



## G. &amp; B. ELECTRONIC DESIGNS LIMITED

## CONDITIONS OF PURCHASE

## 1. INTERPRETATION

1.1 **Definitions.** In these Conditions, the following definitions apply. **Acceptance Conditions:** bears the meaning given in Condition 9; **Buyer:** G. & B. Electronic Designs Limited registered in England and Wales with company number 01552400 and whose registered office is at 54 Woolmer Industrial Estate, Bordon, Hampshire, GU35 9QF; **Conditions:** these terms and conditions as amended from time to time in accordance with Condition 2.4; **Contract:** the contract between the Buyer and the Supplier for the supply of Goods in accordance with these Conditions; **Delivery Address:** the address for delivery of the Goods, as specified in the Order; **Delivery Date:** the date for delivery of the Goods, as specified in the Order; **Goods:** the goods (or any part of them) set out in the Order; **Order:** the Buyer's written order for the supply of Goods; **Packaging Requirements:** the Buyer's requirements with regards to the packaging of the Goods, as set out in the Order; **Parties:** the Buyer and the Supplier, and **Party** means either one of them; **Price:** the price payable for the Goods, as indicated in the Order; **Supplier:** the person or firm from whom the Buyer purchases the Goods, as identified in the Order; and **Tooling:** any machinery, tools and other equipment necessary for the manufacture of the Goods.

1.2 **Interpretation.** In these Conditions unless the context otherwise requires: (a) words importing the singular number include the plural number and vice versa; (b) words importing persons include firms, companies and corporations and vice versa; (c) any obligation on any Party not to do or omit to do anything is to include an obligation not to allow that thing to be done or omitted to be done; (d) any reference to an enactment includes reference to that enactment as amended or replaced from time to time and to any subordinate legislation or bylaw made under that enactment; and (e) where the word **including** is used in these Conditions, it shall be understood as meaning **including without limitation.**

## 2. BASIS OF CONTRACT

2.1 The Order shall constitute an offer by the Buyer to purchase the Goods from the Supplier subject to these Conditions.

2.2 The Order shall be deemed to be accepted on the earlier of: (a) the Supplier issuing written acceptance of the Order; or (b) any act by the Supplier consistent with fulfilling the Order, at which point and on which date the Contract shall come into existence.

2.3 These Conditions apply to the Contract to the exclusion of any other terms: (a) that the Supplier seeks to impose or incorporate, regardless of how such provisions are imposed or incorporated (including but not limited to provisions included on quotations, estimates, confirmations of order, delivery notes or similar documents); or (b) which are implied by trade, custom, practice or course of dealing.

2.4 Any variation to the provisions of the Contract (including any special terms and conditions agreed between the Parties) shall be inapplicable unless agreed in writing by the duly authorised representatives of the Parties.

## 3. ORDER

3.1 The Buyer orders, and the Supplier agrees to sell, the Goods at the Price for delivery by the Delivery Date.

3.2 The quantity and description of the Goods are set out in the Order.

3.3 The Buyer's Order number and Job number (as indicated in the Order) must be shown on all Goods delivered by the Supplier to the Buyer and on all communications and notices concerning or resulting from the Contract.

3.4 Each Order shall be authorised by an officer of the Buyer.

## 4. TOOLING

4.1 Where Tooling has been ordered and charged to the Buyer and retained by the Supplier for future use, the title to the Tooling remains with the Buyer. The Supplier shall maintain Tooling in good condition and repair and, at the Buyer's cost, return it to the Buyer on demand.

4.2 While in the possession or control of the Supplier, Tooling shall be at the Supplier's risk.

4.3 The Supplier shall: (a) only use Tooling for the purpose of manufacturing the Goods; (b) ensure Tooling is kept secure, and shall not part with possession of Tooling nor allow any third party to inspect, use or have control or possession of Tooling. Tooling shall be clearly identified as the property of the Buyer; and (c) without affecting Condition 12, insure and keep insured Tooling, and ensure the cover effected by the insurance shall be at least the replacement cost of Tooling. If possible, the Buyer's interest shall be noted on the insurance policy.

