

CELSA MANUFACTURING (UK) LIMITED

TERMS AND CONDITIONS OF PURCHASE (the “Conditions”)

The Order is the Company's offer to purchase the Goods and/or the Services. Unless otherwise expressly agreed in writing by a director for and on behalf of the Company, these Conditions are the only conditions upon which the Company is prepared to purchase Goods and Services.

In these Conditions the following words shall have the following meanings:-

"Company"	Celsa Manufacturing (UK) Limited (company number 04577881) or any other Group Company who purchases Goods hereunder;
"Contract"	the contract for the supply of the Goods and/or Services to the Company;
"Goods"	all goods, data, software and other items (or any of them) supplied to the Company under the Contract including (without limitation) any replacement goods and all necessary installation, handling, use, storage and/or disposal instructions in respect of such goods or other items;
“Group Companies”	any and all subsidiary undertakings and parent undertakings of Celsa (UK) Holdings Limited (company number 04578086) and all other subsidiary undertakings from time to time of any such parent undertakings (as such terms are defined in Section 258 of the Companies Act 1985) and each a “Group Company”;
"Order"	the purchase order placed by the Company for the supply of Goods and/or Services on and subject to these Conditions, including (without limitation) the Specification and any other documents specified in or attached to such purchase order, issued pursuant thereto or incorporated therein by reference;
“Price”	the total price for the Goods and/or Services, as specified in the Order;
“Services”	the services to be supplied by the Supplier to the Company hereunder, as specified in the Order;

"Specification"	together any and all technical specifications and/or requirements relating to the Goods and/or Services specified by the Company in or pursuant to the Order, including (without limitation) any descriptions, designs, drawings and/or details relating to the Goods and/or Services and any requirements relating to the manufacture and/or performance of the Goods, and any industry standard specifications relating to the Goods and/or Services;
"Supplier"	the person, firm, company or body to whom the Order is addressed;
"Tooling"	any tooling, jigs, dies, fixtures, patterns, moulds and/or casts used in or in connection with the manufacture of the Goods.

The headings are for convenience only and shall not affect the construction or interpretation of these Conditions.

1. **EFFECT OF THESE CONDITIONS**

- (a) The Supplier's commencement of performance of the Order or any implied or express acceptance of the Order by the Supplier or the Supplier's use of the number of the Order in any order acknowledgement shall conclusively evidence the Supplier's agreement to the Order and its provisions on and subject to these Conditions and a Contract shall be formed accordingly.
- (b) All terms or conditions proffered by the Supplier are hereby excluded. No variation to these Conditions shall be effective unless agreed in writing by a director on behalf of the Company. Acceptance of the Supplier's conditions of sale or any other terms inconsistent herewith shall not be implied from any act omission or series of acts or omissions on the part of the Company.
- (c) All variations to these Conditions agreed at the time of placing the Order are specified in the Order. In the event of any inconsistency between these Conditions and the face of the Order form, the latter shall prevail.
- (d) The Order and these Conditions constitute the entire agreement of the parties and supersede all other agreements and communications between the Company and the Supplier concerning the subject matter of the Order.
- (e) **INCOTERMS**

Unless otherwise agreed in writing by a director on behalf of the Company, DDP Incoterms (2000 Edition) shall apply to the Contract.

2. **SUB-CONTRACTING AND ASSIGNMENT**

- (a) Save as specified in the Order, the Supplier shall not sub-contract nor assign the benefit of all or part of the Contract without the prior written consent of a director on behalf of the Company. The Supplier shall be directly responsible for all work done and goods and/or services supplied by sub-contractors and any breach of these Conditions by any sub-contractor shall be considered to be a breach by the Supplier.
- (b) The Company reserves the right to assign the benefit of the Contract to any person.
- (c) The Company reserves the right to require a performance guarantee from the Supplier's ultimate holding company to be issued prior to commencement of work on the Contract or at any such time thereafter as the Company shall specify.

3. **VARIATION OF ORDER**

The Company may (at its sole option) at any time change the Specification, quantity and/or delivery date in respect of the Goods and/or Services (subject to an equitable adjustment of the Price), such variation to be effective only if specified on an official amendment order issued by the Company and signed by a director on behalf of the Company.

