



Conditions of Purchase

Acceptance

This order shall not be binding upon the Purchaser until the Purchaser has received the signed acknowledgement copy order from the supplier. The Purchaser reserves the right to reject any acceptance which is received by the Purchaser more than 14 working days after the date of the order. Other terms and conditions shall only apply when expressly agreed in writing by the Purchaser.

Authority

The purchaser shall not be liable for any order, order amendment or instructions to proceed with orders unless and until authorized or confirmed on the Purchasers printed order or amendment form, revised purchase order.

Prices

Unless specifically agreed otherwise in writing, all prices shall be fixed and firm and not subject to any form of surcharge or variation.

Delivery

Any time or period for delivery, dispatch or completion shall be of the essence. The Purchaser shall be entitled to cancel the order or any part thereof and/or claim reimbursement for all losses and expenses suffered in the event that:

- A: the Supplier fails to deliver goods or provide services in accordance with the terms of the order; or
- B: the Supplier fails to make progress with the order so as to jeopardize the purpose of the order. The Supplier undertakes to notify *the* Purchaser as soon as the Supplier becomes aware of any circumstances which may delay delivery.

Rescheduling

The Purchaser reserves the right without price variation to amend delivery dates by three months in the event of the Purchaser's customer rescheduling deliveries required from the Purchaser

Sub-Contracting

None of the work covered by the order shall be subcontracted without the prior written permission of the Purchaser's Quality Manager. The Suppliers shall remain responsible for the performance of the order.

Manufacture

Unless specifically agreed otherwise all goods to be supplied under this order are to be of new and unused manufacture.

Quality Requirements

- A: This order is subject to our inspection after delivery. Notwithstanding this, all goods are to be approved by your Quality Assurance inspection Organization to comply fully with the requirements of this order.
- B: Quality Control Clauses
a) Quality Release Requirements as printed on purchase order.
- C: Requirements regarding the need of the supplier to:
- (i) Notify RSC of non-conforming product.
 - (ii) Obtain approval from RSC for non-conforming product dispensation.
 - (iii) Notify RSC of changes in product and/or process, changes of suppliers, change of manufacturing facility location and, where required, obtain RSC approval, and
 - (iv) Flow down to the supply chain the applicable requirements including customer requirements.
 - (v) Record retention requirements — Do not destroy RSC records prior approval from RSC.
 - (vi) Right of access by RSC, our customers, and regulatory authorities to all facilities at any level of the supply chain involved in the order and to all applicable records.
- D: The suppliers need to:
- implement a quality management system
 - Use of customer –designated or approved external providers, including process sources (e.g., special processes);
 - Prevent the use of counterfeit parts
 - Provide test specimens for design approval, inspection/verification, investigation or auditing;
 - Retain documented information, including retention periods and disposition requirements;
- E: Ensuring that persons are aware of:
- Their contribution to product or service conformity;
 - Their contribution to product safety;
 - The importance of ethical behavior.

Inspection Requirements

The Purchasers inspector or Representative and any Inspector or Representative of the Purchaser's Customer or his Agent shall be entitled on the Purchasers authority to witness the inspection or testing of goods which are the subject matter of the order at any reasonable time at the suppliers works or at the works of any of the Suppliers subcontractors. If required by the Purchaser, the Supplier shall give the Purchaser adequate

notice of the Supplier's works test which the Purchaser will be entitled to attend. Reasonable facilities shall be provided at the Supplier's expense for the Inspector or Representative. The Supplier will provide the Purchaser with such certificates that the Purchaser may require. Such inspection does not relieve the Supplier of any liability nor does it imply acceptance of the goods or work which are the subject matter of this order.

Packing, Delivery and Marking

All goods supplied against the order must be adequately protected against damage and deterioration in transit and delivered carriage paid or as otherwise notified in writing to the Supplier and must bear the Purchaser's order number. The goods shall be at the Supplier's risk until delivered to the Purchaser at the point specified in the order unless the Purchaser otherwise agrees in writing. Unless otherwise provided in the order, all containers and packing materials supplied by the Supplier shall be considered non-returnable and the costs shall be included in the price. Where the Purchaser received goods as unexamined, the Purchaser's right to subsequently inspect goods and reject them if they do not comply with the specification of claim for shortage shall not be prejudiced. When goods are rejected they will be held in quarantine for a period of not less than 7 working days subject to the Supplier's collection, thereafter they may be returned at the Supplier's risk and expense, or be rectified by the Purchaser at the Supplier's expense.

