



Maycast-Nokes Precision Engineering Ltd
Factory Lane West,
Halstead
Essex
CO9 1EX

Standard Terms and Conditions of Purchase

1. GENERAL

1.1. In these conditions:

“MNPEL” means Maycast-Nokes Precision Engineering Limited (company registration number 03113620).

The “Supplier” means any company, corporation whether privately or publicly owned, firm, person or partnership who accepts the Purchase Order in accordance with condition 3.3 below.

The “conditions” means the standard terms and conditions of purchase set out in this document together with any special terms and conditions set out on the Purchase Order or otherwise agreed in writing between MNPEL and the Supplier.

The “Contract” means the Purchase Order and the Supplier’s acceptance of it in accordance with condition 3.2 below.

The “Deliverables” means all documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form or media, including without limitation drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports (including drafts).

The “Goods” means all goods which are supplied to MNPEL by the Supplier under the Contract (including any part of them).

The “Intellectual Property Rights” means all patents, rights to inventions, utility models, copyright and related rights, trade marks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database right, topography rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or

extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world.

The “Purchase Order” means MNPEL’s written instruction to supply the Goods and/or Services in accordance with the conditions.

The “Services” means the services, including without limitation the Deliverables, to be provided by the Supplier under the Contract as set out in the Purchase Order.

- 1.2. The headings in these conditions are for convenience only and shall not affect their interpretation.
- 1.3. Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.4. A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.5. A reference to “writing” or “written” includes faxes and e-mail.

2. APPLICATION OF CONDITIONS

2.1. The conditions shall:

- (a) apply to and be incorporated in the Contract; and
 - (b) prevail over any inconsistent terms or conditions contained in or referred to in the Supplier’s quotation, acceptance, correspondence or elsewhere or implied by law, trade custom, practice or course of dealing; and
- the Supplier shall be under strict obligation to comply with the conditions.

2.2. No addition to, variation of, exclusion or attempted exclusion of the Purchase Order or the conditions or any of them shall be binding on MNPEL unless in writing and signed by a duly authorised representative of MNPEL.

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

3. EFFECT OF PURCHASE ORDER

- 3.1. MNPEL shall only be bound by an order if it is issued on MNPEL's standard Purchase Order form and signed by a duly authorised representative of MNPEL.
- 3.2. The Purchase Order constitutes an offer by MNPEL to purchase the Goods and/or the Services subject to the conditions. Accordingly, any acceptance of the Purchase Order by the Supplier shall establish a contract for the sale and purchase of the Goods and/or the Services on the conditions. Any counter-offer made by the Supplier to supply the Goods and/or Services on other conditions shall only be validly accepted if such acceptance is in writing and signed by a duly authorised representative of MNPEL.
- 3.3. The execution and return of the acknowledgement copy of the Purchase Order form by the Supplier, or the Supplier's execution, commencement of work or commencement of delivery pursuant to the Purchase Order constitutes acceptance of the Purchase Order on the conditions by the Supplier.
- 3.4. **IN ALL CASES WHERE THE SUPPLIER HAS ACCEPTED THE PURCHASE ORDER, THE SUPPLIER SHALL BE DEEMED TO HAVE READ AND UNDERSTOOD ALL OF THE CONDITIONS AND NO SUBSEQUENT CONDUCT BY THE SUPPLIER OR MNPEL SHALL BE ADMISSIBLE AS EVIDENCE TO THE CONTRARY.**
- 3.5. No Purchase Order which has been accepted by the Supplier may be cancelled by the Supplier except with the agreement in writing of MNPEL and on terms that the Supplier shall indemnify MNPEL in full against all losses (including loss of profit) costs (including the cost of labour and materials used), damages, chares and expenses incurred by MNPEL as a result of such cancellation.
- 3.6. MNPEL may at any time give notice to the Supplier of a proposed amendment to the Purchase Order. The Supplier shall be deemed to have accepted the amendment if the Supplier does not notify MNPEL in writing within 7 days with its reasons for rejection. If the Supplier accepts the amendment, or is deemed to have accepted it, the amendment shall be made, only after agreement of the necessary variations to the Supplier's charges, the

Goods and/or Services and any other relevant terms of the Contract to take account of the amendment reached.

