

Terms and Conditions of Purchase

1. ACCEPTANCE

- 1.1 These terms and conditions shall govern the manufacture and supply of all goods by The Supplier to Delta Mobrey (Delta) and shall prevail over all other terms of sale and purchase.
- 1.2 The Supplier acknowledgement shall not refer to The Supplier Terms and Conditions and shall accept these terms for the Order, and shall agree the price and the delivery date.
- 1.3 These Conditions shall have precedence over any printed conditions appearing on any quotations or acceptance form, delivery form or other documents or letter emanating from The Supplier and such conditions shall have no effect whatsoever except insofar as they confirm the terms of the Order.

2. PROCEDURE

- 2.1 Delta shall not be liable for any Order or amendments thereto other than those issued or confirmed on our official printed Order or amendment forms, issued by a person authorised on our behalf.
- 2.2 The Order is given to The Supplier on the basis that The Supplier will invoice Goods at the price stated on the Order and will deliver on the date stated on the order and to the quality required. If for any reason The Supplier intends to submit an invoice whose value is greater than that of the Order, The Supplier reasons for doing so must be notified to Delta 21 days prior to invoicing and if such increase is accepted by Delta such acceptance must be signed by a person authorised on our behalf. Failure to do so will result in payment only of the value stated on the Order.

3. CANCELLATION/POSTPONEMENT

- 3.1 Delta reserve the right at our option to cancel the Order or any part of it and/or Delta shall be entitled to reimbursement in respect of all loss and /or expense which results directly or indirectly by reason of:
 - a) the failure to provide Delta with an acknowledgement in accordance with Condition 1.2.
 - b) the failure by The Supplier to deliver, or delay by The Supplier in delivering materials or Goods, or failure to complete work, by the date specified in the order;
 - c) the circumstances set out in Condition 5 below;
 - d) the failure by The Supplier to comply strictly with the description, specification and drawings relating to the materials or Goods to be supplied or work to be carried out and/or the failure to comply with British Standard Specifications and Conditions where applicable;
 - e) the materials or Goods to be supplied by The Supplier or work to be carried out by The Supplier being below the specified standards or failing to pass such inspection or test as may be required by Delta or by our customer or his agent or by any government department concerned.
 - f) the failure by The Supplier to demonstrate compliance to the requirements of a quality plan where such has been agreed or the failure by The Supplier to supply documentation demonstrating conformity to the specified standards when such documentation had been requested as part of the Order.
- 3.2 If The Supplier become bankrupt or insolvent or have a receiving order made against The Supplier or compound with The Supplier creditors, or being a corporation commence to be wound up, not being a member's voluntary winding up for the purpose of reconstruction, or carry on The Supplier business under a receiver for the benefit of The Supplier creditors or any of them Delta shall be at liberty to :
 - a) terminate the contract forthwith by written notice to The Supplier or to the receiver or liquidator or to any person in whom the Contract may become vested and to collect forthwith all our material sent to The Supplier for further processing (or assembly), or
 - b) give such receiver, liquidator or other person the option of carrying out the contract subject to his providing a guarantee for the due and faithful performance of the contract up to an amount to be agreed.

- 3.3 In the event of any strike, lockout, fire, explosion or accident or of any stoppage of our business or work beyond our control which may prevent or hinder the use of the Goods or work the subject matter of the Order, the delivery of such Goods or the completion of such work and the payment therefore may be suspended or postponed at our option until the circumstances preventing or hindering the use of such Goods or work have ceased.
- 3.4 The Supplier shall immediately notify Delta of any anticipated delay in delivery, despatch or completion and, without prejudice to any other right on our part, Delta shall be entitled to cancel the Order under Condition 3.1 if such delay is in our opinion likely to jeopardise the purpose of the Order.

4. SUB-CONTRACTING OR ASSIGNMENT

No part of the Order is to be sub-contracted or assigned by The Supplier without our prior consent. Where such consent is given it is conditional upon The Supplier sub-contractor or assignee accepting these terms and conditions and any other terms agreed between us. In the case that The Supplier has sub-contracted or assigned part of the Order, it is The Supplier's responsibility to ensure any subcontracted or assigned work has been carried out to the specified standards.

