

STANDARD CONDITIONS OF PURCHASE Definitions

Where the context allows "the Company" means Brush Technology Limited and any of its subsidiary companies (as per s.1159 of Companies Act 2006), "the Supplier" means the party supplying Goods and/or Services to the Company; "Goods" and "Services" mean respectively all the goods and services supplied or to be supplied by the Supplier to the Company; "in writing" means in writing signed by the Company's duly authorised representative.

Conditions

- 2.1 The Supplier will contract exclusively on the basis of these Conditions and any other terms expressly agreed by the Company in writing. Any contractual condition or term sought to be imposed by the Supplier inconsistent with these Conditions will, if the Supplier supplies Goods and/or provides Services to the Company, have no force or effect except to the extent, if at all, that the contractual condition or term sought to be imposed by the Supplier is expressly agreed by the Company in writing.
- 2.2 Each provision of these Conditions will be construed separately applying and surviving even if any other is held inapplicable or unreasonable.

Parties

3. Both the Company and the Supplier will contract as principals and not otherwise. The Company will not be under any liability whatsoever arising in respect of any private dealing between the Supplier and any of the Company's employees or agents.

Title

- 4.1 The title in all Goods and material supplied to the Company by the Supplier will vest in the Company automatically upon the Company accepting delivery, as provided in paragraph 11 of these conditions, of the Goods or material subject to any right of rejection which may accrue to the Company.
- 4.2 If the Supplier postpones delivery at the request of the Company pursuant to paragraph 12 of these Conditions the title to the Goods will pass to the Company fourteen days after the date of receipt of notification from the Supplier that the Goods are due and ready for delivery or on such other date as may be agreed but the Goods shall nevertheless remain at the Supplier risk until delivery has been completed.
- 4.3 For the avoidance of any doubt sub-paragraph 4.1 and 4.2 of this paragraph apply regardless of whether or not the price agreed for the Goods has been paid in whole or part.
- 4.4 The title to any goods or material owned by the Company and in the possession of the Supplier will remain vested in the Company but will be insured by the Supplier at the Supplier's expense against all insurable risks at its or others primary value plus any increased value that may arise in consequence of the Supplier having worked upon them or it. The Supplier will furnish the Company with satisfactory evidence of the requisite insurance cover upon request.

Price

5. All prices agreed will be fixed in accordance with the prices stated overleaf and will be inclusive of any and all taxes duties levies imposts tariffs surcharges and the like chargeable and leviable in respect of the supply of Goods and Services with the exception of Value Added Tax.

Time

6. Subject to paragraph 12 of these Conditions any time specified by the Supplier and agreed by the Company for the delivery of Goods or the provision of Services will be strictly adhered to by the Supplier being neither before nor after such time and time will be of the essence. The Company will be entitled to reject Goods or the provision of Services not delivered or proffered at such time.

Quality, Quantity, Description, Care and Skill

7. All Goods supplied and all Services provided by the Supplier will conform as to quality and description with the particulars stated in the Company's order, and all Goods sold and all Services provided will conform as to quality with such particulars and will be of sound materials and workmanship. All Goods supplied will conform exactly with the requirements of the Company as regards packing and in particular without limitation with regard to quantity in each package. Each package will be labelled with the Company's product code. If samples or patterns are provided, of if any specification is given by the Company or the Supplier, the Goods shall in all respects be equal to the samples, patterns or specification. If a standard of performance is specified, the Goods will be capable of the required performance. If the purpose for which the Goods are required is indicated in the order either expressly or by implication then the Goods will be fit for that purpose. Services will be carried out with reasonable care and skill. Goods supplied will be ready for use unless it is desirable that they be protected by a protective coating in which case the Company reserves the right to be reimbursed by the Supplier in respect of the cost of cleaning the Goods.

Inspection and Testing

- 8.1 Before despatching the Goods the Supplier will carefully inspect and test them for compliance with the specification. The Supplier will, if requested by the Company, give reasonable notice to the Company of such tests and the Company will be entitled to be represented at them. The Supplier will also, at the request of the Company, supply to the Company a copy of the Suppliers test and certification sheets.
- 8.2 The Company may inspect and test the Goods during manufacture, processing or storage, if the Company exercises this right, the Supplier will provide or will procure the provision of all such facilities as may reasonably be required by the Company.
- 8.3 If as a result of any inspection or test under paragraph 8.1 or 8.2 of these Conditions the Company's representative is of the opinion that the Goods do not comply with the order, or are unlikely on completion of manufacturers or processing to comply, the Company will inform the Supplier accordingly in writing and the Supplier shall take such steps as may be necessary to ensure such compliance.