4. PRICE AND TERMS OF PAYMENT

- 4.1. All prices shall be as stated in the Purchase Order. In the case of Goods, such prices are firm and fixed and, unless otherwise stated, are inclusive of all delivery, packaging and packing charges. In the case of Services, such prices shall be the full and exclusive remuneration of the Supplier in respect of the performance of the Services. Unless otherwise agreed in writing by MNPEL, the charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.
- 4.2. The prices are exclusive of Value Added Tax and all other taxes and duties applicable at the current rates.
- 4.3. All delivery charges to the destination(s) nominated by MNPEL are payable by the Supplier unless otherwise agreed in writing by MNPEL.
- 4.4. The Supplier shall be entitled to invoice MNPEL for the Goods on or at any time after completion of delivery of the Goods. The Supplier shall be entitled to invoice MNPEL for the Services on completion of the Services.
- 4.4. Payment will only be made on invoices which show the correct Purchase Order & advice note details.
- 4.5. Unless otherwise agreed by MNPEL and subject to condition 4.5 above, payment of invoices shall be made 60 days from the end of month in which the invoice is received by MNPEL.
- 4.6. The Supplier shall maintain complete and accurate records of the time spent and material's used by the Supplier in providing the Services, and the Supplier shall allow MNPEL to inspect such records at all reasonable times on request.
- 4.7 Without prejudice to any other right or remedy, MNPEL reserves the right to set off any amount at any time owing to it by the Supplier against any amount payable to it by the Supplier under the Contract.

5. DELIVERY OF THE GOODS

- 5.1. The Supplier shall deliver the Goods on the date(s) specified in the Purchase Order.
- 5.2. The date of delivery is fixed and cannot be extended without prior written agreement by MNPEL. If it becomes apparent to the Supplier that the delivery date(s) cannot be met, the Supplier shall promptly notify MNPEL of this fact.
- 5.3. The Goods shall be delivered by the Supplier to the place of delivery specified in the Purchase Order, or as otherwise specified by MNPEL. The Goods shall be received at the place of delivery, subject to MNPEL's inspection and approval. Any Goods which MNPEL rejects as not conforming with the Purchase Order shall be returned at the Supplier's risk and expense.
- 5.4. The Goods will not be accepted unless accompanied by advice notes showing the Purchase Order number, part number, revision number and quantity of parts, plus a certificate of conformity if this is requested on the Purchase Order.
- 5.5. The Purchase Order may allow for early delivery for the purposes of assessing delivery performances (e.g. up to 5 days early, no days late). This does not affect the payment terms referred to in condition 4.6 above.
- 5.6. The Supplier shall not deliver the Goods in instalments without MNPEL's prior written consent. Where it is agreed that the Goods are delivered by instalments, they may be invoiced and paid for separately. However, time is of the essence as to the delivery of the Goods under the Contract and failure by the Supplier to deliver any one instalment on time or at all or any defect in an instalment shall entitle MNPEL to the remedies set out in condition 9.1.

6. IMPORT AND EXPORT

- 6.1. The Supplier shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties thereon.
- 6.2. The Supplier shall be responsible for complying with any legislation governing the exportation of the Goods.

7. QUALITY OF THE GOODS AND WARRANTY

7.1. The Supplier warrants to MNPEL that:

- (a) the Goods will conform with the quality, description and other particulars of the Goods stated in the Purchase Order;
- (b) the Goods will conform to all samples, drawings, descriptions and specifications provided to the MNPEL by the Supplier;
- (c) the Goods will be of satisfactory quality and fit for any intended uses expressly or impliedly made known to the Supplier, and will be free from all defects in materials and workmanship for a period of 12 months from the date of delivery; and
- (d) the Goods will comply with all specifications stated in the Purchase Order, and all applicable legislation for the time being in force.

7.2. The Supplier shall carefully inspect the Goods before delivery to ensure that they comply with the requirements of the Purchase Order, specifications, drawings or other description of the Goods. A certificate of conformity shall be supplied by the Supplier with each delivery where requested by MNPEL.

7.3. If any Goods supplied, are required to contain an element of tin, tungsten, tantalum or gold (Conflict Minerals), or any combination thereof, the Supplier shall ensure that it has full traceability, records and certification detailing the exact origin of such Conflict Materials.

(a) The Supplier agrees to make such records available to MNPEL on demand and shall keep and maintain such records for a minimum of 3 years after the Purchase Order has been completed.

(b) The Supplier warrants that any Goods which contain any element of Conflict Material shall not be sourced from the Democratic Republic of Congo, or any adjoining country.

