

CONDITIONS OF PURCHASE

1. **DEFINITIONS**

"The Company" means TRL Technology Limited or any company which is a subsidiary of TRL Technology Limited.
"The Supplier" means the person firm or company with whom the Company is hereby placing an order.
"The Goods" means the products or services which are the subject matter of the order.
"General Conditions" means the conditions contained in Clauses 1 to 18 hereof inclusive.
"Special Conditions" means such further conditions of the contract for the supply of the Goods as are specified in writing by the Company.
"Force Majeure Circumstances" shall mean Act of God, war, riot, industrial dispute, accident, fire, flood, storm or any other circumstances beyond the reasonable control of a party.
2. **CONDITIONS**

The contract for the supply of the Goods between the Company and the Supplier shall be subject to the General Conditions notwithstanding anything to the contrary in the Supplier's standard conditions or in any tender, quotation, advice note, invoice, acknowledgement, letter or any other document issued or sent by the Supplier, except insofar as expressly excluded or varied by any Special Conditions. No servant or agent of the Company has power to vary the General Conditions orally. If the Supplier shall not have accepted the General Conditions expressly, then delivery by him of the Goods shall be deemed to constitute such acceptance.
3. **PRICES**

All prices specified for the supply of the goods are fixed and are not subject to variation. The Supplier shall not be entitled to change interest or any other charge, (including but not limited to a minimum order charge) for whatever cause. Where the order specifies that prices are to be advised such order shall be deemed to be a provisional order only until the Supplier has tendered prices and received written agreement from the Company. The prices specified shall be deemed to include delivery to the Company's nominated delivery address.
4. **DELIVERY**
 - 4.1. The Goods must be properly packaged to survive transit to the company's nominated delivery address and resist pilferage, distortion, corrosion or contamination. The Goods shall be clearly and legibly labelled and addressed. All the Goods remain at the supplier's risk until unloaded at the Company's nominated delivery address. The Supplier will repair or replace any of the Goods lost, damaged, or destroyed in transit and will do so forthwith on being notified thereof by the Company. Ownership shall pass on delivery.
 - 4.2. The supplier will deliver and unload the Goods at the nominated delivery address not later than the delivery date specified on this order. Time for delivery will not initially be of the essence but if delivery is seven or more days late, the Company may, by written notice posted to the Supplier, specify a date for delivery not less than three days from the date of such notice, and in respect of which time will be deemed to be of the essence.
 - 4.3. Where time becomes of the essence, failure by the Supplier to deliver by the date specified by the Company for delivery shall entitle the Company to cancel this order, either as to all of the Goods specified or as to that part of the Goods, if any, that have not been delivered. This is in addition to any other rights or remedies the Company have.
 - 4.4. Where the Company has cancelled the order, the Supplier agrees to indemnify the Company against any cost incurred by the Company in obtaining within thirty days from the date of cancellation the goods that have not been delivered from a third party so as to enable the Company to be placed as near as possible in the same position as it would had the Goods been delivered by the delivery date on this order.
 - 4.5. The Supplier recognises that late delivery will cause the Company loss and damage, such as inability on the part of the Company to meet other contractual commitments, and agrees to pay liquidated damages for late delivery whether or not time be of the essence, by way of compensation in the amounts specified on this order.
- 4.6. All the Goods received by the Company shall be received as unexamined and any statement produced by or on behalf of the Supplier which are signed by the Company as to the completeness of the work-being of the Goods on delivery shall be of no effect.
5. **FORCE MAJEURE**

If either party is prevented from fulfilling its obligations to the other because of Force Majeure Circumstances then the party so prevented will have the right to seek from the other a reasonable extension of time for the performance of its obligations up to but not exceeding one calendar month whilst Force Majeure Circumstances have that effect. Where no such extension has been sought or upon expiry of any extension granted, the other party will have the right to cancel this order. Whereupon there will be no further rights, obligations or liabilities on either side other than:

