

**STANDARD TERMS AND CONDITIONS
FOR THE PURCHASE OF GOODS AND SERVICES**

Contents

1. APPLICATION 2

2. INTERPRETATION 2

3. BASIS OF PURCHASE 3

4. SPECIFICATION AND INSPECTION 3

5. PRICE 4

6. PAYMENT 4

7. DELIVERY 4

8. QUALITY 5

9. RISK AND PROPERTY 6

10. ASSIGNMENT 6

11. INDEMNITY 6

12. REMEDIES 7

13. TERMINATION 7

14. FORCE MAJEURE 8

15. NOTICES 8

16. WAIVER 8

17. SEVERANCE 9

18. THIRD PARTY RIGHTS 9

19. GOVERNING LAW AND JURISDICTION 9

1. APPLICATION

The Buyer hereby orders and the Seller, by accepting the purchase order, agrees that it will supply the Goods and/or Services specified in the Order upon and subject to these Conditions which shall govern the Contract to the exclusion of any other terms and conditions. Any reference in the Order to the Seller's quotation, specification, price list or like document shall be solely for the purpose of describing the Goods and/or Services to be supplied and no terms and conditions endorsed upon, delivered with or referred to in such apply to the Contract.

2. INTERPRETATION

2.1 In these Conditions:-

"Business Day"	means any day from Monday to Friday inclusive on which the Buyer is open for business;
"the Buyer"	means Didsbury Engineering Company Limited a company registered in Great Britain under number 371191 whose registered office is at Lower Meadow Road, Brooke Park, Wilmslow, Cheshire, SK9 3LP;
"these Conditions"	means the standard terms and conditions of purchase set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and the Seller;
"the Contract"	means the contract for the sale and purchase of the Goods or Services comprised of the Order in and these Conditions;
"the Delivery Address"	means the address stated on the Order for delivery of the Goods;
"the Goods"	means the Goods (including any instalment of the Goods or any part of them) described in the Order;
"the Order"	means the Buyer's purchase order, or written acceptance of the Seller's quotation, to which these Conditions are annexed;
"the Price"	means the price of the Goods;
"the Seller"	means the person so described in the Order;
"the Services"	means the Services (including any maintenance and installation services in respect of the Goods) described in the Order;
"Specification"	includes any plans, drawings, data or other information relating to the Goods; and
"Writing"	includes facsimile, transmission, electronic mail and comparable means of communication.

2.2 Any reference in these Conditions to a statute or a provision of a statute shall be construed as a reference to that statute or provision as amended, re-enacted or extended at the relevant time.

2.3 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2.4 The word "including" shall not limit the generality of any preceding words.

2.5 All of these Conditions shall apply to the supply of both Goods and Services except where the application to one or the other is specified.

3. BASIS OF PURCHASE

3.1 The Order constitutes an offer by the Buyer to purchase the Goods and/or Services subject to these Conditions and any special requirements shown on the face of the order.

3.2 The Seller shall accept the Order placed by the Buyer and a binding Contract for the supply of the Goods subject to these Conditions, shall exist by whichever is the earlier of: -

- A) the Seller's acceptance of the Order in writing subject to these Conditions; or
- B) the Seller doing any act consistent with fulfilling the Order.

3.3 Any typographical clerical or other accidental error or omission in the Order placed by the Buyer or in any drawings specifications, instructions, tools or other material supplied by the Buyer, shall be subject to correction without any liability on the part of the Buyer.

3.4 No variation to the Contract shall be binding unless agreed in writing between the authorised representatives of the Buyer and the Seller.

3.5 These Conditions apply to the Contract to the exclusion of any other terms that the Seller seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing.

4. SPECIFICATION AND INSPECTION

4.1 The quantity, quality and description of the Goods and Services shall, subject as provided in these Conditions, be as specified in the Order and/or in any applicable Specification supplied by the Buyer to the Seller or agreed in writing by the Buyer.

4.2 Any Specification supplied by the Buyer to the Seller, or specifically produced by the Seller for the Buyer, in connection with the Contract, together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of the Buyer. The Seller shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or as required for the purpose of the Contract.