7.4. "Counterfeit Parts" shall mean a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented. This term includes, but is not limited to, (i) parts that have been (re)marked

to disguise them or falsely represent the identity of the manufacturer, (ii) defective parts and/or surplus material scrapped by the original manufacturer, and (iii) previously used parts pulled or reclaimed and provided as “new”.

(a) the Supplier warrants that no Counterfeit Parts shall be contained within the Goods and that the Goods themselves shall not as a whole constitute Counterfeit Parts.

(b) the Supplier shall maintain and make available to MNPEL upon demand records detailing the source and authenticity of all components and materials used within the manufacture or production of the Goods.

(c) The Supplier shall ensure that all of its Suppliers are aware of and adhere to this clause 7.4.

7.5. In the event that any component, part or module contained within the Goods, or the Goods themselves, becomes obsolete or is at risk of becoming obsolete, the Supplier shall immediately notify MNPEL and take such steps and provide such information as MNPEL may require.

8. PERFORMANCE OF THE SERVICES

8.1. The Supplier shall from the date set out in the Purchase Order and for the duration of the Contract provide the Services to MNPEL in accordance with the conditions.

8.2. The Supplier shall meet any performance dates for the Services specified in the Purchase Order or notified to the Supplier by MNPEL.

8.3. In providing the Services, the Supplier shall:

(a) co-operate with MNPEL in all matters relating to the Services, and comply with all instructions of MNPEL;

(b) perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier'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 Supplier's obligations are fulfilled in accordance with the Contract;

- (d) ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the Purchase Order, and that the Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by MNPEL;
- (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, and ensure that the Deliverables, and all goods and materials supplied and used in the Services or transferred to MNPEL, will be free from defects in workmanship, installation and design;
- (g) obtain and at all times maintain all necessary licences and consents, and comply with all applicable laws and regulations;
- (h) observe all health and safety rules and regulations and any other security requirements that apply at any of MNPEL's premises; and
- (i) not do or omit to do anything which may cause MNPEL to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that the Customer may rely or act on the Services.

9. REMEDIES

- 9.1. If the Supplier fails to deliver the Goods and/or perform the Services by the applicable date, MNPEL shall, without limiting its other rights or remedies, have one or more of the following rights:
- (a) to terminate the Contract with immediate effect by giving written notice to the Supplier;
 - (b) to refuse to accept any subsequent performance of the Services and/or delivery of the Goods which the Supplier attempts to make;
 - (c) where MNPEL has paid in advance for Services that have not been provided by the Supplier and/or Goods which have not been delivered by the Supplier, to have such sums refunded by the Supplier; and

(d) to claim damages for any additional costs, loss or expenses incurred by MNPEL which are in any way attributable to the Supplier's failure to meet such dates.

9.2. If the Goods are not supplied in accordance with the warranties in condition 7.1 above, MNPEL may (without prejudice to any other right or remedy) exercise any one or more of the following rights or remedies whether or not the Goods (or any part of them) have been accepted by MNPEL:

(a) rescind the Contract; or

(b) reject the Goods (in whole or in part) and return them to the Supplier at the risk and cost of the Supplier on the basis that a full refund for the Goods so returned shall be paid immediately by the Supplier; or

(c) require the Supplier, at the Supplier's expense, either (at MNPEL's option) to remedy any defect in the Goods and carry out such other work as is necessary to ensure that the Goods are in all respects in accordance with the Purchase Order or to supply replacement Goods, provided that if the Supplier refuses to remedy the defect in the Goods or to supply replacement Goods within 15 days of receiving such a request, MNPEL may purchase replacement Goods from another source and the Supplier shall reimburse MNPEL for all costs and expenses reasonably incurred in doing so; or

(d) refuse to accept further deliveries of the Goods, without liability to the Supplier; and

(e) in any case to claim such damages as it may have sustained in connection with the Supplier's failure to supply Goods in accordance with condition 7.1.

9.3. The Conditions shall extend to any substituted or remedial services and/or repaired or replacement goods supplied by the Supplier.