## 5. QUALITY OF GOODS

5.1 The Supplier warrants, represents, and undertakes that the Goods shall: (a) conform with the specifications, drawings, descriptions given in quotations, estimates, brochures, sales, marketing and technical literature or material (in whatever format made available by the Supplier) supplied by, or on behalf of, the Supplier, and the approval by the Buyer of any designs provided by the Supplier will not relieve the Supplier of any of its obligations under this Condition 5; (b) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Supplier or made known to the Supplier by the Buyer expressly or by implication, and in this respect the Buyer relies on the Supplier's skill and judgement; (c) where they are manufactured products, be free from defects in design, material and workmanship and remain so for 24 months after delivery; (d) comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods; and (e) not contain tin, tantalum and tungsten, their ores, or gold sourced from areas in a state of armed conflict or fragile post-conflict or areas witnessing weak or non-existent governance and security, such as failed states, and widespread and systematic violations of international law, including human rights abuses.

5.2 If the Supplier is an ISO 9001 and ISO 13485 (EN) certified supplier, the Goods shall be covered by the Supplier's quality system and the Supplier shall notify the Buyer immediately, in writing, if there is any change to its certified status.

5.3 The Supplier shall, at the Buyer's request, or if indicated on the Order, provide a certificate of conformity for the Goods at no charge to the Buyer, and such certificate shall clearly state that the Goods meet the minimum set of regulatory, technical and safety requirements for the sale and supply of the Goods in the United Kingdom.

5.4 The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.

5.5 The Buyer may inspect and test the Goods at any time before delivery. The Supplier shall remain fully responsible for the Goods despite any such inspection or testing and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract.

5.6 If following such inspection or testing the Buyer considers that the Goods do not conform or are unlikely to comply with the Supplier's undertakings at Condition 5.1 the Buyer shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance.

5.7 The Buyer may conduct further inspections and tests after the Supplier has carried out its remedial actions.

## 6. PRICE AND PAYMENT

6.1 The Buyer shall pay the Price for the Goods and which cannot be varied with-out the prior written authorisation of the Buyer.

6.2 Payment for the Goods shall be made within 60 days of the Supplier's invoice. The Supplier shall not issue an invoice until the Acceptance Conditions are fulfilled.

6.3 All amounts stated are exclusive of VAT and/or any other applicable taxes or levy, which shall be charged in addition at the rate in force at the date any payment is required from the Buyer.

6.4 If a payment is not made by the Buyer by the due date, then the Buyer shall pay the Supplier interest at a rate which shall compensate for such loss as has been directly caused by the late payment. The interest rate shall not be at a rate higher than the interest rate specified in the Late Payment of Commercial Debts (Interest) Act 1998.

6.5 The time for payment for any sum due under the Contract shall not be of the essence.

## 7. PACKAGING

7.1 The Supplier shall comply with the Packaging Requirements as set out in the Order. If the Goods have not been packed and/or handled in accordance with the Packaging Requirements, then the Goods are not in accordance with the provisions of the Contract.

7.2 Packaging material shall be used by the Supplier, and supplied without charge to the Buyer. Packaging shall not be returned to the Supplier unless the Parties agree otherwise in writing prior to the Delivery Date, and such return shall be at the Supplier's cost.

7.3 If the Goods are moisture sensitive devices, the Supplier shall ensure these are correctly packed and identified with their applicable moisture sensitive level.

## 8. DELIVERY

8.1 The Goods shall be delivered (carriage paid) to the Delivery Address by the Delivery Date. The Delivery Date or any other date and time agreed for delivery of the Goods shall be of the essence of the Contract.

8.2 The Supplier shall not deliver the Goods in instalments unless otherwise agreed in writing by the Parties. Where the Parties have agreed in writing that the Supplier may deliver in instalments (or the Buyer agrees to accept instalments for the delivery of the Goods), a breach concerning any instalment (however caused or of whatsoever nature) shall entitle the Buyer to terminate the Contract and claim damages, without prejudice to the Buyer's other remedies.

8.3 The Goods shall be delivered with a delivery note specifying the Buyer's Order number and the Buyer's Order number as specified in the Order.

## 9. ACCEPTANCE OF THE GOODS

The Buyer shall not have accepted, or be deemed to have accepted, the Goods until Acceptance Conditions are fulfilled. The **Acceptance Conditions** are that: (a) the Goods have been delivered to the Delivery Address; and (b) the Buyer has notified the Supplier in writing that the Goods are in complete compliance with the provisions of the Contract. Although the Acceptance Conditions have been fulfilled, the Buyer may still reject the Goods and make a claim for damages where the Goods are not in complete compliance with the provisions of the Contract within 3 months of the notice given under this Condition 9.