5. INSPECTION

Delta's inspector or representative and any inspector or representative of our customer or his agent or of any government department concerned shall be entitled on our authority to inspect or test the Goods or work which are the subject matter of the Order at any reasonable time at The Supplier works or at the works of any of The Supplier sub-contractors or assignees. If specified by Delta the Supplier will give Delta adequate notice of The Supplier tests that Delta shall be entitled to attend. The Supplier will provide Delta with such test certificates as Delta may require. Such inspection does not relieve The Supplier of any liability nor does it imply acceptance of the Goods or work that are the subject matter of the Order.

6. DELIVERY/TRANSPORT/PACKING

- 6.1 Unless otherwise agreed, any time or period given for delivery, despatch or completion shall be of the essence.
- 6.2 All Goods supplied against the Order must be adequately protected against damage and deterioration in transit and delivered carriage paid, and be in accordance with our instruction (if given) and must bear the description and the quantity of the contents and our Order number on the package thereof. The Goods shall be at The Supplier risk until delivered to Delta at the point designated on the Order unless Delta otherwise agree on our official Order form. The Supplier shall deliver Goods DDP (Incoterms 2000) to the point designated on the Order unless Delta otherwise agree in writing.
- 6.3 All documentation requirements requested on the Purchase Order should be present on receipt of the delivery to Delta Mobrey. This should be in hard copy format, and a duplicate set can be sent to the Buyer electronically. This includes, but it not limited to, Certificate of Conformance, Material certificates, sub contract process certificates. Failure to provide this requested documentation could result in a delay to production or a late delivery to our customer and therefore carries a penalty of £5000 per delivery.
- 6.4 Delta will accept no liability for packing materials or cases unless previously agreed to by us.
- 6.5 No concession on our part with respect to delay in delivery, despatch or completion shall be construed as a waiver of our rights and remedies, unless Delta specifically so agree.
- 6.6 The Supplier will advise Delta Mobrey of any shutdown periods, staff on furlough or any other possible disruption to supply.

A reasonable notice period should be considered to ensure Delta Mobrey can make any necessary changes to supply arrangements to satisfy our customer.

7. WARRANTIES

The Supplier warrants that the Goods shall comply strictly with any specifications, drawings or other data that Delta may provide to The Supplier in respect of the Goods and packaging for such Goods, and in any event the Goods shall be of good workmanship and shall comply with all relevant British or other standards and regulations

8. PASSING OF PROPERTY

The property in the Goods ordered shall pass to Delta upon delivery at the place specified in the Order or as otherwise agreed, without prejudice to any right of rejection or other right which may accrue to Delta or may have accrued to Delta under these Conditions or otherwise.

9. PAYMENT

- 9.1 Delta shall pay the price for the Goods to The Supplier 60 days after the end of the month in which The Supplier issued an invoice to Delta having completed delivery of all goods and documentation. A delivery will not be considered complete until Delta has all required documentation and goods of the right quality.
- 9.2 In the event of The Supplier failure to:
- a) send on the day of despatch for each consignment such advice(s) or despatch and invoices(s) as may be indicated in the Order, or
 - b) send a monthly statement of account by the 10th of each month quoting the invoice numbers applicable to each item thereon, or
 - c) mark clearly our Order number on the consignment package, packing notes, advice notes, invoices, monthly statements and all other correspondence relating thereto;
Delta shall not be liable for any delay in payment nor shall our right to receive a prompt payment discount from The Supplier be forfeited.
- 9.3 All payments made will be without prejudice to our rights should the Goods, materials or services prove unsatisfactory or not in accordance with our order or instructions.

