

STANDARD CONDITIONS OF PURCHASE

In these conditions

"The Company" means and includes the Company named overleaf and its successors and assigns.

"The Order" means the Order or referred to overleaf.

"The Supplier" means and includes the addressee of the Order and any person who accepts or purports to accept the same.

"The Goods" and "The Services" mean respectively the Goods and/or Services referred to in the Order.

"The Contract" means the Contract constituted by the Supplier's acceptance of the Order pursuant to condition 2.

1. English Law

The construction, validity and performance of the Contract shall be governed by English Law and the Supplier hereby irrevocably submits to the jurisdiction of the English Courts.

2. Offer and Acceptance

The Order constitutes an offer by the Company which it may withdraw at any time prior to the Supplier's acceptance (pursuant to the terms hereof) of the Order. Acceptance of the Order shall take place or be deemed to have taken place on receipt of the Company of the Supplier's written acceptance thereof or by the execution or part execution by the Supplier of the Order. Any such acceptance shall constitute a binding Contract between the Supplier upon the terms and conditions of and referred to in the Order (including these terms and conditions). No variations or amendments of the Contract shall be effective unless in writing signed by the duly authorized representatives of the Company and the Supplier. No goods or services shall be supplied by or on behalf of the Supplier save in accordance with the Order and these terms and conditions.

3. Delay

(i) Time shall be of the essence of the Contract.

Notwithstanding that the Supplier's obligations under the Contract shall have been otherwise fulfilled, performance of the Contract shall not be deemed to have taken place until such time as all documentation specified in the Order and/or the Contract has been duly furnished.

(ii) In the event of any delay or interruption in the performance of the

Contract occasioned by industrial action or any cause beyond the control of either party then the time for performance of the Contract shall be deemed to have been correspondingly extended unless the Company by written notice given to the Supplier at any time during the continuance of such delay or interruption elects to terminate the Contract.

(iii) The Supplier shall notify the Company forthwith of any circumstances likely to occasion any delay in the performance of the Contract.

4. Packing and Transportation Costs

Save as provided or referred to in the Order the Company shall not be liable for any costs or charges of:-

(i) packaging, crates or containers of any description whatsoever, or

(ii) delivery as stipulated in the Order or loading, unloading or otherwise handling goods.

5. Property Risk and Acceptance

(i) The property and risk in any Goods to be supplied to the Company pursuant to the Contract shall remain in the Supplier until delivery of such Goods to the Company has taken place in the manner stipulated or in contemplated by the Order.

(ii) Notwithstanding the Provision of Section 35 of the Sale of Goods Act 1979, in circumstances where the Goods are to be commissioned by the Supplier or its agent on the premises of the Company (or elsewhere at the Company's request) acceptance of the Goods shall not take place or be deemed to have taken place until such commissioning has been carried out and completed satisfactorily in all respects.

6. Payment

Payment will be made by the Company in accordance with the terms set out or referred to in the Order or as negotiated.

The Company reserves the right to deduct from any monies due or becoming due to the Supplier, any monies due from the Supplier to the Company in respect of Goods supplied or services rendered by the Company.

7. Ownership of Goods and/or Materials

(i) Ownership of any goods in the case of Contract for the purchase of Goods and/or materials in the case of a Contract for the provision of services for which a payment or part payment has been made shall vest in the Company at the time such payment or part payment is made.

(ii) The Supplier shall take all necessary precautions to ensure that all Goods and/or materials which are to be delivered to the Company under the terms of this Contract are packaged in a safe and sufficient manner so as to avoid damage or loss to such goods or materials whilst in transit and until delivered.

(iii) In all cases where equipment/materials purchased await delivery and or installation on site and in respect of which the property has passed to the Company in accordance with the terms of the Contract, such equipment/materials shall be physically isolated and clearly marked "Property of Electrical Services & Projects Ltd" together with all relevant order numbers and shall be assigned to the Contract and remain under the sole ownership of the Company, whilst the risk in possession shall be carried by the Supplier.

(iv) The passing of ownership shall without prejudice to the continuing obligations of the Supplier hereunder.

8. Breach and Insolvency

In the event of the Supplier committing a material breach of any terms or condition of the Contract, or becoming bankrupt or entering into a composition with creditors or (being a Company) going into liquidation, either voluntary or compulsory, the Company may by written notice immediately terminate the Contract and any payments made by the Company to the Supplier under the Contract shall immediately become repayable without prejudice to any other right or remedy of the Company.

9. Value Added Tax

The delivery by the Supplier to the Company of a sufficient tax invoice for VAT purposes (where applicable) shall be a condition precedent to the Company's obligation to make payment to the Supplier. In cases where payment is to be made by installments or payments are made on account the Supplier shall deliver such a tax invoice prior to each such payment.

10. Liability and Insurance

(i) The Supplier shall be liable for any loss or damage whether to property or otherwise or injury (including death) to persons whether such loss, damage or injury is consequential or otherwise and arising out of or in connection with the supply of goods or provision of services hereunder, and whether or not such loss, damage or injury shall be suffered by the Company or others or persons in the employ of the Company or the Supplier or any sub-contractor or to any other person, and shall indemnify the Company against any and all claims arising out of or in connection with such loss, damage or injury by whomsoever brought except to the extent that the loss, damage or injury is attributable to the negligence of the Company, its servants or agents.

