

# CENTRONIC LIMITED

## TERMS AND CONDITIONS OF PURCHASE



Centronic House, King Henry's Drive, New Addington, Croydon, CR9 0BG. UK.

### 1. GENERAL

Our Order is placed and all quotations are accepted by us subject to the following terms and conditions to which no additions or alterations shall be made unless they have been agreed by us in writing. These terms and conditions take precedence over any terms or conditions contained in or endorsed upon any correspondence or documents issued by you in connection with our Order.

### 2. QUALITY AND DESCRIPTION

All goods supplied by you pursuant to our Order shall conform in all respects with the particulars specified in our Order, and be of the best materials and workmanship of their respective kinds. If we provide you with samples, patterns or specifications, the goods shall conform in all respects to the samples, patterns or specifications. If a standard of performance is specified the goods shall be capable of the required performance.

### 3. QUALITY CONDITIONS

The following terms endorsed on our Order shall have the following meanings:-

- (a) **Acceptance on receipt.** This Order is subject to our inspection and acceptance on delivery. This does not absolve your quality organisation from the responsibility of proof of conformity to this Order.
- (b) **Acceptance before delivery.** This Order is subject to inspection at your works at our option. Please inform our Purchasing Department when goods are available.
- (c) **Certificates of mechanical properties and chemical analysis.** The Seller shall supply results of tests carried out to determine the material's conformance to the stated specification.
- (d) **Certificate of Conformity.** Each delivery of goods shall be supported by a Certificate of Conformity signed by a responsible member of your Quality Organisation.
- (e) **British manufacture.** This Order is subject to all materials used in this product being of wholly British manufacture or origin.
- (f) **Special conditions.** This Order is subject to specific instructions as defined overleaf or attached to this Order.
- (g) **Government contract conditions.** This Order is subject to the Standard Conditions of Government Contracts for Stores Purchases (GC/Stores/1).
- (h) **Right of Access.** We reserve the right of access to your premises on behalf of ourselves and our Customer, by arrangement, for quality surveillance and inspection.

### 4. PLACE AND TIME FOR DELIVERY

- (a) You shall deliver the goods ordered at the place and in the manner and in the time or times specified in our Order, or as subsequently agreed.
- (b) You shall notify us immediately if, for any reason, any delivery is likely to be delayed.
- (c) If any delivery of the goods is not made by the date and place agreed for delivery, then, unless this is due to Force Majeure, as defined in clause 4(e), we shall be entitled, without prejudice to any other remedy which may be available to us:
  - (i) to cancel our Order wholly or in part; and
  - (ii) at your wish and expense to return to you, any goods already delivered which by reason of your failure to deliver our complete Order by the agreed date or dates cannot be effectively and commercially used by us, and to recover from you any monies which we have already paid you in respect of such goods; and
  - (iii) to recover from you any additional expenditure reasonably incurred by us in obtaining other goods to replace those in respect of which our Order has been cancelled; and
  - (iv) to recover from you any consequential loss or expense incurred.
- (d) If any delivery is likely to be delayed by reason of Force Majeure, you shall immediately inform us of such circumstances, whereupon you and we shall agree upon a reasonable and appropriate course of action, but we may cancel our Order in whole or in part where we consider that cancellation is necessary.
- (e) For the purposes of these Conditions, the term "Force Majeure" means industrial dispute, fire, accident, lightning, earthquake, storm, flood, explosion, war and any other similar circumstances beyond your reasonable control.

### 5. PASSING OF PROPERTY AND RISK

The property and the risk shall pass to us on delivery at the place specified in our Order or otherwise agreed but without prejudice to any right of rejection which may accrue to us under these terms and conditions.

### 6. REJECTION

We may by written notice to you reject any goods supplied by you which within a reasonable time of delivery are found:-

- (a) not to be in accordance with our Order; or
- (b) not to be of merchantable quality; or
- (c) not to be reasonably fit for the purpose for which they were ordered, where such purpose was made known, whether expressly or by implication, to you.

In the notice of rejection, we shall specify the reasons, and thereafter we shall return the rejected goods to you at your risk and your expense. Unless we notify to the contrary you shall within a reasonable time replace such rejected goods with goods which are, in all respects, in accordance with our Order. You shall reimburse to us (1) any money in respect of any goods which we have rejected and which you have not replaced within a reasonable time, and (2) any additional expenditure over and above the price of such goods which we have incurred in obtaining replacement goods from another source.