Rejection

- 9.1 In addition to the rights of the Company under paragraph 6 of these Conditions the Company may by notice in writing to the Supplier reject the Goods or product of the Services if the Supplier fails to comply with its obligations under paragraph 7 of these Conditions and may also by notice in writing to the Supplier given within a reasonable time of delivery reject any Goods which are found not to be in accordance with the contract.
- 9.2 The Company will when giving notice of rejection specify the reasons and will return the rejected Goods to the Supplier at the Supplier's risk and expense. In such case and at the option of the Company the Supplier will either (a) reimburse forthwith any money paid by the Company to the Supplier in respect of any rejected Goods or (b) credit the Company with any money so paid by it or (c) within such reasonable time as may be specified by the Company replace such rejected Goods with Goods which are in all respects in accordance with the contract. In any event any additional expenditure over and above the contract price reasonably incurred by the Company in obtaining other goods in replacement will be paid by the Supplier to the Company.
- 9.3 Any person collecting Goods or taking possession of Goods intended for the Company is authorised only to sign for them "unexamined" and the Company reserves its right to reject Goods in whole or in part upon examination within a reasonable time of collection or taking possession.

Defects

- 10.1 If within the period of two years after delivery of the Goods or any Goods in respect of which any Services have been performed the Company gives notice in writing to the Supplier of any defect in the Goods or any such Goods, not being a defect or failure due to a design made furnished or specified by the Company then provided that the Goods or any such goods have been under proper use and that the Goods or any such goods or the product of any Services are defective, the Supplier will as soon as practicable replace or repair the Goods or any such goods so as to remedy the defects (whether or not the same or any of the same has been subjected to any manufacturing process or has been incorporated into another product or mixed in any way) without cost to the Company.
- 10.2 The Company shall as soon as practicable after discovering any such defect or failure return or cause defective Goods or any such goods or parts of them at the Supplier's risk and expense unless it has been agreed between the Supplier and the Company that the necessary replacement or repair shall be carried out by the Supplier on the premises of the Company or of any customer of the Company.
- 10.3 The provisions of this Condition shall apply to any goods or parts repaired or replaced as mentioned above until the end of a period of two years from the date of such repair or replacement.

Delivery

- 11.1 The Goods, properly packed and secured in such a manner as to reach their destination in good condition under normal condition of transport, will be delivered by the Supplier, or despatched for delivery to, the place or places in the manner specified in the order or as subsequently specified. No charges for packing will be payable by the Company unless agreed by the Company in writing. For the avoidance of doubt this Condition applies also to Goods collected by or on behalf of the Company.
- 11.2 If the Goods are not delivered as specified in sub-paragraph 11.1 of this paragraph any monies paid in respect of the Goods in advance will immediately be repaid by the Suppliers to the Company.

Storage

12. If for any reason the Company is unable to accept delivery of the Goods at the time when the Goods are due and ready for delivery the Supplier will, if its or his storage facilities permit, store the Goods, safeguard them and take all reasonable steps to prevent their deterioration until their actual delivery, and the Company will be liable to the Supplier for the reasonable cost (including insurance) of the Supplier's so doing. **Care and Return of Dies etc.**
- 13.1 All dies, moulds, patterns or other tooling and drawings, plans, specifications and the like supplied by the Company or prepared or obtained by the Supplier for and at the sole cost of the Company will be and remain the property of the Company.
- 13.2 The Supplier will maintain all such items in good order and condition and insure them against all insurable risks whilst in the Supplier's custody or control and on completion of the contract or as otherwise directed by the Company will return them to the Company in good order and condition. Should the Supplier fail so to return them the Company may either withhold payment until they are so returned or withhold such part of the payment due as may be required to place them or to restore them to good order and condition whichever may be the less expensive.
- 13.3 The Supplier will not use any such items, nor shall it authorise or knowingly permit them to be used by anyone else, for or in connection with any purpose other than the supply of the Goods to the Company unless such use is expressly authorised by the Company previously and in writing.

Statutory Requirements Guide Lines and Intellectual Property Rights

- 14.1 The Supplier warrants that the design construction and quality of Goods to be supplied under the contract comply in all respects with all relevant requirements of any statute, statutory rule, order, or other instrument and with all relevant guide lines or codes of practice which may be in force or published at the time when the same are supplied (including without limitation any such relating to the labelling of toxic or dangerous materials and clear warnings relating thereto). The Supplier further warrants that the exploitation of the Goods will not infringe any letters patent registered design trade mark design right copyright or any other intellectual property right whatsoever and will not infringe any letters patent registered design trade mark design right copyright or any other intellectual property right whatsoever and will not be passing off.
- 14.2 The Supplier indemnifies the Company against any loss damage liability costs or expenses which the Company may suffer or incur by reason of any breach or breaches of the warranties contained in paragraph 14.1 of these Conditions or any of them.
- 14.3 If any claim is made or action brought against the Company arising out of the matters referred to in paragraphs 14.1, 14.2 and 15 of these Conditions, the Supplier will be promptly notified thereof, and may at its own expense conduct all negotiations for the settlement of the matter and any litigation that may arise.