4.3 The Goods shall be marked in accordance with the Buyer's instructions and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

4.4 The Buyer may inspect and test the Goods at any time before delivery. The Seller shall remain fully responsible for the Goods despite any such inspection or testing and any such inspection or testing shall not reduce or otherwise affect the Seller's obligations under the Contract.

4.5 The Seller shall not unreasonably refuse to take any steps necessary to comply with any request by the Buyer to inspect or test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to despatch, and to provide the Buyer with any facilities reasonably required by the Buyer for inspection or testing.

4.6 If as a result of inspection or testing the Buyer is not satisfied that the Goods will comply in all respects with the Contract, and the Buyer so informs the Seller, the Seller shall immediately take such steps as are necessary to ensure compliance.

4.7 The Seller shall comply with all applicable laws, regulations, consents, approvals or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods.

5. PRICE

5.1 The Price of the Goods shall be as stated in the Order and, unless otherwise so stated, shall be:-

- A) exclusive of any applicable value added tax (which shall be payable by the Buyer subject to receipt of a VAT invoices); and
- B) inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts or levies other than value added tax.

5.2 No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in writing.

5.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Seller, whether or not shown on its own terms and conditions of sale.

6. PAYMENT

6.1 The Seller shall be entitled to invoice the Buyer on or at any time after delivery of the Goods (or at the time(s) agreed in the Order), as the case may be, and each invoice shall quote the number of the Order and any supporting documents that the Buyer may reasonably require.

6.2 Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods within 60 days after the end of the month of receipt by the Buyer of a proper invoice or, if later, after acceptance of the Goods in question by the Buyer, but time for payment shall not be of the essence of the Contract.

6.3 The Buyer shall at any time without notice to the Seller be entitled to set off against the Price any sums owed to the Buyer by the Seller.

7. DELIVERY

7.1 The Goods shall be delivered to the Delivery Address on the date or within the period stated in the Order, in either case during the Buyer's usual business hours. Delivery of the Goods shall be completed on the completion of unloading the goods at the Delivery Address.

7.2 Where it is agreed in writing that the date of delivery of the Goods is to be specified by the Seller after the placing of the Order, the Seller shall give the Buyer reasonable notice in writing of the specified date.

7.3 The time of delivery of the Goods is of the essence of the Contract.

7.4 A packing note clearly quoting the number of the Order must accompany each delivery or consignment of the goods.

7.5 The Seller shall not deliver the Goods in instalments without the Buyer's prior written consent. Where it is agreed that the Goods are to be delivered by instalments, they may be invoiced and paid for separately. However, failure by the Seller to deliver any one instalment on time or at all, or any defect in an instalment shall entitle the Buyer to the remedies set out in clause Error! Reference source not found.. If the Goods are to be delivered by instalments, the Contract will be treated as a single Contract and not severable.

7.6 The Buyer shall be entitled to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer has had a reasonable time to inspect them following delivery.

7.7 The Seller shall supply the Buyer in good time with any instructions or other information to enable the Buyer to accept delivery of the Goods.

7.8 The Buyer shall not be obliged to return to the Seller any packaging or packing materials for the Goods, whether or not any Goods are accepted by the Buyer.

7.9 The Buyer shall not be deemed to have accepted the Goods until it has had a reasonable opportunity to inspect them following delivery or collection as the case may be. The Buyer shall also have the right to reject the Goods as though they had not been accepted for 30 days after any latent defect in the Goods has become apparent.

8. QUALITY

8.1 Where the Seller is not the manufacturer of the Goods, the Seller shall endeavour to transfer to the Buyer the benefit of any warranty or guarantee given to the Seller.

8.2 Notwithstanding clause Error! Reference source not found., the Seller warrants that upon delivery, and for a period of 12 months from the date of delivery, the Goods shall:

- A) be of the best available design, quality, material and workmanship and correspond with their description and any applicable Specification;
- B) be free from defects in design, material and workmanship;
- C) be of satisfactory quality within the meaning of the Sale of Goods Act 1979;
- D) be fit for purpose; and
- E) be fit for any particular purpose for which the Goods are being bought if the Buyer had made known that purpose to the Seller in writing and the Seller has confirmed in writing that it is reasonable for the Buyer to rely on the skill and judgment of the Seller.

