

# Terms & Conditions of Purchase

Smiths Advanced Metals



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## 1 DEFINITIONS

### 1.1 In these Conditions:

- 1.1.1 'the Buyer' means the company placing the Order.
- 1.1.2 'Conditions' means the terms and conditions of purchase set out in this document.
- 1.1.3 'Contract' means the contract for the supply of Goods by the Supplier to the Buyer.
- 1.1.4 'Goods' means all or any of the goods specified in the Order for supply to the Buyer by the Supplier (provided always that where the Contract is for or includes the provision of services the words "the Goods" shall be construed as meaning the services which the Supplier has contracted to provide).
- 1.1.5 'Order' means the order of the Buyer for the Goods which is made subject to these Conditions or to which these Conditions are attached or on which they are printed.
- 1.1.6 'Specification' means the technical specification or drawings for the Goods as identified by the Buyer in the Order or in the quotation from the Supplier to the extent expressly accepted in writing by the Buyer.
- 1.1.7 'Supplier' means the supplier named in the Order or in the absence of the foregoing the person, firm, company or organisation accepting the Order.

## 2 BASIS OF THE CONTRACT

- 2.1 Unless agreed otherwise in writing by the Buyer and the Supplier all the terms of the Contract are set out on the face of the Order, in the Specification (if any) and in these Conditions, and all other written printed or standard terms are hereby excluded. To the extent that there is any inconsistency between the Specification (if any) and any other term of the Contract, the Specification shall have precedence.
- 2.2 Unless any terms discussed or arising from any previous course of business between the Buyer and the Supplier are specifically incorporated into the Contract in writing they shall not form part of the Contract.
- 2.3 Where the Goods are contracted to be delivered by instalments or by call-off by the Buyer:
  - 2.3.1 the Buyer shall have the right to treat any breach by the Supplier of its obligations as regards one or more instalments or call-off as a repudiation entitling the Buyer itself to repudiate further performance and to recover damages for the breach;
  - 2.3.2 the acceptance by the Buyer of any one or more instalments or call-off notwithstanding a breach of its obligations by the Supplier shall not prejudice or restrict any of the Buyer's rights in respect of any other breach by the Supplier.

## 3 OFFICIAL ORDERS AND VARIATIONS

- 3.1 Subject to Condition 3.2 the Buyer will only be bound by the Order (or any other order) if it is issued on the Buyer's official order form current at the date of the Order and no variation or waiver of the Order, the Contract or these Conditions shall be binding upon the Buyer unless approved in writing by the Buyer's Purchasing Department.
- 3.2 The Order constitutes an offer to contract with the Supplier and may be withdrawn by the Buyer at any time before the Supplier's written acceptance of the Order has been received by the Buyer.

## 4 ACCEPTANCE OF ORDER

- 4.1 In the absence of any written agreement to the contrary between the Buyer and the Company any written acceptance of the Order (unless clearly stated on its face to be a counter offer) or the execution of the Order in whole or in part shall constitute acceptance by the Supplier of the Order, the prices and conditions contained in the Order and these Conditions.