## 10. REMEDIES

10.1 If the Goods are not delivered on the Delivery Date, or do not comply with the undertakings set out in Condition 5.1, then, without limiting any of its other rights or remedies, and whether or not the Goods fulfil the Acceptance Conditions, the Buyer may exercise any one or more of the following remedies: (a) to terminate the Contract; (b) to reject the Goods (in whole or in part) and return them to the Supplier at the Supplier's own risk and expense; (c) to require the Supplier to repair or replace the rejected Goods, or to provide a full refund of the price of the rejected Goods (if paid); (d) to refuse to accept any subsequent delivery of the Goods which the Supplier attempts to make; (e) to recover from the Supplier any costs incurred by the Buyer in obtaining substitute goods from a third party; and (f) to claim damages for any other costs, loss or expenses incurred by the Buyer which are in any way attributable to the Supplier's failure to carry out its obligations under the Contract.

10.2 These Conditions shall apply to any repaired or replacement Goods supplied by the Supplier.

10.3 The Buyer's rights and remedies under these Conditions are in addition to its rights and remedies implied by statute and common law.

## 11. TITLE AND RISK

11.1 Title and risk in the Goods shall pass to the Buyer on completion of delivery.

11.2 If the Goods are rejected subsequent to meeting the Acceptance Conditions or for any other reason, the title and risk in the Goods, and upon notice from the Buyer to the Supplier, shall pass back to the Supplier on the date of such notice.

## 12. INSURANCE

During the term of the Contract and for a period of three years thereafter, the Supplier shall maintain in force, with a reputable insurance company, professional indemnity insurance, product liability insurance and public liability insurance to cover the liabilities that may arise under or in connection with the Contract, and shall, on the Buyer's request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

## 13. INDEMNITY

The Supplier shall keep the Buyer indemnified against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other [reasonable] professional costs and expenses) suffered or incurred by the Buyer as a result of or in connection with: (a) any claim made against the Buyer for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the supply or use of the Goods, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; (b) any claim made against the Buyer by a third party for death, personal injury or damage to property arising out of or in connection with defects in Goods, to the extent that the defects in the Goods are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and (c) any claim made against the Buyer by a third party arising out of or in connection with the supply of the Goods, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors. This Condition 13 shall survive termination of the Contract.

## 14. CONFIDENTIALITY

14.1 A Party (**Receiving Party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Receiving Party by the other Party (**Disclosing Party**), its employees, agents or subcontractors and any other confidential information concerning the Disclosing Party's business, its products and services which the Receiving Party may obtain. The Receiving Party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the Receiving Party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this Condition as though they were a party to the Contract. The Receiving Party may also disclose such of the Disclosing Party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction.

14.2 This Condition 14 shall survive termination of the Contract.

## 15. COMPLIANCE

15.1 In performing its obligations under the Contract, the Supplier shall: comply with all applicable laws, statutes, regulations and codes from time to time in force.

15.2 Without prejudice to the generality of Condition 15.1, the Supplier shall: (a) not employ or use any person below the age of 15 or below the legal minimum age (where this is higher) in all countries in which it operates or sources products; (b) not use forced labour in any form (prison, indentured, bonded or otherwise) and shall ensure its staff are not required