 - (i) The Company's obligation to pay for any Goods already supplied and
 - (ii) The Supplier's liabilities arising therefrom.
6. **PAYMENT**
 - 6.1. Payment by the Company for the Goods will become due sixty days from the end of the month of delivery.
 - 6.2. Payment by the Company for the Goods shall not be deemed to constitute any admission by the Company that the Supplier has fulfilled its obligations under the terms of this order.
7. **QUALITY**
 - 7.1. The Goods shall
 - (i) conform to specification or samples as the case may be,
 - (ii) conform in all other respects with the number and description specified by this order,
 - (iii) be of such quality of design and/or material and/or workmanship as will meet the Company's reasonable satisfaction,
 - (iv) be suitable for their purpose which the Supplier is deemed to know which said requirements are collectively known as the "Required Standard".
 - 7.2. If within three months of delivery or two weeks of the Goods first being used by the Company (whichever is the later) it is found that the Goods supplied are not of the Required Standard the Company has the right to reject the Goods by giving notice in writing to the Supplier. The ownership of and risk in the Goods will thereupon immediately pass to the Supplier who will refund to the Company the price paid herefor and will indemnify the Company against all losses or expenses directly or indirectly resulting from the failure of the Goods to meet the Required Standard. If within three months of the Goods being put into full operational service or within eighteen months of delivery (whichever is the later) there appear in the Goods and defects arising from the failure of the Goods to meet the Required Standard, the Supplier will, immediately upon being notified thereof in writing by the Company, at the Company's option repair or replace faulty items wherever they may be or grant the Company a refund of the price paid therefor and will indemnify the Company against all losses and expenses directly or indirectly resulting from the failure of the Goods to meet the Required Standard.
 - 7.3. All of the Goods are to be verified by the Supplier's Quality Assurance department.
 - 7.4. No deviation from the specifications or sample as the case may be of the Goods shall be allowed, except by prior written agreement by the Company.
 - 7.5. When reference on the face of this order the following further conditions apply:
 - (a) Goods must be held at your works pending acceptance quality control activities. Please contact the Quality Control Manager at the address on the face of this order when Goods are ready for despatch.
 - (b) A certificate of Conformity is required.
 - (c) B.S.9000 release is required.
- 7.6. The Supplier will refund the Company within sixty days any packing and carriage costs incurred by the Company in returning goods to the Supplier that do not meet the Required Standard.
8. **INDEMNITY**
 - 8.1. The Supplier shall keep the Company fully and effectively indemnified against
 - (i) any claims for infringement of any letters patent or registered design trademark or trademark by reason of the use of sale of the Goods, and against all costs and damages which the Company may incur in any action for such infringement or for which the Company may become liable in such action, and
 - (ii) any royalties payable by the Supplier, and
 - (iii) any claim in contract or in tort or otherwise for any direct or indirect damages, expenses or costs relating to damage of property or injury or loss to any person firm or company or for any loss of profit or production arising out of or occasioned by the failure of the Goods to meet the Required Standard.
 - 8.2. The Supplier warrants to the Company that it has effected policies of insurance in respect of the indemnity above given as follows
 - (i) public liability for a sum of not less than £500,000 in respect of any one incident and
 - (ii) employers liability.
9. **CONFIDENTIALITY**

The Supplier and the Company each agree to keep secret and not make use of (other than for the purposes of this order) all information of a confidential nature given to it by the other.
10. **OWNERSHIP OF ANCILLARY ITEMS**

All tools plant drawings and data supplied or paid for by the Company to the Supplier for the purpose of this order shall be used by the Supplier only in connection with fulfilling this order and must be returned to the Company on request.
11. **HEALTH AND SAFETY**

The Suppliers attention is drawn to the requirements of the Health and Safety at Work, etc. Act 1974. In particular notice of potential hazards and safety precautions shall be provided by the Supplier to the Company in writing.
12. **ORIGINS OF THE GOODS**

Certificates of origin must be supplied by the Supplier without charge if requested by the Company.
13. **INSOLVENCY**

The Company is entitled to terminate this order forthwith in the event of the Supplier's bankruptcy having a winding up order made against it or a resolution passed for its winding up having a receiver appointed or making a composition with its creditors.
14. **ASSIGNMENT**

This order is personal between the Company and the Supplier and neither may assign or sub-contract its rights and or obligations hereunder without prior written consent of the other.
15. **VISITS**

The Company shall be entitled to make visits to any or all of the Supplier's premises for the purpose of inspecting work in progress.
16. **CANCELLATION**

The Company shall be entitled to cancel this order at any time by giving reasonable notice in writing to the Supplier.
17. **NOTICES**

Any notice to be served pursuant to these General Conditions may be given by facsimile or pre-paid first class post to the address specified in this order as the address of the party to be served and in the case of postage shall be deemed (in the absence of evidence of earlier receipt) to have been delivered forty eight hours after despatch.
18. **JURISDICTION**

The contract for the supply of the Goods shall be governed by and construed in accordance with English Law.