

ECLIPSE MAGNETICS LTD GENERAL CONDITIONS OF PURCHASE

(hereunder termed "the Buyer")

1. No terms or conditions submitted or referred to, now or in the future, by the Seller shall form part of the purchase contract.
2. The Buyer shall not accept responsibility for charges for goods and/or services supplied except against an official Purchase Order number.
3. The Seller warrants that the goods do not infringe any patents, registered design, trademark or other protected right and undertake to indemnify the Buyer against all damages, loss or costs suffered by the Buyer in respect of any claim for infringement.
4. The property in the goods shall pass to the Buyer when the goods are put into the custody of the Buyer or his agent either at the Buyer's premises or such other premises or place as the Buyer shall specify and the risk shall pass to the Buyer at the same time.
5. If goods are delivered to a carrier for delivery to the Buyer, the Seller shall, on the same day as the goods are despatched, post to the Buyer an Invoice and Advice of Despatch stating the Order Number and the address to which the goods have been despatched.
6. The Buyer reserves the right to reject the whole or any portion of the goods supplied within thirty days of receipt if they do not correspond with the order in quality, description or quantity, and to return rejected goods to the Seller at the Seller's expense. Any excessive inspection costs or rework costs incurred by the Buyer will be identified and then debited to the Seller.
7. The Buyer will not accept liability for a charge for Packing materials etc., unless previously agreed, but will have them returned to the Seller when requested to do so at the Seller's expense.
8. PAYMENT: Payment will be made 60 days from the end of the month of delivery, unless other payment terms have been agreed in writing.
9. If, before the execution of this order, the Buyer's works are partially or wholly shut down, due to War, Strikes, Lockouts, Riots, Civil Commotions, Epidemics Unusual Inclemency of the Weather, Fire, Accident, Force Majeure or any other cause beyond the Buyer's Control, then delivery or performance of the Contract shall be correspondingly extended.
10. Deliveries
 - 10.1 The Seller must deliver the Goods to the Delivery Address by the Delivery Date in accordance with the Purchase Order. Time is of the essence for delivery. Should you be unable to meet our requested shipping date please inform us immediately providing us with your best date. Once agreed, the shipping date can only be changed by the Buyer. All circumstances of late delivery will result in a requirement to airfreight goods at the seller's cost.
 - 10.2 Without limitation to any other rights or remedies the Buyer may have, the Seller will compensate the Buyer if it fails to deliver all of the Goods in accordance with the Purchase Order at the Delivery Address by the Delivery Date (which will include without limitation any and all consequential or indirect losses and loss of profits).
 - 10.3 The Seller may only make deliveries of Goods by installments or deliver part of a Purchase Order with the express written approval of the Buyer prior to delivery.

11. The Seller shall not, without the consent of the Buyer, advertise or, except for the performance of the order, make known to third parties the fact that the Seller supplies goods to the Buyer.
12. Quality
 - 12.1 The Seller will allow the Buyer's Inspectors free access to its Works and records at all reasonable times for the purpose of inspecting and testing the Goods during or after manufacture and may reject goods or require the making good of anything that does not conform with the order.
 - 12.2 Rejection of goods at any point will result in a requirement to airfreight replacements at the seller's cost.
13. The Seller shall not appoint or supply (Directly or Indirectly) to any other person(s) or parties goods and/or services that infringes the Buyer's title to the Intellectual Property which includes the Buyer's ownership of the name, brand, logos, design, patent, trademarks, drawings, goodwill, know-how, enhancements, modifications and technical description including specifications, parts lists, process layout(s), tooling and equipment schedules and material registers relating to the goods and/or services set out in the Purchase Order.
14. This Purchase Order and all relevant and subsequent information and/or communications relating to the Purchase Order shall be governed by English law and shall be determined by English courts. The Seller must comply with all the requirements of English and European law and regulation and the Buyer may claim against the Seller for any breach or loss arising. Where the Seller is in a country which does not enforce English court judgements then disputes between the Buyer and the Seller will be subject to arbitration or if any arbitration award is not enforceable either, to determination by the courts in the Seller's country. Where arbitration is to be used the parties will agree an arbitrator and in default of agreement the Buyer shall itself or upon request nominate an appropriate body to select an arbitrator.
15. Ethical Standards in the Supply Chain
 - 15.1 The Seller agrees that it will at all times comply with the following ethical standards policy. Full compliance with this policy is a condition of the Contract.
 - 15.2 The Seller warrants that:
 - (a) the Seller does not employ or use any person below the age of 15 or below the legal minimum age (where this is higher);
 - (b) the Seller does not use forced labour in any form (prison, indentured, bonded or otherwise);
 - (c) the Seller complies with all applicable local environmental, safety and health regulations;
 - (d) within the customs and practices of the countries in which the Seller operates, the Seller does not discriminate against any worker on grounds (including race, religion, disability or gender);
 - (e) the Seller pays each employee at least the minimum wage, or the prevailing industry wage, (whichever is the higher);
 - (f) the Seller complies with the laws on working hours and employment rights in the countries in which it operates;
 - (g) the Seller complies with all relevant environmental legislation in the regions in which it operates.
16. The Seller shall carry and maintain appropriate insurance with a reputable insurance company covering product liability for the Goods for a minimum of £2 million per claim, public liability and property damage each for a minimum of £5 million per claim and employer's liability for a minimum of £10 million per claim. The Seller will provide copies of such insurance policies to the Buyer on request.

17. In consideration of the Buyer agreeing to purchase the Goods, the Seller shall indemnify and keep the Buyer fully and effectively indemnified from and against any and all claims, actions, liabilities, losses, costs and expenses (including but not limited to claims by customers of the Buyer or other third parties and reasonable legal fees and costs incurred by the Buyer or for which the Buyer may be liable to any third party) which the Buyer incurs or suffers arising out of:
 - 17.1 Any actual or alleged death of or injury to any person, damage to any property, or any other damage or loss, by whomsoever suffered, resulting or claimed to result in whole or in part from any actual or alleged defect in the Goods, whether latent or patent, including (without limitation) actual or improper construction or design of the Goods, defective workmanship in relation to the manufacture of the Goods, the failure of the Goods to comply with specifications or with express or implied warranties, or arising out of any breach by the Seller or the Goods of any law, statute or other relevant regulation or code of practice;
 - 17.2 The breach of any provision of these Conditions;
 - 17.3 Any defect in the workmanship, materials or design of the Goods;
 - 17.4 Any infringement or alleged infringement of any patent, copyright, registered design, design right, trademark, trade name or other intellectual property right for or relating to the Goods.
18. Each and every obligation contained in any clause or sub-clause of this Purchase Order shall be treated as a separate obligation and shall be severally enforceable as such and the non-enforceability at any time of any clause or sub-clause of this Purchase Order shall not prejudice the enforceability of the remainder. If at any time any provision of this Purchase Order is amended by agreement of both parties or becomes un-enforceable or is declared invalid by the Court of England and Wales then the remainder of this Purchase Order shall nevertheless remain in full force and effect and the parties will negotiate in good faith with a view to agreeing a replacement provision with a similar effect to the invalidated provision.