9.4. MNPEL's rights under the Contract are in addition to its rights and remedies implied by statute and common law.

10. RISK AND TITLE TO THE GOODS

- 10.1. The Goods shall be at the risk of the Supplier until delivery to MNPEL. The Supplier shall off-load the Goods at its own risk as directed by MNPEL and risk shall only pass to MNPEL upon signed receipt by an authorised person once the Goods have been off-loaded.
- 10.2. Ownership of the Goods shall pass to MNPEL upon signed receipt by an authorised person once the Goods have been off-loaded, except that if the Goods are paid for before delivery ownership shall pass to MNPEL once payment has been made. The passing of ownership in the Goods is without prejudice to any right of rejection to which MNPEL may be entitled under the Contract or otherwise.
- 10.3. Goods in respect of which the ownership has passed to MNPEL shall be kept identifiable as those of MNPEL, and the Supplier shall, at its own expense, keep the Goods insured and shall immediately deliver such Goods to MNPEL at the Supplier's expense, or permit MNPEL to enter into the Supplier's premises to collect such Goods should MNPEL request.

11. INDEMNITY

- 11.1. The Supplier shall indemnify and hold MNPEL harmless from all claims and all direct, indirect or consequential liabilities (including loss of profits, loss of business, depletion of goodwill and similar losses), costs, proceedings, damages and expenses (including legal and other professional fees and expenses) awarded against, or incurred or paid by, MNPEL as a result or in connection with:
- (a) any alleged or actual infringement, whether or not under English law, of any third party's Intellectual Property Rights or other rights arising out of the use, manufacture or supply of the Goods, or receipt, use or supply of the Services; or
 - (b) defective workmanship, quality or materials in or in relation to the Goods; or
 - (c) any claim made against MNPEL in respect of any liability, loss, damage, injury, cost or expense sustained by MNPEL's employees or agents or by any customer or third party to the

extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods or Services as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the Contract by the Supplier howsoever arising.

11.2. For the duration of the Contract and for a period of 6 years thereafter, the Supplier shall maintain in force, with a reputable insurance company:

(a) product liability insurance for not less than £5 million per claim; and

(b) public liability insurance for not less than £5 million for claims arising from any single event and no aggregate cap for claims arising in any one year

and shall, on MNPEL's request, produce the insurance certificate giving details of the cover for each insurance.

11.3. This condition 11 shall survive the termination of the Contract, however arising.

12. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

12.1. Each party agrees and undertakes that it will keep confidential and will not use for its own purposes nor without the prior written consent of the other party disclose to any third party all information of a confidential nature (including trade secrets and information of commercial value) which may become known to such party from the other unless such information is public knowledge (other than by breach of this condition) or is required to be disclosed by a court of competent jurisdiction. Each party shall restrict disclosure of such confidential material to such of its employees as need to know the same for the purpose of discharging its obligations to the other and shall ensure that such employees are subject to obligations of confidentiality corresponding to those which bind the party.

12.2. All materials, equipment, tools, copyright, rights in designs and any other Intellectual Property Rights in all drawings, specifications and data supplied by MNPEL to the Supplier shall

at all times be and remain the exclusive property of MNPEL, and shall be held by MNPEL in safe custody at its own risk and maintained and kept in good condition by the Supplier until returned to MNPEL, and shall not be disposed or used other than in accordance with MNPEL's written instructions or authorisation. The Supplier shall return all copies of any such material to MNPEL immediately on MNPEL's first written request.

12.3. The Supplier assigns to MNPEL, with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Services, including for the avoidance of doubt the Deliverables.

12.4. The Supplier shall, promptly at MNPEL's request, do (or procure to be done) all such further acts and things and the execution of all such documents as MNPEL may from time to time require for the purpose of securing for MNPEL the full benefit of the Contract, including all right, title and interest in and to the Intellectual Property Rights assigned to MNPEL in accordance with condition 12.3.

12.5. The Supplier warrants that in supplying any Goods it shall not breach any third party's Intellectual Property Rights.

12.6. This condition 12 shall survive the termination of the Contract, however arising.

13. TERMINATION

13.1. MNPEL shall be entitled, without prejudice to its other rights or remedies, either to terminate wholly or in part the Contract and/or every other contract currently in existence between itself and the Supplier or to suspend any further deliveries and/or performance of the Services under the Contract or any or every other such contract without liability to MNPEL if any of the following events occur:

- (a) the Supplier has failed to supply any Goods and/or Services under the Contract or any other contract between it and MNPEL otherwise than in accordance with the Purchase Order;
- or