- to lodge papers or deposits on starting work in any countries in which it operates; (c) within the customs and practices of the countries in which the Supplier operates, not discriminate against any worker on any grounds (including race, religion, disability or gender); (d) not engage in or support the use of corporal punishment, mental physical, sexual or verbal abuse; (e) comply with all applicable local environmental, safety, and health regulations and shall provide a safe and healthy working workplace, presenting no immediate hazards to its staff in all countries in which it operates; (f) pay each employee at least the minimum wage, or prevailing industry wage (whichever is the higher) and shall provide each employee with all legally mandated benefits in all countries in which it operates; (g) comply with the laws on working hours and employment rights in the countries in which it operates; (h) comply with all relevant environmental legislation in the regions in which it operates, and shall identify all the hazardous or toxic waste that it or its contractors or agents produce, and the Supplier warrants that all waste is disposed of by competent bodies through lawful and authorised disposal routes; and (i) if applicable, comply with all relevant requirements of Regulation (EC) No 1907/2006 and subsequent related regulations and directives (the **REACH Regulations**) and any UK-specific implementation of the REACH Regulations.
- 15.3 The Supplier shall: (a) comply with the Electronics Industry Citizenship Coalition's (EICC) Code of Conduct; (b) source materials from socially and environmentally responsible suppliers and pass on similar Conflict Minerals sourcing requirements within their own supply-chain; (c) complete standard EICC and Global e-Sustainability Initiative declarations evidencing its commitment to becoming conflict-free and documenting countries of origin for the Conflict Minerals that it purchases; and (d) exercise reasonable due diligence with relevant suppliers consistent with the Organisation for Economic Cooperation and Development's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas and encourage their suppliers to do likewise.
- 15.4 Each Party shall comply with applicable Bribery Laws including ensuring that it has in place adequate procedures to prevent bribery and use all reasonable endeavours to ensure that: (a) all of that Party's personnel; (b) all others associated with that Party; and (c) all of that Party's subcontractors involved in performing the Contract so comply.
- 15.5 Without limitation to Condition 15.4, neither Party shall make or receive any bribe (as defined in the Bribery Act 2010) or other improper payment or allow any such to be made or received on its behalf, either in the United Kingdom or elsewhere and shall implement and maintain adequate procedures to ensure that such bribes or payments are not made or received directly or indirectly on its behalf.
- 15.6 Each Party shall immediately notify the other as soon as it becomes aware of a breach of any of the requirements in this Condition 15.
- 15.7 For the purposes of this Condition 15 **Bribery Laws** means the Bribery Act 2010 and all other applicable UK legislation, statutory instruments and regulations in relation to bribery or corruption and any similar or equivalent legislation in any other relevant jurisdiction and the expressions **adequate procedures** and **associated with** shall be construed in accordance with the Bribery Act 2010 and legislation or guidance published under it.
- 15.8 The Buyer may immediately terminate the Contract for any breach of Condition 15.
- 16. TERMINATION**
- 16.1 The Buyer may terminate the Contract in whole or in part at any time before delivery with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. The Buyer shall pay the Supplier fair and reasonable compensation for any work in progress on the Goods at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss.
- 16.2 Without prejudice to any other right or remedy it might have, either Party may terminate the Contract at any time by notice in writing to the other Party (the **Other Party**), such notice to take effect as specified in the notice: (a) if the Other Party is in breach of the Contract and, in the case of a breach capable of remedy, the breach is not remedied within 28 days of the Other Party receiving notice specifying the breach and requiring it to be remedied; or (b) if the Other Party becomes insolvent, or if an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if an administrator or administrative receiver is appointed in respect of the whole or any part of the Other Party's assets or business, or if the Other Party makes any composition with its creditors or takes or suffers any similar or analogous action in consequence of debt.
- 17. NOTICES**
- 17.1 Any notice or other communication given to a Party under or in connection with the Contract shall be in writing, addressed to that Party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that Party may have specified to the other Party in writing in accordance with this Condition 17.1, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier or e-mail.
- 17.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in Condition 17.1; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by e-mail, one Business Day after transmission.
- 17.3 The provisions of this Condition 17 shall not apply to the service of any proceedings or other documents in any legal action.
- 18. GENERAL**
- 18.1 Neither Party shall have any liability under or be deemed to be in breach of the Contract for any delays or failures in performance of the Contract which result from circumstances beyond the reasonable control of that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so. If such circumstances continue for a continuous period of more than one month, either Party may terminate the Contract.
- 18.2 Neither Party may assign the Contract or any part of it to any person, firm or company without the other Party's prior written consent, such consent not to be unreasonably withheld or delayed.
- 18.3 No variation of these Conditions shall be valid or effective unless it is in writing, refers to these Conditions and is duly signed or executed by, or on behalf of, the Buyer.
- 18.4 The Contract contains the whole agreement between the parties in respect of its subject matter and supersedes and replaces any prior written or oral agreements, representations or understandings between them relating to such subject matter. The parties confirm that they have not entered into the Contract on the basis of any representation that is not expressly incorporated into the Contract. Nothing in the Contract excludes liability for fraud.
- 18.5 Failure or delay by a Party in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of its rights under the Contract. Any waiver by a Party shall not be deemed a waiver of any subsequent breach.
- 18.6 Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute any Party the agent of another Party, or authorise any Party to make or enter into any commitments for or on behalf of any other Party.
- 18.7 A person who is not a party to the Contract shall not have any rights to enforce its terms.
- 18.8 The Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 18.9 Subject to Condition 18.10, the parties irrevocably agree, for the sole benefit of the Supplier that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this agreement, its subject matter or formation (including non-contractual disputes or claims).
- 18.10 Notwithstanding Condition 18.9, the parties irrevocably agree that the Supplier shall have the right to take, and shall not be prevented from taking, proceedings against the Customer to settle any dispute or claim arising out of, or in connection with, this agreement, its subject matter or formation (including non-contractual disputes or claims) in any other court of competent jurisdiction and that the Supplier may take such proceedings in any number of jurisdictions, whether concurrently or not, to the extent permitted by law.