

Supplying to MFL – Purchase Terms and Conditions

1. Definitions

- 1.1 'The Order' means the contract formed by your acceptance, expressed or implied of our order, which shall include these Purchase Conditions. Variations will be invalid unless confirmed by us in writing.
- 1.2 'The Goods' means the subject matter of the Order or any part of it and shall include services.

2. Quality

Goods shall

- 2.1 Conform to specification drawings, samples or descriptions given by us to you, or by you to us and confirmed by us in writing.
- 2.2 Be suitable for their intended purpose, including where applicable operating properly with other equipment with which Goods are intended to operate.
- 2.3 Be of satisfactory quality.
- 2.4 Carry sufficient identification to facilitate traceability.
- 2.5 Be free from defects in design, material and workmanship.
- 2.6 Comply with all statutory requirements and regulations relating to the quality, composition and production of sale of goods.

3. Testing and Control Procedures

- 3.1 Any quality and specification control procedures necessary to comply with the Order shall be carried out by you.
- 3.2 You will give us details of such procedures upon request.
- 3.3 There will be no changes made to procedure, material specification or manufacturing process which could affect product performance until you have satisfied us that such changes are acceptable.
- 3.4 We shall be entitled to and given reasonable access to inspect and/or test Goods during manufacture but no such inspection or testing shall imply acceptance of the Goods. Notwithstanding any inspection or testing undertaken by us, you shall remain fully responsible for the Goods, and your obligations under the Order shall not be reduced or otherwise effected.

4. Delivery

- 4.1 Goods must be delivered in the quantities and at the time stated in our instructions.
- 4.2 We reserve the right to adjust our specified rate of delivery at any time.
- 4.3 We may give notice of cancellation of the Order if you fail to deliver the Goods by the specified times without any liability other than to pay for the Goods already accepted.
- 4.4 All Goods must be delivered, carriage paid at your risk, to such location as we may direct unless otherwise stated on the Order.
- 4.5 Where you fail to meet delivery times, we reserve the right to impose alternative delivery arrangements and to claim an allowance equal to any extra carriage charge.
- 4.6 Compliance with delivery times is of the essence of the contract.

5. Advice Notes and Invoices

- 5.1 All Goods shall be accompanied by a detailed advice note stating the purchase order number, the date and number of the delivery schedule and identification particulars of the Goods supplier.
- 5.2 An invoice stating the purchase order number, and the advice note number and the location at which the goods were delivered must be sent within three days after the despatch of Goods. We disclaim responsibility for Goods sent without such an invoice and/or advice note.

6. Packing

- 6.1 You will carefully pack Goods at your own expense. Outer packaging must be marked with the order number, sufficient detail to identify the Goods and clear indications of any hazardous aspects of the Goods.
- 6.2 Reasonable care will be exercised in returning empties where we have so agreed but packaging charges will not be accepted.

7. Ownership and Confidentiality of Drawings etc

Drawings, specifications, tools, patterns and other documents shall remain our property and shall be returnable immediately on request. They shall be treated as confidential by you. For any disclosure, use or dispose of such items, you must obtain our prior written consent. You will indemnify us against any loss damage or injury thereto whilst in your possession or control.

8. Indemnity

- 8.1 You agree fully and completely to indemnify and hold us harmless against all actions, proceedings, costs, claims and demands arising under any customer protection legislation, including negligence, or otherwise in respect of any defect in any Goods supplied by you to us provided that you shall not be liable to us if any such defect was wholly attributable to compliance by you with instructions given by us in respect of the supply of such Goods.
- 8.2 You will indemnify us and hold us harmless against any loss, damage or injury sustained by us which results from your failure to comply with the terms of this Order or from allegations by a third party infringement of patents, copyright, design rights or other intellectual property rights or breach in their rights in confidential information.
- 8.3 You will at all times insure and keep yourself insured with a reputable company in amounts reasonably regarded as adequate against risks normally insured against by companies carrying on a similar business.
- 8.4 You will provide all assistance required by us or our insurers for the purpose of dealing with any action claim or matter arising out of your performance of the Order.

9. Price

- 9.1 No variations in price will be accepted without prior agreement in writing.
- 9.2 If at any time prior to delivery of the Goods we can purchase goods of equal quality from another source in equal or lower quantities at a significantly lower price, we may notify you and you will have the opportunity of meeting such lower price. If you fail to do so we may purchase from such other source at the lower price and our obligation to purchase Goods from you shall change accordingly.
- 9.3 If at any time prior to delivery of the Goods you make sales to third parties of goods of equal quality at significantly lower prices in no greater quantities than in the Order, such lower prices shall apply also to the Goods.
- 9.4 Payment shall be in the currency of the invoice.
- 9.5 The price unless otherwise agreement shall be exclusive of value added tax (which shall be payable at the time and in the manner prescribed by law), and inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods and any duties, imposts or levies other than value added tax.