### 7. INFRINGEMENT OF PATENT AND OTHER RIGHTS

You shall indemnify us against all actions, claims, demands, costs, charges, damages and expenses arising from or incurred by reason of any infringement or alleged infringement of letters patent, registered design, trade mark, or copyright, resulting from the use or sale or intended use or sale of any goods supplied by you, provided that the particular purpose of such goods has been made known to you. We warrant that any design which we may furnish or give to you shall not be such as to our knowledge will cause you to infringe any letters patent, registered design, trade mark, or copyright, in the execution of our Order.

### 8. ASSIGNMENT

You shall not, without our previous written consent assign or subcontract our Order or any part thereof. Any consent hereunder shall in no way relieve you from your obligations under our Order.

### 9. ADVERTISEMENT

You shall not without our previous written consent use our Order in any way for the purpose of advertisement or publicity.

### 10. GUARANTEE

If, within a period of twelve months after delivery (or such longer period as is normally offered by you) the goods, or any of them, are found under conditions of proper storage and use, to have any defect then you shall at your risk and expense and within a reasonable period make good the defect by repair or at our option by supply of a replacement. Any loss damages or expense incurred by us resulting from such defects shall be recoverable from you.

### 11. LOSS OR DAMAGE IN TRANSIT

When to our knowledge goods are lost or damaged in transit and the risk is on you, we shall notify you of such loss or damage within such reasonable time as may enable you to comply with the carrier's Conditions of Carriage as affecting loss or damage in transit, or where delivery is made by your own transport, within a reasonable time.

### 12. STATUTORY REQUIREMENTS

You warrant that the design, construction and quality of goods to be supplied under our Order comply in all respects with all relevant requirements of any Act of Parliament or legislation made thereunder which may be in force at the time when the goods are delivered.

### 13. SAFETY RULES AND INDEMNITY

- (a) Our Safety Rules and Conditions for Contractors and, in particular, the provisions as to the indemnity by contractors shall, where we so specify, be incorporated in these terms and conditions, and we shall provide you with a copy thereof.
- (b) You shall indemnify us against any loss or expense incurred by us by reason of the Employers' Liability (Defective Equipment) Act 1969 in connection with any goods supplied by you in execution of our Order.

### 14. CONFIDENTIALITY

Our Order, and all tools, materials, documents and information issued by us in connection therewith are confidential: and (except in so far as confidential disclosure to subcontractors, suppliers or others is agreed by us in writing) the use and disclosure of such confidential matter must be strictly confined to your employees properly engaged in executing our Order.

### 15. CARE AND RETURN OF BUYER'S PROPERTY

- (a) All tools, materials and documents supplied by us or prepared or obtained by you at our sole cost shall be and remain our property (hereinafter called "the Buyer's Property").
- (b) The Buyer's Property shall, while in your possession or control, be at your risk and shall be maintained by you in good order and condition and insured against all risks.
- (c) On the completion of our Order, or otherwise as directed by us, the Buyer's Property shall be returned to us in good order and condition at your risk and expense. If it is not so returned, we may withhold, or require reimbursement of, such part of the payment for our Order as is necessary to replace or repair the Buyer's Property.

### 16. TERMINATION

If you commit any breach of the terms and conditions of our Order, or suffer distress or execution, or become insolvent, or commit an act of bankruptcy, or enter into any arrangement or composition with your creditors, or go or are put into liquidation (other than solely for the purpose of amalgamation or reconstruction), or if a receiver is appointed over any part of your business, we may without prejudice to any rights which have accrued or which may accrue to us:-

- (a) terminate our Order summarily by notice in writing without compensation to you, or
- (b) give any such receiver or liquidator or other person the option of carrying out our Order, on such terms as we may specify.

### 17. ARBITRATION

If at any time any question, dispute or difference whatsoever shall arise between you and ourselves upon, in relation to, or in connection with our Order, either of us may give to the other notice in writing of the existence of such question, dispute or difference and the same shall be referred to the arbitration of a person to be mutually agreed upon, or failing agreement within 14 days of such notice of some person appointed by the President for the time being of the Institute of Electrical Engineers.

### 18. CONTINUING PROVISIONS

The completion or termination of our Order shall not affect the continuing operation of conditions 2, 6, 7, 9, 10, 12, 13, 14, 15 and 17 above.

### 19. PAYMENT

Payment will become due on the last day of the month following the one in which the supplier's invoice is dated, i.e. *Net Monthly Terms*.

### 20. LAW

Unless otherwise agreed in writing the contract shall in all respects be construed and operate as an English contract and in conformity with English Law.

### 21. INVOICES

All invoices are to be sent to the Accounts Department, Centronic Limited, Centronic House, King Henry's Drive, New Addington, Croydon CR9 0BG, UK.