4. **CONFORMITY WITH ORDER, QUALITY AND DESCRIPTION**

- (a) The Goods shall in all respects:-
 - (i) conform as to quality, quantity, design and description with the particulars of the Order;
 - (ii) be of satisfactory quality and free from defects;
 - (iii) be fit for all common purposes for which goods of the kind in question are commonly supplied and if expressly or by implication the purposes for which the Company requires the Goods have been made known to the Supplier, fit for those purposes;
 - (iv) be equal to all and any approved samples or patterns;
 - (v) comply with the Specification;

- (vi) be adequately packed and wrapped at the Supplier's expense to protect against all risks of damage or deterioration;
 - (vii) comply with all requirements set out in the statutes and/or regulations and/or standards applicable to the Goods or goods of the type in question at the date of delivery; and
 - (viii) conform with all descriptions applied thereto by the Supplier or otherwise appearing in supporting literature supplied in respect of the Goods.
- (b) The Services shall be performed by the using that degree of skill, care, diligence and prudence reasonably and ordinarily expected from experienced and competent persons engaged in the provision of services similar to the Services under similar circumstances and conditions; in accordance with all methods, standards and practices customarily used in good and prudent industry practice; using or procuring the use of processes compliant with all applicable laws and legal obligations and with any relevant British, European or international standards, specifications and codes of practice and such other equivalent standards, specifications or codes of practice that may be in force from time to time during the performance of the Services and using appropriately experienced, qualified and trained personnel.
- (c) The Supplier shall not without the prior written consent of a director on behalf of the Company exceed the quantities stated on the Order nor modify the Specification.
- (d) The Supplier shall, prior to delivery, notify the Company, giving details, of any Goods which are perishable or have a life expectancy of limited duration and of any circumstances likely to affect the quality of the Goods and shall issue appropriate instructions as to storage, handling, installation and use of the Goods. Such details and instructions shall form part of the description of the Goods.
- (e) The Supplier shall ensure that items comprised in the Goods which are hazardous or may otherwise endanger life or health are clearly identifiable from external packaging. The Supplier shall supply with the Goods warning labels and instructional material appropriate to warn persons coming into contact with the Goods of the hazards and their effects.
- (f) The Supplier shall indemnify and keep indemnified the Company from and against any and all liability, claims, actions, damages, losses (including without limitation, complete or partial loss of goods including but not limited to the Goods, loss of profit and of any contract), charges, costs and expenses of any kind whatsoever (including without limitation legal costs on a solicitor own client basis) arising out of the Supplier's errors in or omissions from or failure to issue appropriate instructions and warning notices or other information under conditions 4(d) and 4(e) above.

5. INSPECTION AND TESTING

- (a) The Company shall be entitled to inspect all works, facilities and records of the Supplier and any sub-contractors connected with the manufacture and supply of the Goods at any time during the term of the Contract. The Company's authorised representatives may, upon reasonable notice to the Supplier, have access to monitor progress of work relating to a Contract by the Supplier or its sub-contractors. For such purpose the Supplier shall, and shall procure that its sub-contractors shall, afford to the Company's representatives access to relevant premises and reasonable facilities and assistance.
- (b) Prior to delivery of the Goods, the Supplier shall test the Goods for conformity with the Order. The Company relies on the Supplier's skill and judgement in assessing quality and fitness for purpose. The Supplier shall on request provide the Company free of charge with evidence and results of testing. The Supplier shall notify the Company at least twenty four (24) hours in advance of the time and place of any testing of the Goods and Company's authorised representatives shall be entitled to attend and observe such tests.
- (c) The inspection or verification of work pursuant to the Order or attendance by the Company's representatives at testing of the Goods and/or any approval of any samples of the Goods shall not constitute the Company's acceptance of the Goods. No inspection, test or delay or failure to inspect or to test or to discover any defect or non-compliance with the Order by the Company or the approval of samples of the Goods by the Company shall relieve the Supplier of any of its obligations under the Contract or impair any rights or remedies to which the Company may be entitled whether hereunder, at law or in equity.
- (d) The Supplier shall include the substance of this condition 5 in all sub-contracts entered into pursuant to the Contract.