10. OWNERSHIP OF TOOLS, PATENTS/COPYRIGHTS, ETC

- 10.1 All tools, patterns, materials, drawings, specifications and other data provided by Delta or paid for by Delta in connection with the Order or previous Orders will remain at all times Delta property and are to be surrendered to Delta on completion of the Order and are to be used by The Supplier solely for the purpose of completing the same. The Supplier shall keep all tools and material supplied by Delta in good working condition and clearly marked as the property of Delta. Tool maintenance and management is the responsibility of the Supplier and all tools will be regularly examined by the Supplier and the condition reported to Delta and at least once per year. Delta requires that any deterioration in tool condition due to wear and tear should be highlighted to Delta and repairs undertaken by the Supplier to keep the tooling in safe and useable condition and producing parts that meet the requirements of the drawing and specifications. Tooling which may be coming to the end of its life needs to be advised to Delta in sufficient time to agree and finalise any repairs or refurbishment or replacement of the tooling. Any damage to tooling while in the possession of the supplier shall be the responsibility of the supplier. Tooling may not be moved or transferred to another site or location or supplier without the prior written agreement of Delta.
- 10.2 All intellectual property rights in our patterns, drawings, specifications or other data shall remain our property together with the rights to and in any patents, copyrights or registered designs therein or which may arise therein.
- 10.3 Any information Delta disclose to The Supplier, including the contents of an Order shall be treated as confidential between The Supplier and Delta and shall not be disclosed by The Supplier or any sub-contractor or assignee or The Suppliers to any third party or used by The Supplier or any such sub-contractor or assignee for advertisement, display or publication without our prior consent. This Condition shall survive termination of all and any contracts between us.
- 10.4 The Supplier agrees neither to quote nor supply parts made with our tools or materials or to our patterns, specifications, designs, or drawings to any third party without our prior written consent.
- 10.5 The Supplier will keep Delta indemnified (except in respect of designs provided by us) against all claims of whatsoever nature (including those for royalties, damage or other losses) arising from infringement of a third party's intellectual property rights by the Goods or any articles or processes contained therein.

11. DEFECTIVE MATERIAL/WORKMANSHIP

- 11.1 The Supplier will keep Delta indemnified in respect of all loss and /or expense which results during or after proper use directly or indirectly from defective materials or Goods or defective workmanship or design supplied by The Supplier and in addition The Supplier will repair, replace or reinstate at our option the defective item or items free of charge. Should The Supplier wish to submit a concession to Delta to accept goods that do not

exactly meet the drawing or quality requirements Delta will assess the concession and advise if a charge will be levied for the tests or other costs that may be involved in validating the goods are fit for purpose.

11.2 Delta will advise the Supplier regarding the inspection of the Defective Goods at Delta's premises. Should Delta determine that due to the urgent nature of the Order it may request that the Supplier attend Delta's facilities in order to complete the inspection of the Goods. If the Supplier is unable or unwilling to attend within the timescale specified by Delta then Delta will inspect the Goods at the Supplier's expense.

11.3 The Supplier will be provided with Non-Conformance Reports whenever Delta deems that The Supplier goods do not meet the specified standards. Goods are not deemed to be accepted until fully inspected by Delta. It is The Supplier's responsibility to fill in the Corrective and Preventive Actions section of our Non Conformance Report and return the form to Delta within 24 hours for the Corrective Action and 7 working days for the Preventative Action, advising Delta on the actions being taken by The Supplier to resolve the issues concerned with the goods on the Order, and to inform Delta of the root cause of the defect and advise Delta of the actions being taken prevent the reoccurrence of such issues from future batches. Should the supply by The Supplier of defective parts cause Delta to put at risk or delay the supply of Delta Instruments to their customers Delta will advise the Supplier and the Supplier shall use best endeavours to replace or repair the defective parts in the most time effective manner and ship to Delta at the Supplier's cost to minimise the delay or disruption to Delta's business. Delta reserves the right to levy a fixed £50 charge for each NCR raised and apply Inspection/Rework charges at the rate of £35 per hour.

11.4 The Supplier will keep Delta indemnified against any damage to our property (including any materials, tools or patterns sent to The Supplier for any purpose) and against any claims for loss or injury to any person or to the property of any person by reason of The Supplier negligence or of any act or omission on the part of The Supplier employees, sub-contractors, assignees or agents arising out of the execution of the Order.

12. PUBLICITY

The Supplier shall use neither the Order nor our name for advertisement or publicity purposes without our prior written consent.

13. SAFETY

The Supplier shall inform us prior to or on delivery of any health or safety hazards relating to the Goods and of any precautions that should be taken in connection with their handling or use.

14. LAW OF CONTRACT

The Order shall be construed in all respects in accordance with English Law. Nothing in these Conditions shall prejudice any condition or warranty (expressed or implied) or right or remedy to which Delta are entitled in relation to the material or Goods ordered by virtue of statute or common law.

15. ARBITRATION

All disputes arising in connection with this Agreement (including but not limited to the breach termination or validity thereof) shall be finally settled by arbitration. By one arbitrator appointed by Delta Mobrey Limited in accordance with the said Rules and the venue for such arbitration shall be London.

16. RIGHTS OF THIRD PARTIES

A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this shall not affect any right or remedy of a third party which exists or is otherwise available apart from that Act.

For and on behalf of _____ (company)

Name _____

Position _____

Signature _____

Date _____