## 5 DELIVERY, OWNERSHIP OF AND RISK IN THE GOODS

- 5.1 The Goods must be delivered in the quantities and at the times and dates stated in the Order or as otherwise agreed in writing by the parties (and if no time is stated delivery must be during normal working hours). Unless agreed otherwise in writing the Buyer shall not be obliged to accept delivery of or make payment for any Goods which are delivered by the Supplier before the relevant time and date stated in the Order or as otherwise agreed in writing by the Buyer.
- 5.2 All Goods must be delivered to and off loaded carriage and packing paid at the Supplier's risk to such destination as the Buyer may direct. Any third party carrier shall be deemed to be agent of the Supplier and not of the Buyer. The Buyer reserves the right to make alternative delivery arrangements and to claim an allowance equal to any carriage charge. The Buyer will not pay for non-returnable packing materials unless previously agreed in writing.
- 5.3 Delivery of the Goods shall be deemed to take place when the Goods are received by the Buyer at the Buyer's premises.
- 5.4 Subject to Condition 5.5 time of delivery of the Goods shall be of the essence of the Contract but the Buyer reserves the right to adjust the specified rate or date of delivery at any time.
- 5.5 If for any reason the Buyer is unable to accept delivery when the Supplier is ready willing and able to deliver, and the date for delivery has passed at the written request of the Buyer the Supplier shall store and keep safe the Goods until delivery is requested by the Buyer, the Buyer undertaking to pay the reasonable costs of the Supplier for such storage and safekeeping.
- 5.6 The Supplier warrants that the packing materials will be such that the Goods will resist pilferage, distortion, corrosion, leakage or contamination.
- 5.7 The Supplier is not entitled to deliver the Goods in advance of the delivery date agreed or specified by the Buyer unless agreed otherwise by the Buyer in writing.
- 5.8 Unless otherwise agreed in writing the property and risk in the Goods shall pass to the Buyer on the latest of delivery at the Buyer's premises, and the Buyer's acceptance of the Goods after any inspection of the Goods that the Buyer may require, (but without prejudice to the Buyer's right of rejection).
- 5.9 The property and the risk in any rejected Goods passes to the Supplier immediately on written notice of rejection being served on the Supplier.
- 5.10 The Supplier warrants to the Buyer that there is no restriction on or impediment against such passing of the property in the Goods to the Buyer.

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5.11 The Supplier shall provide the Buyer with such invoices, advice notes, delivery notes and other documents as the Buyer shall from time to time specify.

## 6 DELAYS, SHORTAGES AND SURPLUSES

6.1 Without prejudice to the Buyer's other rights and remedies (whether under the Order, the Contract, these Conditions or law), the Buyer reserves the right to cancel without liability (in particular for payment on a part performance or quantum merit basis) the whole or the un-executed part of the Order or the Contract if the Supplier fails to deliver any or all of the Goods by the dates specified in the Order, in any schedules issued by the Buyer against the Order or agreed in writing by the parties, or if no delivery date is so specified within a reasonable time of the placing of the Order. The Buyer, upon exercising its right of cancellation may, at its option, in respect of any Goods already delivered comprising an instalment of the Goods:

6.1.1 choose to make payment in full or part; or

6.1.2 return such Goods at the Supplier's expense or require the Supplier to collect such Goods at the Supplier's expense without any liability to make any payment either in respect of such Goods or in respect of further instalments of the Goods under the Order or the Contract.

6.2 If the Buyer exercises its right of cancellation under Condition 6.1 the Buyer may recover from the Supplier any expenditure incurred by the Buyer (whether directly or indirectly) in obtaining goods in substitution for those which have not been delivered or accepted.

6.3 Should the Supplier's failure to deliver the Goods on the required dates necessitate delivery by special transport, all additional carriage charges shall be for the Supplier's account.

6.4 The Buyer reserves the right to return to the Supplier at the Supplier's cost any Goods delivered in excess of the quantities specified in the Contract or the Order, or in any schedule for the delivery of Goods issued by the Buyer against the Order or as otherwise agreed by the Buyer and the Supplier.

## 7 QUALITY

7.1 The Goods shall:

7.1.1 conform in every respect (including without limitation as to quantity, quality and description) with the Specification (if any) and the particulars stated in the Order (or as otherwise agreed in writing by the parties) and/or any designs, drawings, samples, instructions or descriptions furnished by or adopted by the Buyer and any latest relevant British Standard Specification;

7.1.2 be of sound materials and workmanship and of the very best quality;

7.1.3 be capable of any standard or performance specified in the Specification (if any), the Contract and the Order or otherwise agreed in writing by the parties;

7.1.4 be fit for their purpose where such purpose was expressly drawn to the attention of the Supplier or was apparent by implication from the nature of the Goods; and

7.1.5 be free from defect in tolerance, performance, safety, materials and workmanship.

7.2 The Supplier warrants that the Goods will be as safe as persons generally are entitled to expect in all the circumstances and that therefore appropriate quality control and testing will have been carried out on the Goods.

