

TCE TRANSMISSION

CONDITIONS OF PURCHASE

1. DEFINITIONS

- 1.1 “Purchaser” means the company named on the front of this Purchase Order or any associate company thereof on whose behalf an Order is placed.
- 1.2 “Seller” means the person firm or company with whom an order is placed.
- 1.3 “Goods” means the article or things or any of them described in as Order and to be supplied by the Seller
- 1.4 “Order” means the Purchaser’s official instructions to the Seller in writing to supply the Goods on these Conditions and where those instructions conflict with the terms of these Conditions those instructions shall prevail.
- 1.5 “Contract” means the Order and the Seller’s acceptance thereof.

2. OFFER AND ACCEPTANCE

An Order made by the Purchaser shall constitute an offer on the part of the Purchaser which must be accepted by the prompt return of the acknowledgement of an Order form or other similar acceptance in writing by the actual execution of an Order and such acceptance will be deemed to bind the Seller to these Conditions and no Goods shall be supplied by the Seller except in accordance with such Conditions.

3. SOLE CONDITIONS

- 3.1 These conditions alone shall apply to an Order subject only to the variations in writing signed by both the Seller and the Purchaser. Any printed or standard conditions appearing on any documents emanating from the Seller shall have no legal effect whatsoever. They appear in the documents only because they are printed thereon and the Seller waives any rights he might otherwise have to rely on such conditions.
- 3.2 No other agreement or understanding in any way modifying or supplementing an Order nor any promises or representations made by the representatives of the Purchase or Seller shall be binding unless confirmed in writing and signed by authorised officers of both parties.

4. DESCRIPTIONS AND QUALITY

- 4.1 The Goods shall be supplied in strict accordance with the description and specification contained in an Order and shall not exceed the quantity specified. The Purchaser shall not be liable for any excess costs or charges due to deviations from the specification or stated quantity.
- 4.2 The Goods supplied shall be of the very best quality and fit for their purposes. The Goods shall comply with all relevant standards and Codes of Practice and contain no deleterious materials or defective components. The Purchaser reserves the right to reject any of the Goods which are faulty or do not conform to the quality, quantity, standard or description as specified in an Order. The Purchaser may return any rejected Good at the Seller’s risk and expense. Acceptance of the Goods by the Purchaser is subject to a weight check in the receiving store of the Purchaser or on a public weighbridge and to any tests specified in the Order.

5. INDEMNITY

The seller shall indemnify the Purchaser against the following: (whether caused by defective design, workmanship or material or by failure of the Seller to supply the Goods in accordance with the terms of an Order or any terms implied by Statute or Common Law) or by any other default or non-compliance of the Seller relating to an Order.

- a) Loss or expense or damage or injury whatsoever or whensoever arising suffered by the Purchaser or for which the Purchaser may be held liable to third parties:
- b) Consequential or indirect loss or damage (including without limitation loss of profit, use of contracts) sustained by the purchaser or for which the Purchaser may be liable:
- c) Claims in respect of breach of any statutory duty.

6. FORCE MAJURE AND FRUSTRATION OF CONTRACT

The Purchaser shall have the right to defer the date of delivery or to cancel any Order in the event of the Purchaser's business being interrupted by any conditions beyond its control. ("Force Majeure") The event of Force Majeure shall include, but shall not be limited to acts of God, Government restrictions (including the denial or cancellation of any export or other necessary licence), wars, insurrections, Terrorism (or threat of it), civil commotion, industrial disputes, strikes, accidents, flood, fire and other disasters and for any other cause beyond the reasonable control of the Purchaser. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused, including, but not limited to terms of payment. The Purchaser will not be liable to the Seller for any loss, expenses or costs arising as a result of any deferral or cancellation so caused.

7. DELIVERY

A separate invoice in respect of each Order shall be sent by the Seller to the Purchaser upon despatch of the Goods showing inter alia the number and date of the Order. All deliveries shall be made to the place or places and at the time or times specified in the Order accompanied by a delivery note showing Order number and in the case of part delivery the outstanding balance remaining to be delivered. The Goods shall be properly packed and protected against damage and deterioration in transit and shall be delivered, insured and carriage paid in accordance with the purchaser's instruction (if any). Unless otherwise agreed in writing between the Purchaser and the Seller, time shall be of the essence and the delivery date or dates specified in an Order shall be condition of the contract.

8. TITLE AND RISK

The Goods shall remain at the Sellers risk until accepted by the Purchaser. The property in the Goods shall pass to the Purchaser on delivery or when the Goods become appropriated to the Contract, whichever is the earlier.