8.3 The Seller shall supply the Services to the Buyer in accordance with the terms of the Contract.

8.4 The Seller shall meet any performance dates for the Services specified in the Order or that the Buyer notifies to the Seller and time is of the essence in relation to any of those performance dates.

8.5 In providing the Services, the Seller shall:

- A) co-operate with the Buyer in all matters relating to the Services, and comply with all instructions of the Buyer;
- B) perform the Services with the best care, skill and diligence in accordance with best practice in the Seller's industry, profession or trade;
- C) use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Seller's obligations are fulfilled in accordance with the Contract;
- D) ensure that the Services will conform with all descriptions, standards and specifications set out in the Service Specification;
- E) provide all equipment, tools and vehicles and such other items as are required to provide the Services;
- F) use the best quality goods, materials, standards and techniques;
- G) obtain and at all times maintain all licences and consents which may be required for the provision of the Services;
- H) observe all health and safety rules and regulations and any other security requirements that apply at any of the Buyer's premises;
- I) hold all materials, equipment and tools, drawings, specifications and data supplied by the Buyer to the Seller ("Buyer Materials") in safe custody at its own risk, maintain the Buyer Materials in good

condition until returned to the Buyer, and not dispose of or use the Buyer Materials other than in accordance with the Buyer's written instructions or authorisation;

J) not do or omit to do anything which may cause the Buyer to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Seller acknowledges that the Buyer may rely or act on the Services; and

K) comply with any additional obligations as set out in the Specification.

8.6 Without prejudice to the Buyer's other rights, if any of the Goods do not conform with any of the warranties in condition the Seller shall at the Buyer's option, promptly repair or replace such Goods (or the defective part) or refund the price of such Goods at the pro rata Contract rate provided that, if the Seller so requests, the Buyer shall, at the Seller's expense, return the Goods or the part of such Goods which is defective to the Seller.

9. RISK AND PROPERTY

9.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery to the Buyer in accordance with the Contract.

9.2 The property in the Goods shall pass to the Buyer upon delivery, unless payment for the Goods has been agreed to be made prior to delivery, when it shall pass to the Buyer once payment has been made and the Goods have been appropriated to the Contract.

10. ASSIGNMENT

10.1 The Buyer may at any time assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract or any part of it to any person, firm or company.

10.2 The Seller shall not be entitled to assign, , transfer, mortgage, charge, delegate, declare a trust over or deal in any other manner with any or all of its rights or obligations under the Contract or any part of it without the prior written consent of the Buyer.

11. INDEMNITY

11.1. The Seller shall indemnify the Buyer in full against all liability, loss, damages (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, costs and expenses including legal expenses (calculated on a full indemnity basis) awarded against or incurred or paid by the Buyer as a result of or in connection with:-

11.1.1 breach of any warranty given by the Seller in relation to the Goods and/or Services;

11.1.2 any claim that the Goods and/or Services infringe, or that their importation, use or resale, infringes, the patent, copyright trade mark or other intellectual property rights of any other person, except to the extent that the claim arises from compliance with any Specification supplied by the Buyer;

11.1.3 any act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering or installing the Goods and/or Services;

11.1.4 all claims by the customers of the Buyer (and their sub-buyers) out of or in connection with the supply of the Goods and/or Services, to the extent that such claim arises out of the breach, negligent performance or

failure or delay in performance of the Contract, or any other act or omission, by the Seller, its employees, agents or subcontractors.

