

1. No variation or alteration of these terms and conditions ("Terms and Conditions") of this purchase order ("the Order") shall be effective unless expressly accepted in writing by Hamlin Electronics Europe Ltd ("The Buyer"). Acceptance of the Order shall bind the party to which the Order is addressed ("The Supplier") to the Terms and Conditions.

2. If any term or condition of the Order or of the Terms and Conditions is not fully observed the Buyer shall have the right to cancel the Order without liability and without prejudice to any other rights which the Buyer may have. The Terms and Conditions shall apply to all Orders and shall prevail over the Supplier's terms and conditions, even though such conditions may be printed on the Supplier's acknowledgement of Order and/or advice note or equivalent document.

Each Order by the Buyer from the Supplier shall be deemed to be an offer by the Buyer to purchase Goods subject to these Conditions and no Order shall be accepted until the Supplier either expressly by giving notice of acceptance, or impliedly by fulfilling the Order, in whole or in part accepts the offer.

3. Unless otherwise shown on the Order, all prices shall be deemed to be inclusive of amongst other things packaging, freight and insurance costs, delivery charges and custom dues and in no event will the Buyer be liable to make any payment for, or in respect of, the goods furnished pursuant to the Order ("the Goods") or otherwise in excess of such prices. All prices shall be deemed to be exclusive of VAT which shall be invoiced by the Supplier at the rate current at the date of the relevant Tax Point.

Payment for the goods shall be made by the Buyer to the Supplier 60 days from the date of invoice.

The Supplier shall not withhold any discount for prompt payment by reason of any delay in payment arising out of any failure on the part of the Supplier to:

- send on the day of despatch of each consignment of the Goods such advice of despatch and invoices as may be required by the Order.
- mark clearly the Buyer's order number on the consignment package, packing notes, advice notes, invoices, monthly statements and all other correspondence relating thereto.
- show Value Added Tax separately on all invoices and credit notes.
- send the Buyer an account within one week of the end of each month in which any goods have been delivered showing details of all Goods delivered during such month end of the payment owing for the same.

All payments shall be made without prejudice to the Buyers' rights should the Goods prove not to be in accordance with the Contract. No variation in the price nor extra charges will be accepted by the Buyer.

- The property in the Goods shall pass to the Buyer on payment of their purchase price or their delivery to the Buyer, whichever shall first occur, but the Goods shall remain at the Supplier's risk and insurance of the Goods shall be for the Supplier's account until delivery of the Goods to the Buyer has been completed
- Without prejudice to any implied terms (whether implied by law or otherwise) of the contract between the Buyer and the Supplier in respect of the Goods ("The contract") the Goods shall be designed and manufactured as to be safe and without risk to health when properly used. The Buyer shall be supplied with adequate information and instructions as to the use to which the Goods are designed to be put, in particular to ensure that when put to such use, or any reasonable foreseeable mis-use, the Goods will be safe and without risk to health.
- The Goods shall conform in all respects as to quality, quantity and description with the particulars stated in the Order and/or agreed from time to time in writing between the Buyer and the Supplier and signed by both parties. Unless otherwise agreed, the Goods must also conform to any applicable British standard or other international standards. The Goods supplied shall be fit for any such purpose as shall be made known by the Buyer to the Supplier and in this respect the Buyer relies on the Supplier's skill and judgement.
- It is a condition of the Contract that the Supplier will carry out such inspection and testing as is necessary to ensure compliance with the Contract. The Buyer will rely on such inspection and testing. Nothing in this Clause shall be construed as affecting or varying the obligation

of the Supplier to supply the Goods in accordance with the Order and the Contract.

8. Without prejudice to any implied terms of the Contract the Supplier warrants that the Goods are of good quality and are free from defects in design, materials and workmanship, comply with all applicable standards, (including but not by way of limitation, any standards listed in the Order) and that any instructions or advice provided as to the use of the Goods are in accordance with the best practice. The Supplier shall defend, indemnify and hold the Buyer harmless against all claims of whatever nature including, but not by way of limitation, claims which result in the award of punitive damages caused by or arising out of any failure to comply with the terms of the above warranty.

9. The Supplier shall indemnify the Buyer in full from and against all claims, preceding and demands made or brought against the Buyer and all costs, charges, liabilities, losses or expenses suffered by the Buyer, whether in contract, tort or otherwise, arising out of any infringement or alleged infringement, of any patent registered design, design right, trade mark, service mark (whether registered or not), copyright or other protected right in respect of the ownership, possession, use or disposal of the Goods, or any part or component thereof, by the Buyer. If any claim, proceeding or demand is made or brought or threatened against the Buyer in relation to which this indemnity operates the Supplier shall be notified thereof and, if so required by the Buyer, the Supplier shall take over the conduct of any litigation or settlement negotiations resulting therefrom and shall supply such information as to the state of such litigation or negotiations as the Buyer may require from time to time but no settlement of any claim or proceedings shall be concluded by the Supplier without full disclosure of the terms thereof to, and the consent to such terms by, the Buyer.

The conduct by the Supplier of any such litigation shall be conditional upon the Supplier having first given to the Buyer such indemnity as shall from time to time be required by the Buyer to cover the amount ascertained or agreed or estimated as the case may be, of any compensation, damages, expenses and costs for which the Buyer may become liable. The Buyer shall, at the request of the Supplier, afford all available assistance for any such purpose and shall be repaid any expenses incurred in doing so.

No royalty, licence fee or any other such expense shall be included in the Supplier's account unless specifically agreed to in writing by the Buyer.