9. PRICE AND PAYMENT

- 9.1 The price stated in the Order is inclusive of all costs and expenses including packing and transportation costs. No variation in the price of the Goods will be accepted for any reason whatsoever unless reasonable notice thereof has been given in writing by the Seller the Purchaser and an authorised officer of the Purchaser shall have accepted the price variation in writing.
- 9.2 Where the Goods are subject to Value Added Tax or any other taxes the amount legally demandable is to be rendered as a separate item of account and if required by the

Purchaser, the Seller shall produce bona fide evidence of the amount paid or to be paid by it in respect thereof.

- 9.3 The Purchaser reserves the right to deduct from any monies due or becoming due to the Seller, any monies due from the Seller to the Purchaser under the Contract or any other contract relating to the supply of goods or services.
- 9.4 The price of the Goods includes the cost of insurance, packaging and carriage of the Goods unless otherwise expressly indicated in the Order.
- 9.5 Any discount period will be calculated from the date the invoice is received by the Purchaser.
- 9.6 Payment for Goods accepted by the Purchaser shall be made at the end of the month of invoice.

10. BREACH

- 10.1 Any breach of any term of an Order or any of these Conditions by the Seller regarding time of delivery shall (whether or not the Purchaser has accepted the Goods or any part thereof and whether or not the property in those Goods has passed to the Purchaser) entitle the Purchaser at its option either to treat the Contract as repudiated or treat any such breach as a breach or warranty giving rise to claim for damages.
- 10.2 If at any time after acceptance by the Seller of an Order the Seller (being an individual) commits any act of bankruptcy or compounds or makes arrangement with his creditors, or the Seller (being a company) goes into liquidation either voluntary or compulsory (except a voluntary insolvent liquidation for the purpose of amalgamation or reconstruction) or has a receiver or administrative receiver appointed over any of its assets the Purchaser may cancel such Order by written notice to the Seller.
- 10.3 No time given or concession made on the part of the Purchaser shall be construed as a waiver of any rights and remedies hereunder or at common law.

11. CANCELLATION

The Purchaser shall have the right to cancel an Order in whole or in part at any time for any reason whatsoever by giving the Seller notice thereof in writing. In such event, the Purchaser shall pay to the Seller (except where the order has been cancelled due to breach by the Seller) a fair and reasonable sum for all materials used and work done up to the time of the cancellation whereupon the property in such materials shall pass to the Purchaser. The Purchaser shall not be liable for any loss including consequential or indirect loss suffered by the Seller or any third party as a result of such cancellation.

12. WARRENTY

If the Goods or any thereof show any defects in design, workmanship or materials or do not otherwise comply with the Contract within a period of 24 months from the date of delivery the Purchaser may at its option either:

- (a) Require the Seller to repair or replace such defective Goods to the satisfaction of the Purchaser (in which case the Clause shall apply to the repaired or replacement Goods) or
- (b) Reject such defective Goods (in which case the Purchaser shall return the same to the Seller at the Sellers risk and expense and the Purchaser shall be entitled to purchase equivalent goods elsewhere and any additional expense incurred in connection therewith reimbursed forthwith by the Seller)

13. PATENTS

The Seller warrants that the design, construction and quality of the Goods comply in all respects with all statutes, statutory rules, orders, regulations and Codes of Practice, which may be enforced or which in any way apply to the Goods and further that any adaptation, sale or use of the Goods by the Purchaser will not infringe any patent, trade mark, trade name, registered design, copyright or other intellectual property right belonging to any third party. The Seller undertakes to indemnify the Purchaser against all loss, damage, costs, expenses, claims and proceedings which the Purchaser may suffer or incur by reason of any breach of their said warranties.

14. ASSIGNMENT

The Seller shall not without the prior written consent of the Purchaser assign or sub-contract any Contract or any part thereof (except for materials and minor details the makers or suppliers of which are specified in the Order). Any such consent shall be conditional upon the assignee or sub-contractor accepting these conditions and shall not, in the case of sub-contracting, relieve the Seller of his responsibility for any of the Goods included in the Order.

15. CONFIDENTIALITY

The Seller shall treat any Order and all designs, drawings, specifications and information supplied therewith as confidential and shall not disclose the same to any third party without the Purchaser's prior written consent or infringe any copyright, patent, trade name, registered design or any other intellectual property right vested in the Purchaser.

16. COVERING LAW

The Contract shall be governed by and construed in accordance with English law and each party thereto hereby submits to the exclusive jurisdiction of the English Courts, except where the Goods are being delivered to Scotland in which case the Contract shall be governed by and constructed in accordance with Scottish law and each party thereto hereby submits to the exclusive jurisdiction of the Scottish Courts.

17. FACTORING

The seller is prohibited from factoring or otherwise assigning any of its rights arising from this Order or from varying the terms of payment without the express written permission of the Purchaser signed by its authorised officer.