6. DELIVERY

- (a) Subject to condition 6(f), any time of delivery of Goods and/or performance of Services stated in the Order or otherwise agreed shall be of the essence of the Contract. The Supplier shall notify the Company forthwith of any likely delays.
- (b) Unless otherwise specified in the Order, the Goods shall be delivered to the Company between the hours of 0800 and 1530 Monday to Friday inclusive, excluding bank and public holidays and any other days notified by the Company to the Supplier.
- (c) Goods shall be delivered and Services shall be performed strictly in accordance with the Order. The Company reserves the right to specify in the Order delivery to the premises of a third party.

- (d) The Supplier shall despatch with the Goods or under separate cover with its advice note all certificates of conformity, instructions and other documents required to be issued pursuant to the Contract, as stated in the Order. If the Supplier fails to provide the advice note or any of these documents or if any of these documents fail to conform with the requirements of the Order the Company shall be entitled to reject the Goods.
- (e) The Supplier's delivery note despatched with the Goods shall state: Order number, part number, full details of consignment including, without limitation, number of units, date of despatch, name of carrier and list of other accompanying documents.
- (f) The Company shall be entitled in its absolute discretion to defer delivery of Goods and/or performance of Services without any liability for storage of Goods or other charges from the Supplier. In such case Goods and Services shall not be invoiced until delivery and performance (as the case may be) has taken place.
- (g) The Company shall be entitled to reject Goods found on delivery not to conform with the Specification, the Order or the requirements of these Conditions, including without limitation as to quantity or quality, or to be damaged or defective, however slight the non-conformity, damage or defect (and Sections 15A and 30(2A) of the Sale of Goods Act 1979 shall not apply). Such Goods may be returned to the Supplier within a reasonable time after delivery at the Supplier's risk and expense and shall be deemed not to have been delivered under the Order. The Supplier shall (at the Company's sole option) either supply replacements for rejected Goods or remedy defects or damage to the Company's reasonable satisfaction. The making of any payment shall not prejudice the Company's rights under this Condition 6(g).
- (h) The Company shall be entitled to reject Services which do not conform with the Specification, the Order or the requirements of these Conditions. The Supplier shall, within seven (7) days of the Company's request, re-perform the Services to the Company's reasonable satisfaction. The making of any payment shall not prejudice the Company's rights under this Condition 6(h).
- (i) Any acceptance by the Company of Goods and/or Services not in conformity with the Order shall be without prejudice to any rights the Company may have against Supplier whether hereunder, at law or in equity.

- (j) The Supplier's failure to adhere to any provision of the Contract, including, without limitation, any failure to deliver Goods and/or perform Services in accordance with the Order, Specification and/or these Conditions shall entitle the Company at its sole option at any time after the date for performance or delivery to treat the Contract as repudiated in whole or in part (without prejudice to any other rights it may have whether hereunder, at law or in equity), and the Company shall not be prejudiced by any delay in exercising such option or any indulgence granted to the Supplier.
- (k) The Company shall be entitled to recover from the supplier all costs and expenses and loss whatsoever incurred (including, without limitation, loss of profit and the costs of any necessary repair, replacement or other correction) incurred as a result of or in connection with non-conformity of the goods and/or services with the Order, Specification and/or these conditions either by equitable price reduction, set-off or credit against any amount owed to the supplier (whether under the Contract or otherwise) as the company may in its absolute discretion elect.

(l) **INSTALMENTS**

If the Contract provides for delivery by instalments the Company shall be entitled to treat default in delivery of one instalment as a material breach of the Contract entitling the Company (without prejudice to any of its other rights and remedies whether hereunder, at law or in equity) to terminate the Contract and to refuse delivery of any future instalments without incurring any liability in respect thereof to the Supplier. All instalment deliveries shall be invoiced separately unless otherwise specifically agreed in writing by a director on behalf of the Company.

7. **RISK AND PASSING OF TITLE**

- (a) Subject to conditions (d) and (e) below and to the Company's right to reject or return Goods, unless otherwise agreed in writing by a director on behalf of the Company, title to and risk of loss or damage to the Goods shall pass to the Company immediately following off-loading of the Goods at the point of delivery specified in the Order.
- (b) The Supplier shall be responsible for all delivery, transport and unloading costs incidental to the Contract and shall be liable to insure Goods to their full replacement value against all risks of damage or loss prior to completion of delivery.
- (c) The Supplier shall upon request provide such evidence of the insurance cover in respect of the Goods referred to in condition (b) above as the Company may reasonably require.

