



Terms and conditions of Purchase

1. DEFINITIONS IN THESE CONDITIONS.

- a. "Buyer" means the Buyer Company placing the Order.
- b. "the Vendor" means the person, firm or company to whom the Order is addressed.
- c. "the Goods" means the articles, raw materials or any other item described in the order.
- d. "the Services" means work and/or Services or any of them to be performed by the Vendor for Buyer pursuant to the Order.
- e. "the Order" means a Purchase Order in respect of goods and/or Services issued by Buyer to the Vendor on Buyer's official Purchase Order form together with all the other document referred to therein.
- f. "Affiliates" means, in relation to any Party, any company which is a subsidiary or holding company of such Party or a subsidiary of any such holding company where "subsidiary" and "holding company" shall have the meanings assigned to them under Section 1159 of the Companies Act 2006 means the company, or division thereof within the group of companies which is specified on the face of this Purchase Order.
- g. "Site" means the site at which the goods, equipment or Services are to be delivered or performed which, unless otherwise stated in the Order, shall be the registered office of aforesaid.

2. APPLICATION.

These conditions shall only apply to and be incorporated in the contract between the Vendor and Buyer for the supply of the goods and/or the Services and shall be in substitution for any oral arrangement made between Buyer and the Vendor and shall prevail over any inconsistent terms or conditions contained in or referred to in the Vendor quotation or acceptance of Order or correspondence or elsewhere or implied by trade, custom or

practice or course of dealings. No addition to or variation of or exclusion or attempted exclusion of the Order and/or these conditions or any of them shall be binding upon Buyer unless specifically agreed to in writing and signed by a duly authorised representative of Buyer.

3. ACCEPTANCE OF ORDER.

All the terms of the contract between Buyer and the Vendor are contained in or referred to in the Order and in these conditions. The Vendor's execution or commencement of work or commencement of delivery pursuant to the Order constitutes acceptance of the order on the terms hereof by the Vendor. The acceptance of the Order is limited to and conditional upon acceptance by the Vendor of these conditions.

4. COMPLIANCE WITH LAWS.

The Vendor shall comply with all relevant requirements, guidelines, procedures and legal requirements of the country in which the goods are to be manufactured or used or the Services rendered with respect to the manufacture, packaging, checking and delivery of the goods or the performance of the Services and will supply prior to delivery all necessary authorisation documents and procure that all goods are marked with such authority as may be required for the operation of the goods.

5. CONFIDENTIALITY.

Any specification of piece of equipment supplied by Buyer to Vendor or specifically produced for Buyer by Vendor together with ideas, copyright, design rights, or any other intellectual property rights pertaining thereto shall be exclusive property of Buyer. The Vendor shall not disclose to any third party company such specification or the



Terms and conditions of Purchase

specification of such piece of equipment except to the extent that it becomes public knowledge through no fault of the Vendor, or as required for the purpose of the contract. All inventions, patentable or otherwise made during or as a result of research and development by the Vendor on behalf of Buyer are the sole property of Buyer.

6. DELIVERY.

a. Time is of the essence in the performance by the Vendor of the Order. If delivery dates for the goods or the dates for the provision and/or performance of the Services cannot be met, the Vendor shall promptly notify Buyer of the earliest possible date for delivery of the goods or the provision of the Services. Notwithstanding such notice, and unless a substitute delivery date for the goods or date for the provision of the Services has been expressly agreed to by Buyer in writing, the Vendors failure to effect delivery of the goods or the provision of the services on the date specified shall entitle Buyer to cancel the Order without liability to the Vendor, to purchase substitute items, or Services elsewhere, and to recover from the Vendor any loss and additional costs incurred.

b. If delivery pursuant to the Order is incomplete, Buyer reserves the right (without prejudice to any of its other rights) to accept or reject the goods so delivered or Services performed and to cancel or vary the balance of the Order.

c. The goods must be delivered to the delivery site specified in the Order. If the goods are incorrectly delivered, the Vendor will be liable for any additional expenses involved in handling them and delivering them to their correct destination.