- 7.3 The Supplier warrants that the design, construction, quality, packaging and labelling of the Goods comply in all respects with the relevant requirements of any statute, statutory rule instrument or order.
- 7.4 The Buyer shall be entitled to rely on any representation made to the Buyer by or on behalf of the Supplier concerning the Supplier or any aspect of the Goods.
- 7.5 Except to the extent that they embody designs prepared by the Buyer the Supplier warrants that neither the Goods nor the use thereof by the Buyer or its assignees will infringe any patent, trade mark, registered design or other proprietary right and the Supplier undertakes to indemnify the Buyer against all actions claims demands and costs arising from or by reason of any actual or alleged infringement of any such right.
- 7.6 Where the Contract or Order provides for installation, erection or work of any nature to be carried out by the Supplier, the same shall be executed in accordance with the requirements stated in the Contract or Order or as otherwise agreed in writing by the parties and with good workmanship and the Supplier guarantees that the results intended to be achieved according to the Contract or as otherwise agreed in writing by the parties will be met. The Supplier shall take all precautions necessary to ensure that such installation, erection, or work is carried out safely and without risk to persons and shall provide and bear the cost of all insurances necessary to persons or property and shall provide and bear the cost of all insurances necessary to indemnify the Buyer in respect of any negligence or act or omission on the part of the Supplier, its employees, sub contractors or agents.
- 7.7 To the extent that the Goods comprise services then the Supplier warrants that such services will be provided by the Supplier with reasonable care and skill.
- 7.8 The supplier shall plan, implement and control processes, appropriate to the organisation and the product, for the prevention of counterfeit or suspect counterfeit materials and their inclusion in product(s) delivered to the buyer.
- 7.9 Without prejudice to any other right of the Buyer whether express or implied or any other guarantee given by the Supplier to the Buyer or which the Buyer has the benefit of, the Supplier shall without delay repair or replace at its own expense any Goods which are or become defective at any time where such defect arises under proper use or storage from faulty design materials or workmanship or the Supplier's incorrect instructions as to the use or storage or any other breach of any guarantee, warranty express or implied. Such guarantee shall then apply to the repaired or replaced items.
- 7.10 Any breach by the Supplier of its obligations under Condition 7.8 shall entitle the Buyer after serving written notice of intent to proceed to remedy the defect at the Supplier's risk and expense without prejudice to the Buyer's other rights.

## 8 INDEMNITIES AND LIABILITY

- 8.1 Without prejudice to the Supplier's liability under any warranty or condition implied by law, the Supplier shall fully and effectively indemnify the Buyer against all claims, demands, costs, losses (including loss of profit and other consequential loss), damages interest, injury and/or expenses (legal or otherwise) whatsoever which may be suffered directly or indirectly by the Buyer (or claims in respect thereof made against the Buyer by third parties and any costs and expenses arising in connection therewith) and whether arising in contract, tort or otherwise from:
- 8.1.1 any defect in the Goods whether such defect is attributable to faulty design (other than a design made, furnished or specified by the Buyer), materials or workmanship;

- 8.1.2 the Supplier's failure to comply with or being in breach of any term of the contract (including these Conditions);
- 8.1.3 the Supplier's performance of the Contract (whether negligent or otherwise);
- 8.1.4 the late delivery of the Goods;
- 8.1.5 the expense of obtaining replacement goods in respect of Goods which have been rejected or have not been delivered.
- 8.1.6 any infringement or alleged infringement of any intellectual property rights of third parties due to the use or sale of the Goods provided always that where Goods are supplied to a specification or design of the Buyer this indemnity shall apply only to the extent that the infringement or alleged infringement does not directly arise from the use of such specification or design by the Supplier in the supply of the Goods;
- 8.1.7 a defect in any installation, erection or work of any nature to be carried out by the Supplier pursuant to the Contract;
- 8.1.8 any royalties payable by the Supplier or the Buyer; and
- 8.1.9 the Goods being (whether in whole or in part and directly or indirectly) involved in a claim under the Consumer Protection Act 1987 except to the extent that the alleged defect in the Goods which are the subject of the claim was directly caused by an act or omission of the Buyer.

8.2 The Supplier will at all times insure and keep itself insured with a reputable insurance company against all insurable liability under the Contract and in particular against all liabilities under this Condition.

8.3 The Buyer has contracted with the Supplier on the basis that the Supplier will bear the cost of insuring against such liabilities. The Supplier will provide all facilities assistance and advice required by the Buyer and the Supplier's insurers for the purpose of contesting or dealing with any action claim or matter arising out of the Supplier's performance of the Contract.