- (d) Where Goods are retained by the Supplier pending delivery instructions, title shall pass to the Company when Goods are ready for despatch but risk shall remain with the Supplier until delivery in accordance with the Company's instructions.
- (e) Part payments for Goods made in advance of delivery are part payments of the Price and title to materials procured or manufactured by the Supplier towards performance of the Contract shall pass to the Company at the date of such payments up to the total amount thereof.

8. PRICE AND PAYMENT

- (a) Subject to condition 3 above, the Price shall remain fixed and binding.
- (b) Subject always to condition 8(h) below, the Price is inclusive of all packaging, carriage, insurance and freight charges and exclusive of VAT. The Supplier shall not be entitled to increase the Price by reason of any variation to the costs of packaging, delivery, carriage, insurance and/or transportation.
- (c) The Supplier shall not issue any invoice prior to the scheduled or actual delivery/performance date (whichever is the later) of the Goods and/or Services and all documents required to be supplied in connection therewith under the terms of the Contract. All invoices shall specify the Order number and full details of the consignment including description, quantity and unit price of Goods delivered.
- (d) The Supplier shall issue to the Company as soon as reasonably practicable and in any event before the 15th day of each calendar month a statement of account which includes, without limitation, a summary of all invoiced amounts outstanding, until all monies due from the Company to the Supplier have been paid. The Company shall not be liable for any delay in making payment of any invoices where such delay results directly or indirectly from the Supplier's delay or failure to issue such statement of account.
- (e) Subject to the Company's receipt of Goods and documents and Services conforming with the Order and to the provisions of condition (d) above, unless otherwise agreed in writing by a director on behalf of the Company, payment will be in pounds sterling within sixty (60) days from the end of the month in which the Company receives a valid invoice therefore. Notwithstanding the Company's acceptance of the Goods and/or Services, delivery shall not be deemed to have taken place nor shall the period for payment commence until the Company's receipt of all documents required to be issued as stated in the Order.
- (f) Where the Company has agreed advance or progress payments, the Supplier shall upon request by the Company procure the issue by its bankers of a guarantee of immediate reimbursement upon demand.

(g) Payment by the Company of any amount towards the Price shall not constitute the Company's admission as to the Supplier's performance of its obligations or a waiver of the Company's rights under the Contract.

(h) **PACKAGING**

Where extra charges for pallets, stillages, crates and other packaging have been agreed pursuant to the Order, the Supplier shall credit the Company with the amount of all such charges paid upon return of such pallets, stillages, crates and/or other packaging to the Supplier. The Company's delivery note signed by any servant or agent of the Supplier shall be conclusive evidence that such pallets, stillages, crates and/or packaging have been returned.

9. **INTELLECTUAL PROPERTY**

(a) If the Supplier makes any invention, discovery or design in the course of or otherwise resulting from this Order (“a Discovery”), the Supplier shall provide the Company with full details thereof. Unless otherwise expressly agreed in writing by the Company, absolute title in a Discovery (including all intellectual property rights therein) shall vest in the Company. The Supplier shall provide to the Company such waivers and assignments as may be required to vest the Discovery (and all intellectual property rights therein) in the Company and such copies of drawings, data, specifications and technical information as the Company may require in order fully to exploit the Discovery and to obtain protection by way of registration or otherwise of the rights of the Company in the Discovery.

(b) The Supplier shall not without the Company’s prior written consent supply Goods or perform any Services incorporating the Discovery to any third party.