10. Assignment

No part of this Order is to be assigned or sublet by you without prior written authority from us.

11. Waiver

Any extension of time or other concessions granted by us shall be effective only if given in writing, shall not constitute a waiver of any subsequent breach or default by you, and shall not in any way affect our rights or your obligations under this Order.

12. Responsibility for your Employees

You will be fully responsible for your employees, sub-contractors and other people under your control, in their use of equipment and in all other respects on our premises and will indemnify and hold us harmless against any claim in that connection. You will comply with the fire and safety regulations which you will be presumed to know as details of them will be supplied on request.

13. Ownership and Risk

13.1 Title in the Goods shall pass to us at the time of the Order unless at the time the Goods are unascertained goods, in which case title in the Goods shall pass to at the date the Goods become ascertained goods.

13.2 Risk of damage to or loss of the Goods shall pass to us on our acceptance of them after any inspection which we may require, but this shall not affect our rights under clause 14.

14. Rights on Breach

Your failure to comply with terms of this Order will entitle us to:

14.1 Rescind the contract, and/or

14.2 Reject any attempted delivery of Goods after the time for delivery stated in our instructions; and/or

14.3 Return Goods at your expense. We shall be entitled to be repaid in full for any Goods so returned, and/or

14.4 Require you at your expense to replace, repair or reinstate the Goods so that they comply with the terms of the Order, and these Purchase Conditions shall apply to any Goods so repaired or reinstated, and/or

14.5 Carry out at your expense such work as may be necessary to make Goods comply with the Order, and/or

14.6 Claim such damages as we may have sustained in consequence of any breach of contract.

These rights shall be in addition to any other rights we may have.

15. Unforeseen Circumstances

In the event of unforeseen circumstances, including but not limited to strikes, accidents, computer failure, causing stoppage or delay in our production, or our ability to receive the goods, we shall be entitled to cancel, extend, suspend or vary any terms of the Order and to pay only for those Goods where ownership has actually passed to us.

16. Rights of Termination of the Order

16.1 We have the right to terminate the Order and our liability under the Order at any time by giving reasonable notice to you in writing or immediately upon you becoming insolvent, being unable to pay your debts as they fall due or entering into a composition or arrangement with your creditors or any class of them.

16.2 Clauses 7, 8, 18 and 21 shall survive termination of this Order.

17. Safety

17.1 Noise. No machine shall be supplied to us which makes undue noise measured under the conditions laid down in the detailed noise specification available on application. Any machine which fails to meet this specification will not be accepted. A certificate giving details of noise check will accompany each machine.

17.2 Asbestos. Our Company policy is not to use asbestos except where there is no adequate alternative. No asbestos is to be used in the Goods ordered, except with our prior written consent.

17.3 All goods shall, in their manufacture and performance, conform to relevant requirements of any applicable legislation including child labour and other worker protection laws and in particular all Goods shall be properly guarded so as to comply with all relevant legislation and Health & Safety and Environmental instructions given by ourselves.

18. Confidentiality

You will protect and prevent disclosure to any third party of the fact or any detail of our relationship, and all information concerning our business and affairs.

19. Compliance with Laws

You covenant that:

- 19.1 You and your employees, agents and third parties performing services for or on behalf of us will comply in all material respects with all applicable laws and regulation.
- 19.2 You will take all necessary actions to safeguard against you and your employees, agents and third parties performing services for or on behalf of us from offering, giving, promising to give or authorising giving, directly or indirectly, any money or any financial or other advantage to any person, including any government official, political party, political official, or candidate for political office, in order to influence any business decision relating to us or otherwise in connection with its activities here under;
- 19.3 and in furtherance of clause 19.2 above, you agree you shall adopt the following: a policy and procedures prohibiting illegal payments, a commitment to zero tolerance towards bribery, periodic anti-corruption risk assessment, written procedures for reporting suspected illegal payments, anti-corruption due diligence guidelines and procedures for engaging and dealing with agents or other third parties, regular training programs for your employees, agents and third parties working on business related to use and a monitoring program with respect to all of the foregoing.

20. Entire Agreement

Terms arising from any previous business between us will form no part of the Order unless specifically incorporated therein. This Order applies to the exclusion of any other terms you seek to impose or incorporate.

21. Law

English law applies. You irrevocably submit to the exclusive jurisdiction of the court of England and Wales provided that we may at our option bring an action in any other court which has jurisdiction.