## 9 HEALTH AND SAFETY

9.1 The Supplier undertakes with the Buyer as follows:

- 9.1.1 that it has carried out all testing and examination and other work necessary to minimize and, so far as is reasonably practicable, eliminate any risk to health or safety resulting from the use of the Goods for any purpose for which they are designed;
- 9.1.2 that where conditions exist under which there will or may be any risk to health or safety, the Supplier shall immediately on acceptance of the Order bring such conditions to the attention of the Buyer in writing and shall provide free of cost adequate information about such conditions and the safeguards which should be observed to ensure that the Goods can be transported stored, processed and/or used safely and without risk to health;
- 9.1.3 it shall comply with and shall ensure that the Goods shall comply with the requirements laid down in Section 6, Health and Safety at Work Act 1974 and the Supplier shall indemnify the Buyer against all claims, costs, losses, damages and expenses incurred by the Buyer or for which the Buyer shall be liable in respect of the Supplier's breach of its obligation under this Condition; and
- 9.1.4 it shall keep records of all manufacturing and/or other processes undertaken in relation to the Goods prior to the date of delivery of the Goods for a period of not less than 6 years and shall make such records available to the Buyer immediately upon the Buyer's request.

## 10 VISITS TO THE SUPPLIER'S PREMISES

- 10.1 The duly authorized representative of the Buyer and/or its customer shall be given access at reasonable times to the Supplier's premises and shall be permitted to inspect, examine and test materials used in the manufacture of Goods supplied under the Contract before or during their manufacture. The Supplier shall supply the results of all inspections and tests to the Buyer in such form as the Buyer may require. Reasonable notice will be given by the Buyer of its intention to send its representative to the Supplier's premises.
- 10.2 Such visits to the Supplier's premises by or on behalf of the Buyer shall not imply that any Goods or work in progress inspected has been accepted by the Buyer.

## 11 PUBLICITY AND ADVERTISEMENT

- 11.1 The Contract and/or the Buyer's name shall not without the Buyer's consent in writing be disclosed to any third party or used in any way for publicity or advertisement by the Supplier.

## 12 CONFIDENTIALITY

- 12.1 The Supplier shall hold as confidential all samples, designs, art work, photographs, negatives, information, details, specifications, drawings, tooling, dies, moulds, formulations of compounds, patterns, software and any other items or matter relating to the Goods to be supplied in any way whatsoever (the "Confidential Items"). If the Buyer purchases any Confidential Items they shall become the absolute property of the Buyer as from the date of purchase.
- 12.2 The Supplier shall not disclose any Confidential Items to any other person except such of its employees and sub-contractors (in the latter case as are permitted under Condition 16) as may be necessary for the performance of its obligations under the Contract and the Supplier shall ensure that any person to whom Confidential Items are disclosed undertakes to hold them as confidential.
- 12.3 The Supplier shall not without the prior written consent of the Buyer make use of the Confidential Items for any purpose other than carrying out its obligations under the Contract.
- 12.4 All Confidential Items and any copies thereof shall on demand, or upon completion of the Contract, or its termination for any reason, be returned or (where they have not been supplied by the Buyer) delivered to the Buyer whose property such Confidential Items shall become or remain (as the case may be) and all Confidential Items stored in electronic form shall be deleted permanently from all the Supplier's computers. The Buyer reserves the right to enter the Supplier's premises to remove any or all Confidential Items and to ensure compliance with this Condition.

## 13 MATERIALS SENT

- 13.1 The Supplier shall be responsible for any components, goods or materials or other property (including without limitation any dies or tooling) of the Buyer ("Buyer's Property") which may be issued to the Supplier in connection with the Contract and shall indemnify the Buyer against loss or damage to the Buyer's Property. The Supplier shall clearly mark all the Buyer's Property as the property of the Buyer and shall submit stock returns in respect of the Buyer's Property and when required by the Buyer.