10. **WARRANTY**

(a) The Supplier warrants to the Company that for a period of twelve (12) months from the later of the date of use or the date of sale of the Goods by the Company (the “Warranty Period”) the Goods will comply with all the provisions of condition 4(a). Without prejudice to any other remedy of the Company whether hereunder, at law or in equity, if during the Warranty Period the Company becomes aware of any such non-compliance in the Goods (or any of them) it shall be entitled to require the Supplier within seven (7) days of notification of the non-compliance to:

(i) replace the Goods; or

- (ii) rectify the non-compliance; or
 - (iii) where the Company has already paid for the Goods, refund to the Company the portion of the Price applicable to the non-compliant Goods or issue the Company with a credit note in respect of the same.
- (b) The remedy required by the Company pursuant to condition 10(a) above shall be at the Company's sole option.
 - (c) If the Supplier fails to comply with its obligations pursuant to condition 10(a) above, without prejudice to any other right or remedy of the Company whether hereunder, at law or in equity, the Company will, at its sole option, be entitled to treat the Contract as repudiated by the Supplier and require the repayment of the Price or any part thereof paid by the Company.
 - (d) The benefit of the warranty in condition 10(a) above shall be freely assignable by the Company.

11. INDEMNITY

- (a) Subject always to condition 11(b) below, the Supplier shall at all times indemnify and keep indemnified the Company and all Group Companies from and against:-
 - (i) any and all liabilities, claims, actions, suits, costs, damages, losses and expenses (including without limitation legal fees and expenses on a solicitor own client basis, loss of profits and contracts) brought against or suffered by the Company and/or the relevant Group Company by reason of any threat, claim or allegation of infringement of any patent, design right, registered design, trade mark or name or any other intellectual property or other right of any third party resulting from or arising in connection with the use or sale of Goods and/or the receipt of the Services; and
 - (ii) any and all liabilities, claims, actions, suits, costs, damages, losses and expenses (including without limitation legal fees and expenses on a solicitor own client basis, loss of profits and contracts) brought against or suffered by the Company and/or the relevant Group Company by reason of the supplier's, its officers', agents', employees' or sub-contractors' failure to perform or delay in performing its obligations under the Contract (or any of them) including, without limitation, any failure to deliver the Goods and/or perform the Services on the date specified by the Company; and

- (iii) any and all liabilities, claims, actions, suits, costs, damages, losses and expenses (including without limitation legal fees and expenses on a solicitor own client basis, loss of profits and contracts) , loss of property, death or injury to any person howsoever arising (whether directly or indirectly) as a result of any defect in or failure of the Goods and/or Services (or any of them) or Work (as defined in condition 20) (or any part thereof) to conform with the Contract or any act or omission of the Supplier its officers, employees, agents or sub-contractors, including, without limitation, any negligent act or omission.
- (b) The indemnities set out in Condition 11(a) above shall not apply in respect of any losses, costs, damages or expenses to the extent incurred by the Company (and/or the relevant Group Company) wholly and directly as a result of any use by the Supplier of any drawings, designs or specifications supplied to the Supplier by the Company.

12. **PROPRIETARY INFORMATION**

- (a) The Supplier shall keep in strict confidence all information relating to the products, business, technology, procurement or technical requirements of the Company or of any of the Group Companies which may come into the Supplier's possession in the course of carrying out the Order (“Confidential Information”) and the Supplier shall not without the prior written consent of a director on behalf of the Company use the same for any purpose other than the execution of the Order or disclose the same to any person other than on a need-to-know basis and in confidence to those of its employees, officers and sub-contractors who require knowledge thereof for the purposes of the execution of the Order and who are, through their contracts with the Supplier, under obligations of confidentiality to the Supplier.
- (b) The Supplier shall and shall procure that any sub-contractor shall, immediately upon the request of the Company, return to the Company all Confidential Information in whatever form and whatever media held in the Supplier's and/or any sub-contractor's (as the case may be) possession and control together with all copies thereof and extracts therefrom.
- (c) The Supplier shall not without the prior written consent of a director on behalf of the Company use the Company's name or otherwise hold itself out as associated with the Company in any advertising or publicity material or in any other manner whatsoever.
- (d) All drawings and other items provided by the Company to the Supplier shall be used solely for the purposes of the Order and remain the property of the Company and the Supplier shall return the same without charge to the Company forthwith upon demand.