- (b) the Supplier becomes insolvent or suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply; or
- (c) (being a body corporate) an order is made for the winding-up of the Supplier, except where solely for the purpose of solvent reconstruction, or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order in relation to the Supplier; or
- (d) (being a body corporate) an order is made for the appointment of an administrator to manage the affairs, business or property of the Supplier, or documents are filed with a court of competent jurisdiction for the appointment of an administrator of the Supplier, or notice of intention to appoint an administrator is given by the Supplier or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986); or
- (e) the Supplier has had a receiver appointed over any of its assets or undertaking or a person becomes entitled to appoint a receiver over any of its assets, or if any other person takes possession of or sells the Supplier's assets; or
- (f) the Supplier has proposed or entered into any composition or arrangement with its creditors, or makes an application to a court of competent jurisdiction for the protection of its creditors in any way; or
- (g) (being an individual or partnership) the Supplier has a bankruptcy petition or order made against him or any of them; or
- (h) the Supplier has ceased or threatens to cease, to carry on business; or

- (i) the Supplier takes or suffers any similar or analogous action in any jurisdiction in consequence of debt; or
- (j) the Supplier (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is capable of managing his own affairs or becomes a patient under any mental health legislation.

13.2. Without limiting its other rights or remedies, MNPEL may terminate the Contract:

- (a) in respect of the supply of the Services, by giving the Supplier one month's written notice; and
- (b) in respect of the supply of Goods, with immediate effect by giving written notice to the Supplier, in which case MNPEL shall pay the Supplier fair and reasonable compensation for any work in progress on any of the Goods at the date of termination but such compensation shall not include loss of anticipated profits or any consequential loss.

13.3. In any of the circumstances under the Contract in which MNPEL may terminate the Contract, where both Goods and Services are supplied, MNPEL may instead terminate part of the Contract in respect of the Goods, or in respect of the Services, and the Contract shall continue in respect of the remaining supply.

13.4. Termination of the Contract, however arising, shall not affect or prejudice the accrued rights of the parties at termination or the continuation of any provision expressly or implicitly stated to survive termination.

14. FORCE MAJEURE

14.1. Neither party shall be liable to the other for any delay or failure in performing its obligations under the Contract to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable, provided that the Supplier shall use all reasonable endeavours to cure any such events or circumstances and resume performance under the Contract. If any events or circumstances prevent the Supplier from

carrying out its obligations under the Contract for a continuous period of more than 30 days, MNPEL may terminate this Contract immediately by giving written notice to the Supplier.

15. RECORDS

15.1. Records related to the manufacture of the Goods and/or process operations relating to the Goods, including inspection and testing, shall be retained for a minimum of 10 years (unless otherwise advised), by the Supplier and made available upon request for verification by MNPEL, MNPEL's customers and/or regulatory authorities.

16. SUB-CONTRACTING AND ASSIGNMENT

16.1. The Supplier shall not, without the prior written consent of MNPEL, assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.

16.2. Where the Supplier sub-contracts any process operation, the flow down of the requirements relating to such process operation, including any key characteristics, must be documented.

16.3. Any work that the Supplier sub-contracts in connection with the Contract shall be subject to quality assurance and MNPEL, or any of MNPEL's customers which are relevant to the Contract, shall be entitled to access the Supplier's premises for the purpose of carrying out such quality assurance.

16.4. MNPEL may at any time assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.

17. GENERAL

17.1. The Contract and any matters of dispute arising out of or in connection with it shall be settled by reference to the laws of England and the parties irrevocably agree that the courts of England have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Contract.

17.2. MNPEL's rights shall not be prejudiced or restricted in any way by any waiver by MNPEL of any breach of the Contract by the Supplier and no waiver by MNPEL of any breach of the Contract by the Supplier shall operate as a waiver in respect of any subsequent breach.

17.3. If any provision or part of a provision of the Contract shall be found by any court of competent jurisdiction to be invalid, unenforceable or illegal, such invalidity, unenforceability or illegality shall not affect the other provisions or parts of such provisions of the Contract, all of which shall remain in full force and effect. If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

17.4. Any notice required to be given under the Contract shall be deemed to have been duly given if sent by prepaid first class registered post, fax or e-mail to the party concerned at its registered office or principle place of business or such other address as may have been notified pursuant to this provision to the party giving the notice. Notices sent by first class registered post shall be deemed to have been given seven days after despatch and notices sent by fax or email shall be deemed to have been given on the date of despatch.

17.5. The Supplier shall comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010.

17.6. The Supplier shall have in place, and maintain, a Foreign Objects Debris / Damage Policy (FOD) sufficient for the processes and manufacturing that the Supplier is undertaking. The Supplier's FOD shall be made available to MNPEL upon demand and such changes as may reasonably be requested by MNPEL shall be made to the FOD and implemented by the Supplier.