- 13.2 All goods, materials and/or Buyer's Property handled by or worked on by the Supplier in connection with the Contract shall be deemed to have been received by the Supplier in perfect condition unless the Buyer has received written notice specifying any defects or damage within twenty four hours of delivery to the Supplier.
- 13.3 The Supplier shall keep the Buyer's Property in good condition and insured against all risks in the Buyer's name but at the expense of the Supplier subject only to carrying out in a good and workmanlike manner and with proper skill and care any necessary work on or to or with the Buyer's Property necessary in connection with the production of the Goods.
- 13.4 If following completion of the Contract or on its termination (for whatever reason) the Supplier retains any of the Buyer's Property then it shall be returned at the Supplier's expense to the Buyer on demand.
- 13.5 The Buyer's Property shall remain the property of the Buyer and shall be kept confidential and not disclosed to any third party except the Supplier's employees or sub-contractors (the latter as are permitted under Condition 16) in which case the Supplier shall ensure that such third party keeps them confidential.
- 14 FORCE MAJEURE**
- 14.1 The Buyer shall not be liable to the Supplier for any failure to fulfil its obligations under the Contract if such failure is attributable to for any reason beyond its reasonable control or that of its agents, suppliers or subcontractors and the Buyer shall have the right to defer the date of delivery or performance by the Supplier or to cancel the Contract or any part of the Order without liability. Payment for any affected Goods shall be postponed until such time as delivery takes place shall at the request of the Buyer.
- 14.2 Any 'reason beyond the control' of the Buyer or that of its agents, suppliers or subcontractors shall include without limitation:
- 14.2.1 Act of God, explosion, flood, tempest, fire, accident or epidemic;
  - 14.2.2 war or threat of war, sabotage, insurrection, civil disturbance or requisition;
  - 14.2.3 acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;
  - 14.2.4 import or export regulations, embargoes or blockades;
  - 14.2.5 strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Supplier or of a third party);
  - 14.2.6 difficulties in obtaining raw materials, labour, fuel, parts or machinery;
  - 14.2.7 power failure or breakdown in machinery.
- 15 PRICE AND TERMS OF PAYMENT**
- 15.1 Payment of the price of the Goods shall be made at the end of the second month following the month in which the Goods are delivered in accordance with the Contract or as otherwise agreed in writing by the Buyer and the Supplier.
- 15.2 The price of the Goods shall be the price stated in the Order or as otherwise agreed in writing by the Buyer and the Supplier.
- 15.3 No increase in the price of the Goods will be payable by the Buyer without the prior written agreement of the Buyer. The price quoted by the Supplier shall include VAT and the cost of delivery and packing.

## 16 SUB-CONTRACTING

16.1 The Contract (or any part of it) shall not be assigned or sub-contracted by the Supplier either wholly or partially without the prior consent in writing of the Buyer.

## 17 SPECIAL CONDITIONS RELATING TO TOOLS AND DIES

17.1 Where the Buyer and the Supplier agree that the Supplier shall design, manufacture, obtain, supply or operate any tools or dies for the Buyer (or agrees that the Supplier may sub-contract the same) ("the Tooling") then it is agreed, notwithstanding that the price of any Tooling has not been paid that:

- 17.1.1 the legal and beneficial ownership of the Tooling, any designs, and drawings connected with the Tooling, and any materials which shall be acquired for or incorporated into the Tooling (and all copyright in respect of such designs, drawings and materials) shall be vested in the Buyer free from any lien, charge or encumbrance;
- 17.1.2 one complete set of die prints for the Tooling shall be deposited by the Supplier with the Buyer;
- 17.1.3 the Supplier shall ensure that the Tooling complies with all relevant requirements of any statute, statutory instrument, regulations or order (including such relating to servicing and maintenance);
- 17.1.4 the Tooling shall be kept confidential, be used solely in connection with the Contract or any other contract with the Buyer and shall not be used for any other purpose or for any other person, firm or company without the prior written consent of the Buyer;
- 17.1.5 the Supplier at its expense shall be responsible for servicing and maintaining the Tooling to a state of safe and good working order (fair wear and tear excepted);
- 17.1.6 the Supplier undertakes not to sell or dispose of or agree to dispose of the Tooling or any part of it or create or allow to be created by lien, charge or other encumbrances over the Tooling or any part of it;
- 17.1.7 for as long as any of the Tooling is in the Supplier's possession, such Tooling shall be clearly marked by the Supplier as the property of the Buyer and shall be at the risk of the Supplier and the Supplier shall be fully responsible for all the obligations and liabilities in respect of such Tooling or of its operation as though the Supplier were the owner of such Tooling; and
- 17.1.8 the Buyer shall have the right at any time on giving reasonable notice to enter upon the premises of the Supplier to inspect or make tests upon the Tooling and at its discretion to take possession of and remove the Tooling from the premises of the Supplier.