Strict Product Liability

- 15.1 Without prejudice to the generality of paragraph 14 of these Conditions the Supplier warrants to the Company that the Goods comply with published industry standards and are not defective for the purposes of the Consumer Protection Act 1987 and without prejudice to the foregoing warrants that the Supplier has provided to the Company, or will provide on or before delivery of the Goods, all relevant safety data in relation to the Goods. In addition, the Supplier indemnifies the Company against all claims, awards, costs, damages or expenses which may fall directly or indirectly upon the Company whether under the provisions of the Consumer Protection Act 1987 or otherwise and which is attributable to the Goods being defective at the time of delivery.
- 15.2 The Supplier warrants that it will have in force prior to supply of any Goods public and product liability insurance for a sum not less than £5 million in respect of any single claim that may arise regarding all or any Goods supplied. The Supplier will furnish evidence of such insurance cover immediately upon the request of the Company to that effect.

Assignment and Sub-Contracting

- 16.1 The Supplier will not without the consent of the Company in writing assign or transfer any contract with the Company or any part of it to any other person.
- 16.2 The Supplier will not without the consent of the Company in writing grant any rights under any such contract or any part of any contract other than for materials or minor details or for any part of the Goods of which the manufacturers are named in the order the specification or other contractual documentation. Any such consent will not relieve the Supplier of any of its obligation under the contract.

Technical Information etc.

17. If the Goods are accepted by the Company the Supplier will, if requested by the Company in writing, give all such technical information and assistance as the Company may reasonably require (including the provision of expert advice and skilled labour) to enable the Goods to be used for the purpose for which they are required by the Company both to assist the Company in incorporating the Goods into its product in the course of the manufacture of such product and thereafter to assist the Company or any customer of the Company in adjusting re-fitting or altering the Goods then forming part of the Company's product in both cases free of all charges to the Company and any customer of the Company.

Non-disclosure

18. All information (including without limitation quantities of Goods supplied) divulged to the Supplier by the Company is confidential and the Supplier will not disclose nor permit the disclosure of any such information without the prior consent of the Company in writing.

Disruption of Supply

19. If the supply of Goods or provision of Services is disrupted for any reason the Company may cancel any contract by informing the Supplier and/or may defer the date or dates for the supply of Goods or provision of Services and payment until all disruption ceases.

Returnables

20. The Company will not be obliged to return or to pay for anything which are not Goods and which the Supplier wishes returned unless it is clearly marked with the Supplier's full name and address for return. The Company will not be liable to pay for the return of any such thing and if it does, the Supplier will forthwith reimburse the Company.

Packing etc Notes

21. A packing note or advice note describing the Goods supplied in detail making reference to the Company's relevant part numbers will be enclosed with each package and each note will quote the Company's purchase order number.

Health & Safety

22. Each deliver must be clearly marked with any hazard data safety sheets. If special handling is required each item must be labelled with this information. The Company will not accept delivery's where the goods are to be manually handled and packaged in gross weights of 24kg or more unless with prior written Company approval. Any items over 24kg must be delivered on pallets and clearly marked with the weight.

Country of origin

23. The country of origin of all Goods or material supplied, together with the intrastat commodity code, must be stated by the supplier on the invoice.

Notices

24. Any notice, order, invoice or other document required or otherwise to be served or given under these Conditions or any contract between the Company and the Supplier will be in writing in the English language and will be served or given by being left at or sent by pre-paid first class post or by transmission by facsimile transceiver or telex to the registered office or last known principal place of business of the party to whom it is addressed. Any such document sent by inland post will be deemed served or given 48 hours after posting, sent by airmail to or from countries outside the United Kingdom 7 days after posting and transmitted by facsimile transceiver or telex at the time of transmission. In proving such service or giving it will be sufficient to prove in the case of posting that the document was placed in the post in a properly stamped and addressed envelope and in the case of facsimile transceiver or telex transmission that the document was duly transmitted to a current facsimile transceiver or telex number of the party to whom it is addressed.

Proper Law

25. The proper law of these Conditions and of any contract between the Company and the Supplier is English law in accordance with which they shall be interpreted and construed. The Supplier submits to the non-exclusive jurisdiction of the English Courts.

A copy of these purchase conditions is available to view online at www.brushtec.com

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