(ii) In respect of its liability under 10(i) above

The Supplier shall effect and maintain in force insurance for a limit of indemnity of not less than £1m for each separate event or occurrence or series of events or occurrences for such other sum as may be specified by the Company in writing. Such Policy or Policies of insurance shall be endorsed to include an indemnity to Principals Clause which provides for indemnity to the Company pursuant to Condition 10 (i) above. The Company shall have the right on request to inspect such Policy or Policies or obtain documentary evidence of such insurance and evidence of payment of premiums due.

11. Termination

(i) In addition to its rights under Conditions 3 and 8 the Company may terminate the Contract by written notice to the Supplier given at any time in which case the Company (unless at the date of such termination it could have terminated the Contract under Condition 3 or 8) shall be liable to pay a fair and reasonable price to the Supplier for Goods and Services already supplied to the Company in accordance with the Contract and finally accepted by it prior to such termination.

(ii) The Company shall not be liable for any consequential loss or damage Incurred by the Supplier by reason of such termination.

(iii) Any termination of the Contract (whether pursuant to this or any other term and condition hereof) shall be without prejudice to the rights and remedies of the parties accrued prior to such termination)

12. Industrial Property

(i) In addition to any conditions or warranties implied by Common Law or Statute the Supplier warrants:-

(a) that the design, construction, labeling, specification, formulation and quality of Goods shall comply in all respects with any Statute, Statutory Rule or Order or Regulation for the time being in force and

(b) that the sale or use of the Goods by the Company will not infringe any British or foreign patent, trade mark, trade name or registered design nor contravene any Statute Order or Regulation for the time being in force.

(ii) The Supplier shall at all times treat the Order and all designs, Drawings, specifications, formulations, recipes, and other information supplied by the Company in connection therewith or created (whether by the Company in connection therewith or created (whether by the Company or the Supplier) exclusively for the purposes thereof (and all which shall remain the property of the Company at all times) as confidential.

13. Assignments

(i) The Supplier shall not without the written consent of the Company assign or delegate the Contract or any rights or obligations thereunder.

(ii) The Company may assign the benefit and burden of the Contract or any part thereof without requiring the consent of the Supplier.

14. Inspection

(i) Without prejudice to the right of the Company to reject Goods or to any other right or remedy of the Company, the Company may (but shall not be obliged to) inspect the Goods during manufacture and before dispatch and carry out such tests as are called for in the Order or any specification referred to therein and the Supplier shall allow facilities to the Company's representatives for such inspection and shall notify the Company in writing when the Goods are ready for inspection and testing.

(ii) Where the Order comprises a number of similar items and tests carried out by or for the Company would entitle the Company to reject one or more such items, the Company may reject all such items other than such as are shown to be satisfactory in tests carried out and/or by the Supplier.

15. Guarantee

During a period of twelve months after the date of delivery or, in the case of plant after the date of commissioning the Supplier shall, with all possible speed and without cost to the Company replace or repair the goods or any part thereof found to be defective due to faulty materials, workmanship or design (other than design specified in detail by the Company) or to any act or omission of the Supplier. The Company shall promptly inform the Supplier in writing of any such circumstance. Without limitation the Supplier shall reimburse any transportation and any other charges incurred by the Company in effecting such replacement or repair at the point of use. The Company's rights hereunder are in addition to and not in substitution for any express, statutory or other rights.

THE FOLLOWING CLAUSES SHALL APPLY WHERE THE PROVISION OF SERVICES INVOLVED.

16. Knowledge of Site

The supplier shall be deemed to have visited the site and satisfied itself as to local conditions and all such other factors as may affect its performance of the services.

17. Labour, Plant and Materials

Except where specified to the contrary the Supplier shall provide all labour, tools, plant equipment and materials for the proper and workmanlike performance of the Contract. All materials shall be new and of appropriate quality.

18. Loss or Damage to Works and Material

The Supplier shall be liable for and shall effect and maintain in force insurance for all loss or damage to the Works and to any materials either brought to the site or supplied by the Company including, but without limitation, theft, damage by elements and fire and shall unless the Company otherwise directs in writing, promptly make good all such loss and/or damage in the Company's satisfaction. Such policy of insurance shall note the interest of the Company as Principal and waive all rights of subrogation against the Company, its servants and agents. The supplier shall on request by the Company produce documentary evidence of such insurance and of premiums paid.

19. Defects Liability

During a period of twelve months from the date of commissioning the plant or completion of the Works (whichever is the later), the Supplier shall, with all possible speed and without cost to the Company replace, repair or make good the defective work or goods whether due to faulty materials, design (other than design specified by the Company) or workmanship or to any act or omission of the Supplier. The Company shall promptly inform the Supplier in writing, or any such circumstance. Without limitation the Supplier shall reimburse any transportation and other charges incurred by the Company in effecting such replacement or repair at the point of use. The Company's rights hereunder are in addition to and not in substitution for any express, statutory or other rights.

20. Specification and Working Conditions

Notwithstanding any provision or approval of plans, drawings, formulations, recipes, or specifications by the Company the Supplier warrants that Goods are suitable for any purpose notified to it or apparent from the description and in particular for use in the conditions and situation in which the Goods are to be used.

21. Health and Safety at Work Act

The Goods are to meet the safety requirements of the Health and Safety at Work Act 1974 and no derogation under S6.(8) thereof is acceptable.