

## 1. DEFINITIONS

**"Buyer"** means: Avon Valley Precision Engineering Ltd thereafter referred to as AVPE;

**"Seller" and "Goods"** are as identified in the Buyer's Order;

**"Conditions"** means these terms and conditions (including any amendments made between the parties);

**"Contract"** means the contract between the Buyer and the Seller for the supply of the Goods specified in the Order and the AVPE Supplier Quality Contract Requirements;

**"Order"** means the Buyer's written order for the Goods.

## 2. ACCEPTANCE OF ORDER

The Seller's acknowledgement of the Order shall constitute acceptance of these Conditions and shall create the Contract between the Seller and the Buyer, to the exclusion of all other terms and conditions.

## 3. QUALITY & DESCRIPTION

3.1 All Goods must:

3.1.1 fully comply with the particulars in the Order and with the requirements as set out in the AVPE Supplier Quality Contract Requirements.

3.1.2 comply with all applicable laws, regulations and standards.

## 4. INSPECTION & TESTING

The Buyer shall be given access to the Seller's works to enable the Buyer to inspect and attend tests of the Goods during manufacture or assembly. Inspection will not constitute acceptance of any Goods by the Buyer.

## 5. DELIVERY

5.1 All Goods shall be delivered in accordance with the details specified in the Order.

5.2 Unless otherwise specified in the Order, all Goods shall be delivered to the Buyer's premises. The Seller shall ensure that all Goods are adequately packaged so as to avoid any damage or loss in transit. A detailed consignment note shall accompany every delivery of Goods. Reasonable advance notice of every delivery shall be given in writing by the Seller to the Buyer.

5.3 Delivery shall not be effective until the Goods have been inspected by the Buyer's representative at the Buyer's premises. Inspection shall not constitute acceptance of any defect in any Goods or relieve the Seller of any of its obligations.

## 6. REJECTION

6.1 The Buyer may reject any Goods, which are not in accordance with the Contract or Order.

6.2 The Buyer may cancel the Contract with respect to rejected Goods or, at its option, require the Seller to replace any rejected Goods to the Buyer's satisfaction. Failure to replace shall entitle the Buyer to cancel the Contract and recover its losses from the Seller.

## 7. WARRANTY

The Seller shall promptly, at the Buyer's request, replace or repair (to the Buyer's satisfaction) all Goods in which any defect appears within [12] months from delivery or [12] months from the date Goods are put into service by the Buyer, whichever is later. Any replacement or repair work shall be guaranteed for a further [12] months.

## 8. PAYMENT

8.1 Terms of payment shall be as stated below unless otherwise specified in the Order:

8.1.1 an invoice shall be submitted to the Buyer upon delivery of Goods and payment shall be due 60 days end of month from receipt of the Seller's invoice;

8.1.2 each invoice must clearly identify the Order and the relevant Goods (and include a tax invoice acceptable to the Buyer for VAT or other tax purposes where applicable).

8.2 All prices shall be deemed to include packing, insurance and carriage of Goods to the Buyer's address specified in the Order (unless otherwise stated in the Order).

8.3 All payments shall be made in the currency specified in the Order.

## 9. VARIATIONS

9.1 The Buyer may request the Seller to vary any particulars in the Order by written notice. The Seller shall within three working days of receipt of the variation provide the Buyer with an estimate of the cost of complying with the notice and the effect, if any, which the request is likely to have on the delivery date(s).

9.2 The Seller shall use its best endeavours to minimise any adverse time and cost effect of every variation.

9.3 The Buyer may, within 10 days of receipt of the Seller's estimate, withdraw the variation request or accept the Seller's estimate. Alternatively, the Buyer may confirm the variation should proceed on the basis that the price is disputed but will be resolved under clause 16 below.

## 10. INSTALLATION & SERVICES

10.1 To the extent that the Seller is responsible for the installation of Goods or provision of services at the Buyer's premises, the Seller is deemed to have satisfied itself as to the nature of the working conditions and to have allowed for the same in its price.

10.2 The Seller shall be responsible for the safety and security of all its operations and comply with the Buyer's instructions at the Buyer's premises or other nominated site.

10.3 Only suitably qualified and skilled personnel shall be engaged by the Seller and all installation and other services shall be performed with proper skill and care and in accordance with the Buyer's requirements.

## 11. RISK & PROPERTY

Ownership of Goods shall pass to the Buyer upon delivery or upon any payment being made for the Goods, if earlier. Pending delivery, risk of loss or damage shall remain with the Seller. The Seller shall clearly mark all Goods to which ownership has passed to the Buyer as the Buyer's property and shall store them separately from the Seller's property pending delivery.

## 12. INDEMNITY

12.1 The Seller shall protect the Buyer and keep the Buyer indemnified against all claims, costs and losses due to:

12.1.1 infringement or alleged infringement of any patent, copyright or other proprietary information;

12.1.2 any breach of any of these terms and conditions by the Seller, its personnel or subcontractors; and

12.1.3 any damage to property or injury to any person for which the Seller is responsible.

## 13. ORDER of PRECEDENCE

In the event there is a conflict between the Conditions specified in the Order and the standard Conditions of Purchase, those contained in the Order will take precedence.

## 14. FORCE MAJEURE

The Buyer shall not have any liability to the Seller if it is prevented from performing the Contract on account of force majeure, i.e. circumstances beyond its control, which includes, but is not limited to, extreme weather conditions, act of God, fire, flood, war, terrorism, strike, cancellation of a contract by a third party for reasons not attributable to the Buyer or insolvency of a customer. In any of these circumstances, the Buyer reserves the right to cancel (or, at its option, suspend) the Contract.

## 15. ASSIGNMENT & SUBCONTRACTING

The Seller shall not assign or subcontract any of its rights or obligations relating to the Contract or Order without the prior written consent of the Buyer. Subcontracting shall not relieve the Seller of any of its obligations to the Buyer.

## 16. MISCELLANEOUS

16.1 Notice shall be effective under these Conditions if sent by fax, by recorded delivery mail or delivered by hand to the address of the recipient shown in the Order. Notice shall be effective upon delivery at the recipient's premises.

16.2 These Conditions cannot be amended except in writing signed by authorised representatives of the Buyer and Seller.

16.3 The failure by a party to enforce any provision of these Conditions shall not be treated as a waiver of that provision, nor shall it affect the right of that party subsequently to enforce that provision.

## 17. LAW & DISPUTES

The Contract between shall be governed by the laws of England and the Buyer and Seller agree to submit to the jurisdiction of the English courts.