- (e) Drawings, patterns or other items produced by the Supplier upon the Company's instructions pursuant to the Order shall be used only for the purposes of the Order. The Supplier shall upon request supply copies of the same free of charge to the Company.
- (f) The Supplier shall forthwith upon request and in any event upon termination of the Contract return to the Company all Specifications, drawings, samples and other material whatsoever supplied by the Company to the Supplier pursuant to the Order and shall not keep any copies of the same.
- (g) In the event that the Supplier is required pursuant to the Order to brand or mark the Goods or any packaging therefor with any trade mark belonging or licensed to the Company, the Supplier shall use such trade mark(s) strictly in accordance with the Company's instructions and for no other purpose. On termination of the Contract howsoever arising, the Supplier shall immediately cease to use such trade mark(s).
- (h) The Supplier shall include the substance of this condition 12 in all sub-contracts issued pursuant to the Order.

13. **INSURANCE**

- (a) The Supplier shall effect and maintain:
 - (i) prior to delivery of the Goods and/or performance of the Services, liability insurance with reputable insurers in such terms as are satisfactory to the Company and which indemnify the Supplier against all liability of the Supplier to the Company or any other person resulting from or arising out of any defect in the Goods and/or Services or any failure of the Goods and/or Services to comply exactly with the requirements of the Contract or the Order; and
 - (ii) during the period of performance of the Contract, third party liability insurance and employer's liability insurance

and the Supplier shall promptly provide to the Company on request a copy of the insurance policies and evidence of the up-to-date payment of all premiums.

- (b) If the Supplier fails to maintain any insurance policies required to be effected and maintained by the Supplier pursuant to these Conditions (or any of them), or such insurance policies (or any of them) are cancelled, lapse, revoked, or are not renewed other than in accordance with these Conditions, then the Company shall be entitled to:

- (i) cancel the Order and/or reject any Goods delivered and/or Services provided under the Order and/or to terminate the Contract and to return at the Supplier's cost any Goods delivered under the Contract; and
- (ii) itself effect and maintain such insurance to a reasonable level of cover and deduct the premiums paid from any monies due or to become due to the Supplier.

14. SUPPLY OF PERSONNEL

All personnel provided by the Supplier for carrying out the Order shall at all times be deemed to be in the employment of Supplier and shall, when required to be at the Company's premises and/or any delivery address comply in all respects with any site rules applicable to the Company's premises and/or such delivery address.

15. MATERIALS AND TOOLING

- (a) At all times whilst the Supplier has in its possession any free issue material supplied to it by the Company for performance of an Order ("Issue Items"), the Issue Items shall remain the Company's property but shall be at the Supplier's risk and the Supplier shall:-
 - (i) use Issue Items economically and solely for the performance of the Order and certify to the Company incorporation of Issue Items in Goods as required by the Order;
 - (ii) whilst not in use keep Issue Items separate and readily identifiable as the Company's property;
 - (iii) at its own expense keep Issue Items insured for their full replacement value against all usual risks, ensuring that the Company's interest in such Issue Items is noted on all and any such insurance policies and apply the proceeds of such insurance for replacement of Issue Items;
 - (iv) store safely, treat with due care and keep in good condition (fair wear and tear excepted) all Issue Items;
 - (v) not charge by way of security for any indebtedness nor, without the prior written consent of a director on behalf of the Company, sell dispose of or destroy Issue Items;

- (vi) at its own expense make good or replace all Issue Items damaged or lost due to its, its officers', employees', agents' or sub-contractors' negligence; and
 - (vii) forthwith upon demand from the Company yield up Issue Items to the Company or its authorised agents.
- (b) The Price shall be inclusive of any Tooling costs incidental to the Order.
- (c) If the Order requires the Supplier to produce Tooling, unless otherwise stated in the Order:
 - (i) Tooling costs in full shall be shown as a separate item on the Supplier's invoice;
 - (ii) passing of title to Tooling shall be simultaneous with passing of title to Goods and the Supplier shall upon request make Tooling available for collection by the Company at any time thereafter; and
 - (iii) all such Tooling and all intellectual property rights therein or relating thereto ("Intellectual Property") shall belong to the Company absolutely and the Supplier shall at the request and expense of the Company execute all such documents and undertake all such acts as the Company may from time to time require or consider necessary or desirable properly to vest the Intellectual Property in the Company for the full term thereof including renewals and extensions thereto; and
 - (iv) the Supplier shall only use the Tooling for the purposes of the Order.
- (d) At all times whilst the Supplier has in its possession any Tooling or other equipment loaned or supplied to it by the Company for the performance of an Order or title to which belongs to the Company under condition 15(c) above, such Tooling shall remain the Company's property and the Supplier shall:-
 - (i) keep Tooling separate and readily identifiable as the Company's property;
 - (ii) at its own expense keep Tooling insured for its full replacement value against all usual risks, ensuring that the Company's interest in such Tooling is noted on all and any such insurance policies and apply any proceeds of such insurance for replacement of Tooling;

