be advertised, photographed, published or disclosed to any third party or made use of by you except for the purpose of implementing the Order.

17. REJECTION AND CANCELLATION

If the Goods do not comply with the Order or any of the Terms and Conditions of the Order are broken or not complied with by you or it is clear to us that you are unable to perform your part of the Order, we shall at our discretion be entitled to reject the Goods and/or cancel the Order (notwithstanding that the property in the Goods may have passed) by giving written notice to you and the following provisions shall apply.

- i) We shall return to you at your risk and expense any rejected Goods or any Goods already delivered which by reason of non-delivery of the balance are not reasonably capable of use by us or in our opinion shall require you to collect same and
- ii) You will repay to us any money paid by us in respect of rejected or undelivered Goods, save that in case of any rejected Goods we may at our discretion require you either to restore or rectify the Goods to our satisfaction and at your expense or to replace any Goods so rejected upon the same Conditions as herein stated.
- iii) We reserve the right to carry out at your expense such work as may be necessary to make the Goods, or any part thereof comply with the Order.

- iv) We shall further have the right to cancel or vary our Order or any part thereof by giving notice in writing of our cancellation or variation of all or part of our Order for the Goods.
- v) Where we have acted under the sub clause iii or iv hereof we shall be entitled to take possession of, use and have a lien on all your equipment, materials, temporary buildings structures and other things whatsoever belonging to you or brought to site by you which are upon the site for the purpose of completing the Order without being responsible to you for fair wear and tear thereof and to the exclusion of any right of yours over the same. Such lien shall endure until we have completed the Order and received payment from you of such damages as may be due. We shall further be entitled to take possession of and remove from your premises as and when it shall be convenient for us to do so all designs, drawings, specifications and plant the property in which has passed to us pursuant to the contract and you shall afford us all rights of access and all reasonable facilities to enable us to remove such items as aforesaid at your cost.
- vi) You shall indemnify us against all liability imposed on us by our client as a result of a default by you under this clause. We shall be entitled to retain and apply any balance, which may be otherwise due to you or such part thereof as may be necessary for executing the portion of the work taken out of your hands. If the cost of completing the works shall exceed the amount that would otherwise have become due to you in accordance with the Order you shall pay such excess.

18. PATENTS

You will indemnify us against any and all liability, loss, damages, claims costs and expenses arising out of any claim in respect of any infringement or any patent, trademark, registered design or copyright or other proprietary rights whether in the United Kingdom or elsewhere resulting from your design, manufacture, use, supply or re-supply of the Goods unless such claim is in respect of any design provided by us.

19. INDEMNITY

You shall indemnify us against all claims, costs, expense, loss or damage whether direct or consequential which we may suffer howsoever arising from your breach of any of your obligations under this Order or otherwise.

20. BANKRUPTCY AND LIQUIDATION

If you shall become insolvent or go into liquidation (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) or shall have a receiver appointed over any of your assets (or in the case of an individual shall become bankrupt) or shall enter into any arrangements or composition with your creditors or take or suffer any similar action in consequence of debt we shall be entitled to terminate the Order forthwith by written notice to you but without prejudice to any other right of action which we may have at the date of such notice.

21. LAW

The Order shall be deemed to have been made in England and the parties to the Order hereby agree to the jurisdiction of the English courts. English Law shall be the proper law of contract.