12. REMEDIES

12.1 Without prejudice to any other right or remedy which the Buyer may have, if the Goods and/or Services are not delivered on the date specified in the Order or if any Goods and/or Services are not supplied in accordance with, or the Seller fails to comply with, any of the terms of the Contract, in particular clause Error! Reference source not found., the Buyer shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods and/or Services have been accepted by the Buyer:

- A) to rescind the Order;
- B) to reject the Goods and/or Services (in whole or in part) and return them to the Seller at the risk and cost of the Seller on the basis that a full refund for the Goods so returned shall be paid forthwith by the Seller;
- C) at the Buyer's option to give the Seller the opportunity at the Seller's expense either to remedy any defect in the Goods or to supply replacement Goods or to reperform the Services and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;
- D) to refuse to accept any further deliveries of the Goods and/or Services but without any liability to the Seller;
- E) to carry out at the Seller's expense any work necessary to make the Goods and/or Services comply with the Contract; and
- F) to claim such damages as may have been sustained in consequence of the Seller's breach or breaches of the Contract.

12.2 These Conditions shall apply to any repaired or replacement Goods supplied by the Seller.

13. TERMINATION

13.1 The Buyer shall be entitled to cancel the Contract in respect of all or part only of the Goods and/or Services by giving notice in writing to the Seller at any time prior to delivery or performance, in which event the Buyer's sole liability shall be to pay to the Seller a reasonable amount (determined by the Buyer) in respect of any out-of-pocket costs incurred by the Seller in connection with the performance of the Contract prior to cancellation.

13.2 The Buyer shall be entitled to terminate the Contract without liability to the Seller by giving notice to the Seller at any time if:-

- A) the Seller commits a material breach of any term of the Contract and (if such breach is remediable) fails to remedy that breach within 5 days of being notified to do so; or
- B) the Seller makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction); or
- C) an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Seller; or
- D) the Seller ceases or threatens to cease, to carry on business; or

- E) the Buyer reasonably apprehends that any of the events mentioned above is about to occur in relation to the Seller and notifies the Seller accordingly; or
- F) the other party's financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of the Contract is in jeopardy.

14. FORCE MAJEURE

14.1 In the event that either party is prevented from fulfilling its obligations under this Agreement by reason of any supervening event beyond its control including but not limited to war, national emergency, flood, earthquake, strike or lockout (subject to Sub-clause Error! Reference source not found.) the party shall not be deemed to be in breach of its obligations under this Agreement. The party shall immediately give notice of this to the other party and must take all reasonable steps to resume performance of its obligations.

14.2 Sub-clause Error! Reference source not found. shall not apply with respect to strikes and lockouts where such action has been induced by the party so incapacitated or relates to that party's workforce.

14.3 Each party shall be liable to pay to the other damages for any breach of this Agreement and all expenses and costs incurred by that party in enforcing its rights under this Agreement.

14.4 If and when the period of such incapacity exceeds 3 months then the non-breaching party shall have the right to terminate this Agreement immediately by notifying the other party in writing.

15. NOTICES

15.1 All notices between the parties about the Contract shall be in writing and delivered by hand or sent by pre-paid first class post or sent by fax or sent by electronic mail:

A) (in case of notices to the Seller) to its registered office or such changed address as shall be notified to the Buyer by the Seller; or

B) (in the case of the notices to the Buyer) to the registered office of the addressee (if it is a company) or (in any other case) to any address of the Seller set out in any document which forms part of the Contract or such other address as shall be notified to the Seller by the Buyer.

15.2 Notices shall be deemed to have been received:

A) if sent by pre-paid first class post, two Business Days after posting (exclusive of the day of posting); or

B) if delivered by hand, on the day of delivery; or

C) if sent by fax or electronic mail on a Business Day prior to 4.00 pm, at the time of transmission and otherwise on the next Business Day.

15.3 Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to the other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

16. WAIVER

No waiver by the Buyer of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.

17. SEVERANCE

If any provisions of these Conditions are held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provisions in question shall not be affected thereby. If any provision of the Contract is deemed deleted under this Clause 18 the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

18. THIRD PARTY RIGHTS

A person who is not a party to the Contract shall have no rights under this Contract pursuant to the Contracts (Rights of Third Parties) Act 1999.

19. GOVERNING LAW AND JURISDICTION

The Contract shall be governed by the laws of England and Wales and the parties agree to submit to the exclusive jurisdiction of the English and Welsh courts.