

CONDITIONS OF PURCHASE

DEFINITIONS & LAW

- 1.1 In these conditions the Buyer means AGW Electronics Ltd, and the Supplier means the person, contractor, firm or company to whom an order is addressed. "Goods" includes materials, commodities, services and articles in whatever state of completion or manufacture.
- 1.2 Both parties hereby agree that this contract and any question there-by arising shall be governed by English Law.

2.1 VARIATION

Neither the Buyer nor the Supplier shall be bound by any variation, waiver of or addition to these conditions, except as agreed by both parties in writing and signed on their behalf.

3.1 QUALITY ETC, REMEDIES

Subject to these conditions the Goods and any services to be provided shall:

- (A) Conform as to quantity, quality and description with the order and any specifications or standards stated or referred to in order to:
 - (B) Be of sound materials and workmanship,
 - (C) Be capable of any standard of performance specified in the order
 - (D) In the purpose for which they are required is indicated in the order either expressly or by implication, be fit for that purpose
- 3.2 The Supplier will keep the Buyer indemnified in respect of all loss and/or expense which results directly or indirectly from defective goods, workmanship, design or services applied or provided by the Supplier and in addition the Supplier will repair, replace or reinstate at the Buyer's option any defective item free of any charge
 - 3.3 Without prejudice to any right or remedy available to the Buyer under statute or Common Law the Supplier will keep the Buyer indemnified in respect of any liability suffered or incurred by the Buyer as a result of the supply or use by the Supplier of defective goods, workmanship or services in carrying out the order or as a result of any breach of the conditions, warranties, inducements or representation expressed or implied in the contract or any other breach of contract on the part of the Supplier, including but not limited to consequential or indirect loss and loss of profits

INSPECTION AND TESTING

- 4.1 The Buyer's inspector or representative and any inspector or representative of the Buyer's customer or their agent or any government agent concerned shall be entitled on authority of the Buyer to inspect or test the goods and materials or work subject of the order at any reasonable time at the Supplier's works or at the works of any Supplier's sub-contractor or assignee. For this purpose the Supplier will give to the Buyer or nominee appointed by the Buyer reasonable access to the suppliers' work or any such other works or assignee and therein shall be afforded reasonable space and facilities to carry out proper inspection and tests.
- 4.2 If specified by the Buyer the Supplier will give adequate notice of works tests which the Buyer is entitled to attend and will provide the Buyer with such test certificates as the Buyer or its customer may reasonably require.
- 4.3 Such inspection does not relieve the Supplier of any liability nor does it imply acceptance of the goods or work the subject of the order.
- 4.4 The Buyer reserves the right at its option either to reject any goods or materials in whole or part (whether or not the same have been delivered to and accepted by the Buyer) or to cancel the order. The Buyer shall have the right to return all rejected goods at the Supplier's risk and expense and to purchase elsewhere, and any expense thus incurred shall be paid by the Supplier to the Buyer.

WORK ON THE BUYER'S PREMISES

- 5.1 Where the work required to perform the order is to be carried out wholly or in part on the Buyer's premises then the Supplier will
 - a) Procure and maintain at its expense employer's and general liability insurance and will produce the appropriate certificates of insurance to the Buyer if requested:
 - b) Be responsible for ensuring that any sub-contractor employed by it procures and maintains the appropriate insurance cover:
 - c) Be responsible for ensuring that the provisions of the Health and Safety at Work etc. Act. 1974, the Factories Act and any other statutes or regulations applicable to the carrying out of the work are complied with.

ASSIGNMENT AND SUB-CONTRACTING

- 6.1 The Supplier shall not without the consent in writing of the Buyer assign or transfer the order or any part of it to any other person
- 6.2 The Supplier shall not without the consent in writing of the Buyer sub-contract the order or any part thereof other than for material, minor details, or for any part of the goods of which the makers are named in the order or the specification. As such content shall not relieve the Supplier of any of his obligations under the Contract.

BUYER'S PROPERTY, PATTERNS ETC.

