

CONDITIONS OF PURCHASE

1.0. DEFINITIONS

- 1.1. "Buyer" means PB Design & Developments Ltd.
- 1.2. "Seller" means the person or company to whom the Purchase Order is issued.
- 1.3. "Goods" means the articles or things (including services, drawings and other documentation) specified in the Purchase Order to be supplied by the Seller under the Contract.
- 1.4. "Purchase Order" means the Buyer's Purchase Order.
- 1.5. The "Contract" means the contract between the Buyer and the Seller consisting of the Purchase Order, these Conditions and any other documents or parts thereof specified in the Purchase Order. No other documents, variations or amendments to the Contract shall form part of the Contract unless expressly agreed to in writing by both parties.

2. PURCHASE ORDER

- 2.1. The Purchase Order must be accepted promptly by the Seller in its entirety.
- 2.2. The Buyer will not be liable for any Goods supplied or work performed beyond the scope of supply covered by a Purchase Order
- 2.3. The Seller must put the Purchase Order Number, Supplier's Code and the Buyer's Part Number on all invoices, delivery notes, packages and containers. Invoices shall be marked for the attention of the Accounts Department. The Seller shall comply with any other requirements for marking the goods stated on the Purchase Order.

3. ACCEPTANCE OF ORDERS

- 3.1. The Buyer accepts no liability for any work or services provided except pursuant to Buyer's Purchase Order.
- 3.2. No part of this order is to be assigned, transferred or sub-contracted without Buyer's written permission.

4. QUALITY, INSPECTION, TESTING AND REJECTION OF GOODS

- 4.1. All goods shown on or referred to on the Purchase Order shall be fit for the purpose for which they are to be used, and shall be of consistent and satisfactory quality and comply with all relevant laws, regulations and orders of the country or countries of manufacture, transit, delivery and installation. .
- 4.2. Where Goods are manufactured to the designs of the Buyer, the materials and processes specified by the Buyer shall be strictly adhered to unless otherwise agreed in writing with the Buyer.
- 4.3. Goods must be accompanied by a Certificate of Conformity or any other certificates stated in the Purchase Order. Such certificate(s) shall be received by the Buyer not later than the date of delivery of the Goods to be Buyer.
- 4.4. The Supplier shall maintain quality systems, procedures and documentation as may be acceptable to the Buyer. The Buyer reserves the right to carry out a quality audit at the Supplier's premises in respect of Goods supplied to the Buyer.
- 4.6. The Seller warrants that the goods are in accordance with the requirements of the Contract. If, after delivery, it is found that they are not so compliant, the Buyer may reject the Goods, whereupon they must be promptly repaired or replaced, at the option of the Buyer. The Buyer also reserves the right to claim any resulting costs, damages or liabilities resulting from the rejection and/or non-compliance with the contract.
- 4.7. If the Goods are rejected and the Buyer notifies the Seller that the option to have the Goods repaired is being exercised, the Seller must effect collection of said Goods within 7 days of such notification. Failure to do so will result in the Buyer returning the Goods and debiting any costs thereby incurred to the Seller's account or retaining the Goods at the Seller's risk.
- 4.8. The Seller shall be responsible for and bear the cost of obtaining in due time, and observing any necessary inspection or code approvals, and any necessary licence or permit, whether governmental or otherwise, which shall be required in connection with the performance of the Contract.
- 4.9. Approval of any drawings or any other documents by the Buyer shall not affect the Buyer's right of rejection of the Goods or the liability of the Seller under the Contract.
- 4.10. The Seller must notify the Buyer of any Goods that are considered to be of a hazardous nature.

5. DEFECTS

- 5.1. The Seller warrants that the Goods are free from defects for a period of 18 months from the date of delivery or 12 months from the date the Goods are commissioned, whichever is the later. Any defects shall be made good by repair or replacement at the Seller's expense. Repairs and replacements shall themselves be subject to an 18 month warranty.
- 5.2. The Seller undertakes that service parts for the Goods or any assembly or part thereof shall continue to be made available to the Buyer for a reasonable time after execution of the Purchase Order.

6. INTELLECTUAL PROPERTY RIGHTS

- 6.1. Seller will indemnify Buyer against any claim of infringement of Letters Patent or other Intellectual Property Rights by the use or sale of any item supplied by you hereunder. .

7 PACKAGING

7.1 All packing materials are to be supplied free of cost to Buyer. If Seller require any packing materials to be returned the Buyer will return them as Seller's agent and at your expense and risk. Packaging shall be suitable and sufficient to ensure delivery to us without damage in transit. Any carrier employed by you to deliver the goods to us shall be deemed to be your agent. Any goods damaged in transit shall be returned to you at your expense for replacement.

8 DELIVERY

8.1 Where a time for delivery of the goods is stated by us, you shall deliver the goods by that date.

9 CARRIAGE

9.1 All goods to be supplied under this contract are to be delivered carriage paid to our works or 10 such other address as may be agreed in writing between us, either by you or by a carrier acting as your agent.

10 ADVICE NOTES

10.1 On the day the goods are despatched from your works you are to send us, by separate post, an advice note bearing our order number and sufficient details of the goods to enable them to be identified and indicating the number of packages and method of packing, and manner of transit.

11 SUSPENSION OF PURCHASE ORDER

11.1 Buyer reserves the right to suspend or defer any order, or any part hereof.

12 INDEMNITY

12.1 The Supplier shall be responsible for and shall make good and indemnify the Buyer from and against any liability, loss, damage or claim, in respect of any personal injuries to any person or persons, or in respect of any loss of injury or damage to any property real or personal (whether belonging to Buyer or to any other party) arising from the execution of the order.

12.2 The Supplier shall carry the appropriate policy of insurance against its liabilities hereunder and shall upon request provide evidence that it has such policies and that current premiums have been paid.

13 PAYMENT TERMS

13.1 After despatch of the goods you will send an invoice bearing the Buyer's Purchase Order number, item number, and sufficient details of the goods to enable them to be identified as being in accordance with the advice note. The invoice shall be sent to our Clevedon Office, irrespective of any delivery address. Any invoice received from you which does not bear our official order number will be returned to you.

13.2 All valid invoices will be paid within 60 days after the end of the calendar month in which the invoice is submitted unless otherwise agreed.

14 STATEMENTS

14.1 At the end of each month you will send us a statement showing the total of all invoices sent to us during the previous month.

15 FORCE MAJEURE

15.1 The time for delivery shall be extended by a reasonable period, if delay is caused by instructions or lack of instructions from the Buyer, or by national industrial dispute at the Seller's premises, or by any other cause beyond the reasonable control of the Seller such as Acts of God, but not failure on the part of a sub-contractor or sub-supplier PROVIDED that the Seller shall give prompt notice in writing to the Buyer of (i) the commencement of any such cause for delay or potential delay and of the initial estimate of the length of delay, (ii) regular reports on the effect of the cause on delivery and (iii) the date of resumption of normal working.

16 TITLE AND RISK

16.1 Unless otherwise agreed in writing, title and risk in the Goods shall transfer to the Buyer when the Goods have been delivered. For the purpose of this Clause, delivery means in the case of a vehicle delivery, completion of off-loading.

17. LEGAL CONSTRUCTION AND DISPUTES RESOLUTION

17.1 This contract shall be subject to English law.

17.2 Any question, difference or dispute arising in connection with the Contract which the parties are unable to resolve within 30 days, shall be referred to arbitration by a person to be appointed upon application by either party to the President for the time being of the Chartered Institute of Arbitrators.