- (iii) store safely, treat with due care and keep in good condition (fair wear and tear excepted) all Tooling;
- (iv) not without the prior written consent of a director on behalf of the Company sell dispose of or destroy Tooling;
- (v) at its own expense make good or replace all Tooling damaged or lost due to its own, its officers', employees', agents' or sub-contractors' negligence; and
- (vi) forthwith upon demand from the Company yield up Tooling to the Company or its authorised agents.

16. **LICENCES, PERMITS AND CONSENTS**

The Supplier shall obtain and maintain, at its own cost and expense, in force all licences, permits and consents required in connection with the manufacture of the Goods and/or the supply and/or delivery of the Goods and/or performance of the Services to the Company.

17. **CANCELLATION**

- (a) Subject to condition 17(b) below, the Company shall be entitled by notice at any time to cancel the Order in whole or in part.
- (b) Upon cancellation under condition 17(a) or termination under condition 22 the Supplier shall immediately discontinue work on the Order and shall within two months thereafter submit its claim for expenses incurred pursuant to the Order to the extent to which the same would otherwise be an unavoidable loss to the Supplier due to the Company's cancellation or termination. The Supplier shall take all reasonable steps to mitigate its loss and the Company shall not be liable for claims submitted more than two months after cancellation or termination.
- (c) Subject to payment of the fair and reasonable price therefor, the Company shall be entitled forthwith upon cancellation pursuant to this condition 17 or termination pursuant to conditions 13(b), 18(a) or 22 to take possession of and the Supplier shall yield up to the Company all unused and undamaged materials and parts and items in the course of manufacture pursuant to the Order and Tooling and Issue Items wherever situate and the Supplier shall and shall procure that any sub-contractors shall:
 - (i) deliver up to the Company all such materials; and
 - (ii) irrevocably permit the Company access to its premises for such purpose.

- (d) The Company shall have no further liability to the Supplier in connection with such cancellation or termination.

18. **TERMINATION**

The Company may at any time by notice in writing, without prejudice to the Company's other rights or remedies under the Contract, at law or in equity, whether accrued before or accruing after such notice, summarily terminate the Contract or suspend delivery without compensation to the Supplier upon the occurrence of any of the following events:-

- (a) if the Supplier commits a material breach of any of these Conditions and fails to remedy such breach (if capable of remedy) within fourteen (14) days after service of a notice specifying the breach and the remedy required;
- (b) the presentation of a petition or the convening of a meeting for the purpose of considering a resolution for the winding up or dissolution of, the passing of any resolution for its winding up, or the making of a winding up order against, or order for the dissolution of, the Supplier;
- (c) the appointment of a receiver, administrative receiver, receiver and manager, sequestrator or similar officer over all or any of the assets or undertaking of the Supplier or the presentation of a petition for an administration order, or the making of an administration order, in relation to the Supplier;
- (d) the proposal of, application for, or entry into of, a compromise or arrangement or voluntary arrangement, or any other scheme, composition or arrangement in satisfaction or composition of any of its debts or other arrangement for the benefit of its creditors generally, by the Supplier with any of its creditors (or any class of them) or any of its members (or any class of them) or if the Supplier takes any action in relation to any of the same;
- (e) the taking by any creditor secured or otherwise of possession of, or the levying of distress or enforcement of some other process upon, all or part of the property, assets or undertaking of the Supplier;
- (f) the deemed inability of the Supplier to pay its debts within the meaning of Sections 123 or 268 of the Insolvency Act 1986 (as applicable);
- (g) the Supplier ceasing to carry on the whole or a substantial part of its business;

- (h) the Supplier suspending payment of debts or being unable or omitting to pay its debts as they fall due; or
- (i) the occurrence of an event or circumstance in relation to the Supplier similar to any of those referred to in (b) to (h) above in any jurisdiction other than England and Wales.