- 7.1 All designs, tools, patterns, drawings, dies, materials, specification and other items supplied by the Buyer or provided by the Supplier shall be or become the Buyer's property, shall be maintained by the Supplier in good condition, shall be kept confidential and not be used for any purpose other than carrying out this order or any subsequent order placed by the Buyer and shall be delivered to the Buyer carriage paid on request. The Supplier will be responsible for making good any loss of or damage to such items howsoever arising.
- 7.2 The order and the subject matter thereof shall be treated as confidential between the Supplier and the Buyer, and shall not be disclosed by the Supplier (or any sub-contractor or assignee) to any third party or used by the Supplier (or any sub-contractor or assignee) for advertisement, display or publication without the Buyer's prior consent in writing.
- 7.3 The Supplier agrees neither to quote nor to supply parts made with the Buyer's design, tools, patterns, drawing, dies or specifications to any third party without the Buyer's prior consent in writing.

PATENT INFRINGEMENT

- 8.1 The Supplier will keep the Buyer indemnified (except in respect of by the Buyer) against all claims of whatsoever nature (Including those for royalties, damage or other losses) arising from infringement of patents, legislated designs, copyrights or trade marks in relation to the order and in relation to the use of articles or processes pursuant to the order.

INVENTIONS AND IMPROVEMENTS

- 9.1 When the order includes manufacture to the Buyer's designs the Supplier agrees to inform the Buyer of any invention or improvement in design or method of manufacture arising out of or in connection with the order and any such invention or improvement and any patent or registered design rights in respect thereof and copyright in any drawing documents or specifications relating hereto shall be the property of the Buyer. The Supplier will give the Buyer at the Buyer's expense all necessary assistance to enable the Buyer to obtain patent registered design and similar rights throughout the world.

HEALTH AND SAFETY

- 10.1 The Supplier warrant that the goods or materials to be supplied in accordance with the order will comply in all respects with Section 6 of the Health and Safety at Work etc., Act 1974, or any statutory modification thereof.

PERFORMANCE DELAY

- 11.1 Unless otherwise agreed in writing, any time or period agreed for delivery, despatch, performance or completion shall be of the essence. The Supplier shall forthwith notify the Buyer of any apprehended delay in delivery, despatch, completion or performance.
- 11.2 The Buyer reserves the right to reject goods or work or performance not delivered or performed on time and/or cancel the whole or any part of the order of which such goods, work services form part and/or to return any goods already delivered which by virtue of such rejection or cancellation are no longer of use. Such rights of rejection cancellation or return shall be available to the Buyer irrespective of the cause of delay.
- 11.3 No concession with respect to delay in delivery, despatch, completion or performance shall be construed as a waiver of any of the Buyer's rights and remedies, unless such waiver is specifically agreed in writing.

DELIVERY PACKING ETC.

- 12.1 All goods must be adequately protected against damage and deterioration in transit and delivered, carriage paid to the Buyer in accordance with the Buyer's instructions (if given) and must bear the description, the quantity of the contents and the number on the packages thereof. In the event of the Buyer being unable to take delivery due to strikes, lockouts, force majeure, or for any other cause whatsoever beyond the control of the Buyer, then the Buyer shall be at liberty to defer the date of delivery, or cancel the order.
- 12.2 All goods must be accompanied by Advice Notes which clearly state the Purchase Order Number and the Buyer's Part Number(s).

13. AMENDMENT TO AGW PURCHASE ORDER/CONTRACT OF SUPPLIES

AGW Electronics Ltd. Reserve the right to amend any active purchase orders with any named supplier where necessary.

This amendment may include:

- Reduction of quantity of supplies ordered
- Increase of quantity of supplies ordered
- Delay of delivery date of supplies ordered
- Pulling forward of delivery date of supplies ordered
- Cancellation of all order/part order
- AGW drawing change of custom made components

14. PRODUCT MADE OBSOLETE BY SUPPLIER

Should the supplier withdraw a product from sale then the AGW Purchasing Department should be advised with at least twelve months notice advising of intention to discontinue product. Any order placed by AGW prior to notice of withdrawal of products shall be honoured. AGW shall have the right of purchase of surplus supplies of obsolete stocks and schedule accordingly

15. INSTRUCTION RELATING TO CHANGE OF MANUFACTURING PROCESS

It is written in AGW Conditions of Purchase that supplier must advise the buyer of any manufacturing changes made to any product supplied to AGW.

16. PRODUCT ALERT

Should materials be found NOT to conform to specification then the Supplier must inform AGW of all changes as soon as possible in order to protect AGW customers