Passing of Property

Property in the subject matter of the order shall pass to the Purchaser no later than the time of delivery provided that any passing of title shall not prejudice either the purchaser's right to reject for non-conformity with specification or any other rights that the Purchaser may have under the order. All items shall be adequately marked and recorded as being the property of the Purchaser.

Commissions and Royalties

It is a condition of this order that the Supplier has disclosed to Purchaser prior to acceptance of the order any payments made or due to be made by the Supplier to third parties by way of royalty or commission which are directly to this order. Bona fide employees of the Supplier shall not be considered third parties.

Payment

Inattention to the following requirements could delay payment (but no prompt payment discount shall be forfeited thereby):

- A. To send on the day of dispatch for each consignment such advice(s) and invoice(s) as may be indicated in monthly statements and all other correspondence. Your assistance is requested to reduce material movement time, and minimise the invoice clearance time for payments. This can be achieved by clearly printing your delivery note/advice number with matched invoice, listing the following information:-
- (i) RSC Precision Engineering Limited purchase order number, one purchase order per invoice.
 - (ii) RSC Precision Engineering Limited part number.
 - (iii) Quantity *and* description of goods.
 - (iv) Delivery address.
- B. To provide any certification or other documentation required under the order. All risks in such materials remains with the Supplier until delivery to the Purchaser. All payment made will be without prejudice to the Purchaser's rights should the goods, materials or service prove unsatisfactory or not in accordance with the Purchaser's order.

C. Supplier is required to send a separate invoice for each purchase order.

D. Our terms of payment are 60days from end of month of your invoice unless formally agreed.

Suspension

In the event of any interruption of the Purchasers business due to circumstances beyond the Purchaser's control such as but not limited to any industrial dispute, fire, explosion or accident which would prevent or hinder the use of goods or work which is the order, the Purchaser shall have the right to suspend the order until such circumstances have ceased.

Tools and Materials

Where tools and or/test equipment and or/The Supplier shall accept full responsibility for the *proper* storage, safe custody and method of use and shall accept the risks of loss and damage howsoever arising. Any such tools, test equipment and materials shall be used by the Supplier only for performing the work placed by the Purchaser and shall be returned at the Supplier's expense at the completion of the work unless otherwise agreed by the Purchaser in writing. Disposal of surplus materials and/or scrap shall be at the Purchaser's discretion.

Confidentiality and Publicity

The Supplier shall treat all information provided by the Purchaser or obtained from visits to the Purchasers site as confidential and use such information only for the purposes of performing the Purchaser's orders. Where drawings or other data are issued, the Supplier shall exercise proper custody and control and return/dispose of such in accordance with the Purchasers instructions. Prior written consent shall be obtained from the Purchaser before and publicity is Issued by the Supplier in connection with the order. The Supplier shall not use any information of contact made as a result of the performance of the order to recruit the Purchaser's staff.

Patent and other Rights

Where development forms part of the order, the ownership of any invention, design and copyright arising from such development shall he transferred to the Purchaser and the Supplier shall co-operate as necessary to make such transfer effective as soon as any such right arises.

Defective materials and Workmanship

The Supplier will keep the Purchaser indemnified in respect of all loss and/or expense which result during the proper use directly or indirectly from defective materials, goods, workmanship or design supplied by the Supplier, and the Supplier will repair at the Purchaser's request or replace the defective item or items free of charge. The Supplier will also keep the Purchaser indemnified against any damage to the purchaser's property (including any materials, tools or patterns sent to the Supplier for any purpose) and against any claims for loss or injury to any person or death of any person, or to the property of any person by reason of the Supplier's negligence or any act or omission on the part of the Supplier's employees, subcontractors or agents arising out of the performance of the order.

Waiver

Any concession or indulgence made by the Purchaser shall not be considered as a waiver of the Purchaser's rights under the order unless specially authorised in writing on the Purchaser's printed order form.

Legal Construction

The contract shall in all respects *be* construed and operate as a contract governed by English law and, unless otherwise arranged, is subject to the jurisdiction of the English courts, the legal construction of the clauses shall not be affected by their titles.