7. WARRANTY.

a. The Vendor warrants and it is a condition of the Order, that the goods supplied to Buyer

under the Order shall be of first class materials and workmanship throughout and will meet the governing specifications referred to in the Order as to quantity, quality standards and descriptions; that the design, construction and quality of the goods will comply in all respects with applicable laws and regulations and with any samples furnished by the Vendor and accepted by Buyer; and that the goods will be fit and suitable for the purpose intended by Buyer, of merchantable quality and free from defect.

b. The Vendor warrants, and it is a condition of the Order that the Services shall be supplied in full accordance with the terms of the Order and shall be executed with reasonable care and shall be properly qualified and experienced persons; and that the provision of the Services will comply in all respects with applicable laws and regulations.

c. The warranties and remedies provided for in the Condition 6 shall be in addition to those implied by or available at law or in equity and shall continue in force notwithstanding the acceptance by Buyer of all or part of the goods or the Services.

8. QUANTITY, QUALITY AND DESCRIPTION.

a. If the Vendor operates to an approved Quality Management System, i.e. ISO 9000 series, products and Services must be supplied within the controls defined for that system.

b. The Vendor agrees to allow a representative of Buyer to enter Vendor's premises on reasonable prior notice to inspect the goods and/or Services.

c. Buyer reserves the right at any time to change the relevant Order by written instruction, in which event the Vendor shall notify Buyer of any consequent change in price within seven (7) days of receipt of such change Order, which Buyer shall then accept or reject. No increase in price shall be allowed



Terms and conditions of Purchase

if the supplier fails to give timely notification to Buyer.

9. ACCEPTANCE OF GOODS AND SERVICES.

a. The goods and the provision of the Services shall be subject to inspection and testing by Buyer prior to acceptance. In any case where the goods, the Services or any part thereof (whether or not inspected or tested by Buyer) do not comply with the requirements of the Order, Buyer shall give written notice to the Vendor.

If the Vendor does not rectify the matter within three (3) working days after receipt of the notice, Buyer shall have the right to repair such goods and rectify such Services at the expense of the Vendor or to reject the goods and Services concerned and shall thereafter return any goods concerned to the Vendor at the Vendor's risk and expense. In case of rejection, Buyer may either cancel the Order forthwith or demand that the Vendor within a reasonable time replace such rejected goods or Services with goods or Services which are in all respects in accordance with the Order. If the Vendor shall fail to replace any rejected goods or Services within such time, Buyer shall have the right to purchase replacement goods or Services from another source and any money paid by Buyer to the Vendor in respect of the rejected goods or Services together with any additional expenditure over and above the contract price reasonably incurred by Buyer in obtaining replacement goods or Services shall be paid by the supplier to Buyer.

b. The rights and obligations of the parties hereto shall apply to all defects appearing in goods or Services or any part thereof during the eighteen (18) consecutive months (or in the case of any latent or inherent defect, the period of eighteen (18) consecutive months after the same could first reasonably have been discovered) commencing on the date of acceptance.

10. PACKING AND DOCUMENTATION.

a. The goods shall be properly packed, and delivered at the Vendor's expense. Packaging and method of delivery shall be the responsibility of the Vendor. The Vendor is to ensure that goods are packed in suitable packaging or containers for carriage from the Vendor's premises to Buyer, Aberdeen and also for onward carriage to the customer's locations.

Equipment must be suitably packed giving attention to detail of moisture elimination, exclusion of light (where appropriate).

Equipment requiring special protection or procedures during transportation must be identified as such by the Vendor and the necessary precautions taken during packing.

All packing of hazardous materials must comply with the appropriate regulations (IMO, IATA, COSHH).

b. Each advice note, bill of lading and invoice shall bear the applicable Order Number, delivery date and /or date of completion of Services and the location to which the goods are to be delivered or at which the Services are to be provided.

c. Certificate of conformity should be supplied with a consignment when the following circumstances apply: i. As requested on the order.

ii. As part of standard documentation package supplied.