17.2 Where existing dies or tooling owned or used by the Supplier are to be used in connection with the Contract then the Supplier will be responsible at its own cost and expense for obtaining from any relevant third party any consent or permission which is necessary to permit the Supplier to use such dies and tooling for the Buyer in connection with the Contract (including without limitation supplying samples from such dies or tooling to the Buyer).

17.3 If samples are required by the Buyer from any dies or tooling including the Tooling, these will be provided free of charge by the Supplier unless agreed otherwise by the Buyer and will be accompanied by such First Piece Sample Report as may be specified from time to time by the buyer.

17.4 The Supplier will not, without the prior written permission of the Buyer, dispose of any Tooling or any other dies or tooling originally manufactured on behalf of a third party but which have been used in connection with the Contract or any other contract between the Buyer and Supplier. If the Supplier disposes of any Tooling or other such dies or tooling in breach of this Condition then the Supplier will be responsible for replacing such Tooling or other dies or tooling at its own cost to the satisfaction of the Buyer.

## 18 PACKAGING

18.1 The Buyer is under no obligation to return packaging materials whether pallets or returnable stillages within any defined period or by any date specified by the Supplier.

## 19 OFFSET OF AMOUNTS DUE

19.1 The Buyer shall be entitled to off-set against any sums due from it to the Supplier, the amount of any claim the Buyer (and/or its subsidiaries or holding company or other subsidiaries of the same holding company as such expressions are defined in the Companies Act 1985) has against the Supplier (and/or its subsidiaries or holding company or other subsidiaries of the same holding company as such expressions are similarly defined) or the amount of any monies due to the Buyer from the Supplier (and/ or any of its subsidiaries or holding company or other subsidiaries of the same holding company as such expressions are similarly defined).

## 20 TERMINATION

20.1 Without prejudice to any other rights the Buyer may have under the Contract, these Conditions, the Order or in law the Buyer shall be entitled to terminate the Contract immediately without liability:

- 20.1.1 if the Supplier has a bankruptcy petition presented against him, or a bankruptcy order is made;
- 20.1.2 if the Supplier makes or seeks to make any composition or arrangement with his creditors;
- 20.1.3 if the Supplier makes a proposal to his creditors for a voluntary arrangement or applies for an interim order (within the meaning of Section 286 Insolvency Act 1986);
- 20.1.4 if an encumbrancer takes possession of any of the Supplier's assets, or any of the Supplier's property is taken in execution or process of law;
- 20.1.5 if a petition is presented or an order is made or a resolution is passed for the winding-up of the Supplier;
- 20.1.6 if a petition is presented or an order is made for an administration order to be made in relation to the Supplier;
- 20.1.7 if the Supplier's directors make a proposal for a voluntary arrangement with the Supplier's creditors;
- 20.1.8 if the Supplier is unable to pay its debts (within the meaning of Section 123 Insolvency Act 1986);
- 20.1.9 if a receiver or administrative receiver is appointed over any of the Supplier's assets.
- 20.1.10 If the Supplier has committed or permitted any employee, subcontractor, agent or commit any breach of the Contract or these Conditions.

- 20.2 Conditions 8,11,12 and 13 shall continue in force following termination of the Contract however caused.
- 20.3 The Buyer reserves the right to terminate the Contract or cancel any part of the Order at any time by giving one month's notice in writing to the Supplier without liability and to refuse to accept any Goods not delivered and accepted at the date of such notice and subject to Conditions 20.3.1, 20.3.2 and 20.3.3 the Supplier will immediately cease all production of the Goods upon receipt of such notice provided that:
- 20.3.1 the Buyer shall pay to the Supplier the contract price of Goods delivered and accepted by the Buyer at the date of the notice and not already paid for;
  - 20.3.2 the Supplier shall if so required complete and deliver all Goods partially manufactured at the date of such notice and the Buyer shall pay the contract price of all such Goods as are accepted by the Buyer.
  - 20.3.3 if the Buyer does not exercise its option under Condition 20.3.2 the Buyer will pay to the Supplier such compensation as is reasonable to cover the costs of material and labour reasonably and properly incurred by the Supplier in the production of the Goods up to the date of termination of the Contract or cancellation of the Order save where the production of such Goods was carried out to permit the Supplier to deliver the Goods in advance of the delivery date agreed or specified by the Buyer in writing other than at the request of the Buyer.