19. WORK ON COMPANY'S PREMISES

Where the Order provides for any work to be done by or on behalf of the Supplier on the Company's premises ("Work"):

- (a) the Supplier shall, and shall procure that any sub-contractor and any other person employed by or carrying out Work on its behalf shall:
 - (i) refrain from committing any act on the Company's premises which may render the Company liable to any person at common law or by virtue of any statute;
 - (ii) observe the "Contractor's Site Regulations" issued by the Company, which shall be available for inspection by the Supplier who shall be deemed to have knowledge of its contents, and all statutory provisions and regulations relating to the safety of persons using the Company's premises;
 - (iii) comply with all requirements of the Company as to security while at the Company's premises and when entering and leaving such premises;
 - (iv) unless otherwise agreed, not commence the Work until authorised to do so in writing by a director on behalf of the Company;
 - (v) comply with any instruction by the Company or its authorised representative pertaining to the conduct of the Work;
 - (vi) unless otherwise agreed with the Company, submit time and material sheets daily for signature by an authorised official of the Company; and
 - (vii) take reasonable care to minimise disruption to the Company's business in performing the Work.

- (b) Where the Work involves in whole or in part the installing, manufacturing or erecting of any item (including, without limitation, buildings, plant and equipment), the Supplier shall be wholly responsible for all and any such items and will maintain insurance to cover loss and/or damage to such items until completion of the Work in accordance with the Order, the Specification and these Conditions.
- (c) The Company reserves the right to charge the Supplier for all and any medical services provided by the Company to any person carrying out the Work on behalf of the Supplier.

20. **HEALTH AND SAFETY**

The Supplier shall comply with all of its legal obligations and any and all requirements which the Company may notify to it from time to time (whether in the Specification or otherwise) in relation to health and safety in relation to the Goods and Services and shall as a continuing obligation surviving termination or performance of the Contract provide the Company with such information and assistance concerning the Goods and Services as the Company may reasonably require to enable the Company to comply with its legal obligations in relation to health and safety in respect of the Goods and Services (including, without limitation, in each case any obligations under the General Product Safety Regulations 1994).

21. **NO WAIVER**

No waiver of any of the Company's rights under the Contract shall be effective unless in writing signed by a director on behalf of the Company. A waiver shall apply only to the specific circumstances in which it is given and shall be without prejudice to the enforcement of the Company's rights in relation to different circumstances or the recurrence of similar circumstances.

22. **FORCE MAJEURE**

If the Company shall be prevented from taking delivery of the Goods, receiving the Services, issuing instructions or otherwise progressing the Order by reason of any circumstances beyond its reasonable control including (without limitation) Act of God, legislation, war, civil commotion, fire, flood, drought, failure of power supply, lock-out, strike, stoppage or other action by employees or third parties in contemplation or furtherance of any dispute the Company shall be entitled, during the period of such contingency, to defer or cancel delivery of any undelivered balance of the Goods and/or performance of any element of the Services yet to be performed or to cancel the Contract, in which latter event, the provisions of condition 17 shall apply.

23. **NOTICES**

Notice under these Conditions shall be properly given if in writing and sent by registered post to the address of the intended recipient as stated in the Order or to such address as the Company and the Supplier from time to time notify to each other as their respective addresses for service and any notice shall be served upon receipt by the intended recipient at such address.

24. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

The Company and the Supplier agree and acknowledge that each Group Company may enforce the provisions of condition 11 as applicable. Save as provided above, none of the terms of the Contract are intended by the Company or the Supplier to be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any third party who is not a party to the Contract.

25. **CONSTRUCTION AND JURISDICTION**

- (a) English Law shall govern construction and operation of the Contract and the Supplier agrees to submit to the exclusive jurisdiction of the Courts of England and Wales.
- (b) Each of these Conditions contained herein shall be construed as a separate condition. If any provision hereof is held by any court or other competent authority to be invalid, void or unenforceable it shall be deleted and the remaining provisions hereof shall continue in full force and effect and if necessary be amended so far as may be required to give effect to the spirit of these Conditions.