## 21 SUPPLIER'S BREACH AND BUYER'S REMEDIES

- 21.1 Without prejudice to Condition 20 if the Supplier has failed to comply with the terms of the Contract (including any of these Conditions, the Order and whether as to the whole or part of the Goods comprising the Order) or with any other contract with the Buyer the Buyer shall be entitled (whether or not the Goods or any part of the Goods have been accepted by the Buyer) to any one or more of the following remedies at the Buyer's discretion:
- 21.1.1 to treat such breach by the Supplier of its obligations as a repudiation entitling the Buyer itself to repudiate further performance and to recover damages for the breach and without any liability to the Supplier (in particular for payment on a partial performance or quantum merit basis);
  - 21.1.2 to reject and return the Goods or require the Supplier to collect them or any part thereof, any costs incurred to be paid by the Supplier. The Buyer shall be entitled to be repaid in full for any Goods so returned;
  - 21.1.3 to give the Supplier the opportunity to replace or repair the Goods or reinstate them at the Supplier's expense so that they comply with the terms of the Contract;
  - 21.1.4 to refuse to accept any further deliveries or instalments of the Goods or any part thereof without any liability to the Supplier;
  - 21.1.5 to carry out at the Supplier's expense such work as may be necessary to make the Goods or any part thereof comply with the Contract;
  - 21.1.6 to claim such damage as the Buyer may have sustained in consequence of any breach of contract including loss of profit and the expenses of:
    - 21.1.6.1 obtaining goods to replace those which have been rejected or have not been delivered; and
    - 21.1.6.2 carrying out any further work on the Goods or any items of which the Goods comprise part or to which the Goods relate

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21.2 These rights shall be in addition to and without prejudice to any other rights the Buyer may have under the Contract, Order, these Conditions and/or in law.

## 22 COMPLIANCE WITH OBLIGATIONS

22.1 Any failure by the Buyer to insist on the Supplier's compliance with any of its obligations shall not be construed as a waiver or relinquishment of the Buyer's right to insist upon strict compliance with such obligations at any other time or shall in any way effect the Buyer's rights or the Supplier's obligations under the Contract.

## 23 LAW

23.1 This Contract, the Order and these Conditions shall be governed and construed in accordance with English Law.

## 24 HEADINGS

24.1 The headings of these Conditions shall not affect their construction.

## 25 NOTICES

25.1 Any notice may be served by:

25.1.1 posting it in a first class prepaid envelope to the last known address of the Supplier or the Buyer (as the case may be) and shall be deemed to have been served at the time at which the notice so posted would have been delivered in the ordinary course of post;

25.1.2 telex or facsimile transmission and shall be deemed served twelve hours after the time of transmission.

## 26 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

26.1 A person who is not a party to the Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract or these Conditions but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## 27 ETHICAL BEHAVIOUR AND EXPECTATIONS

27.1 Smiths High Performance expect all suppliers to operate and conduct their business activities in an ethical and morally acceptable manner. This includes adherence to national and international laws and regulations such as The Modern Slavery Act 2015 and The Bribery Act 2010. We also require your staff and supply chain to conduct their roles and responsibilities in an ethical manner which eliminates any form of bullying, misinterpretation, falsifying and any other behaviour deemed to be detrimental to our business activities.

## 28 CONFORMITY AWARENESS

All suppliers are expected to ensure that their employees are aware of the importance of product and / or service conformity to requirements and of potential consequences of any non-conformities.

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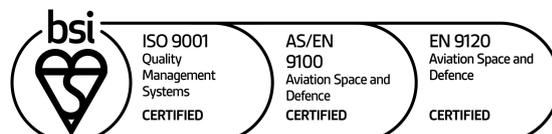
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All information in our data sheet is based on approximate testing and is stated to the best of our knowledge and belief. It is presented apart from contractual obligations and does not constitute any guarantee of properties or of processing or application possibilities in individual cases. Our warranties and liabilities are stated exclusively in our terms of trading.

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