10. The Supplier guarantees that the Goods comply in every respect with the Order and the stipulations of Clauses 5 and 6 hereof and that they are free from any defect in design, material or workmanship. If within twelve months after delivery or such other period as may be agreed any defect in the Goods shall be discovered or shall arise under proper use whereof the Buyer shall have given notice in writing to the Supplier, the Supplier shall with all possible speed repair or replace the Goods as to remedy the defect without cost to the Buyer. In default thereof the Buyer shall have the right to procure the same to be repaired or replaced and the Supplier shall pay to the Buyer as liquidation damages such sums as may reasonably be incurred by the buyer in so doing.

Upon discovering such defect as aforesaid the Buyer shall return the defective Goods or parts thereof to the Supplier at the Supplier's risk and expense unless otherwise agreed in writing between the parties. The foregoing provisions of this Clause shall not prejudice any further or other rights of the Buyer arising from or in consequence of any defects in the Goods.

11. Without prejudice to the foregoing, if the Goods comprise a number of items of the same description and after any such item of Goods has been sold on by the Buyer to its customer in the course of the Buyer's business as a manufacturer of electronic and electrical components, the Buyer becomes aware of a defect in an item of Goods which has caused or is likely to cause injury to individuals or damage to property, the Buyer shall be entitled to recall all items of Goods of the same description as the defective item and in deciding the extent, method and terms of such recall, which may also involve the repair or replacement of the Goods, the Buyer shall have regard to the nature of the defect, the likelihood and nature of the injury or damage which resulted or might result therefrom and to the information and assurance given by the Supplier to the Buyer in relation to such matters. In the event of a recall of the Goods, or of Goods of which the Goods form part, being decided upon by the Buyer, of which notice shall be given to the Supplier as soon as practicable, the Supplier shall indemnify the Buyer against all the costs and expenses incurred by the Buyer in making the recall which, without limiting the generality of the Supplier's

- indemnity, shall extend to the costs of reimbursing to a third party the price paid for the Goods together with the costs of the third party in returning Goods to the Buyer and the costs of the Buyer in ascertaining by advertising or otherwise, the identity and whereabouts of the persons in the possession of the Goods to be recalled and in contacting them. This indemnity shall not prejudice or affect any other right which the Buyer may have against the Supplier arising out of any defect in the Goods.
12. The Supplier shall at its own risk and expense in all respects deliver the Goods at the place or places in the manner and by the delivery date specified in the Order and in this respect time shall be of the essence of the Contract. The Goods shall be delivered properly packaged and secured. In the event of loss of or damage to the goods while in the course of delivery, the Buyer shall give notice thereof to the Supplier forthwith upon becoming aware thereof and the Supplier shall thereupon at its own expense promptly replace or repair such lost or damaged goods.
13. If the Supplier shall make or offer any arrangement or composition with creditors generally or shall commit any act of bankruptcy or if any petition or receiving order in bankruptcy shall be presented or made against the Supplier or if (where the Supplier is a company) notice of any resolution to wind up the Supplier shall be given or any petition to wind up the Supplier shall be presented or if the receiver or administrator of the Supplier's undertaking property or assets or any part thereof shall be appointed, then in any event the Buyer shall be entitled but not bound to terminate the Contract summarily by notice in writing but without prejudice to any right of action which shall at the date of such notice have accrued to the Buyer.
14. TS 16949 – Where necessary the Buyer will audit the supplier against the detailed procedures without expecting the Supplier to attain TS 16949. The Supplier shall have a process to assure that governmental and safety constraints on restricted, toxic and hazardous substances are complied with relative to purchased products and manufacturing process.
15. The Contract shall be governed by the laws of England. The Supplier hereby submits to the exclusive jurisdiction of the English courts and the Buyer submits to the non exclusive jurisdiction of the English courts.
16. Both the buyer and their customer or representative reserve the right at all times to visit the supplier and/or their sub-contractors premises by prior agreement.
17. Remedies
- 17.1 Without prejudice to any other right or remedy which the buyer may have, if any Goods are not supplied in accordance with, or the Supplier fails to comply with, any of the terms of this Contract the Buyer shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods have been accepted by the Buyer:
- 17.1.1 to rescind the Order
- 17.1.2 to reject the Goods (in whole or in part) and return them to the Supplier at the risk and cost of the Supplier on the basis that a full refund for the Goods so returned shall be paid forthwith by the Supplier;
- 17.1.3 at the Buyer's option to give the Supplier the opportunity at the Supplier's expense either to remedy any defect in the Goods or to supply replacement Goods and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;
- 17.1.4 to refuse to accept any further deliveries of the Goods but without any liability to the Supplier;
- 17.1.5 to carry out at the Supplier's expense any work necessary to make the Goods comply with the Contract;
- 17.1.6 to claim such damages as may have been sustained in consequence of the Supplier's breach or breaches of Contract.
18. Assignments
- 18.1 The Supplier will not be entitled to assign the Contract or any part of it without the prior written consent of the Buyer
- 18.2 The Buyer may assign the Contract or any part of it to any person, firm or company.
19. Force Majeure  
The Buyer reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of the Goods ordered if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Buyer including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lockouts, strikes or other labour disputes (whether or not relating to either parties workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.
20. General
- 20.1 Each right and remedy of the Buyer under the Contract is without prejudice to any other right or remedy of the Buyer whether under the Contract or not.
- 20.2 If any provision of the Contract if found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 20.3 Failure or delay by the Buyer in enforcing or partially enforcing any provision of the Contract will not be construed as a waiver of any of its rights under the Contract.
- 20.4 Any waiver by the Buyer of any breach of, or any default under, any provision of the Contract by the Supplier will not be deemed in waiver of any subsequent breach or default and will in no way affect the other terms of the Contract
- 20.5 The parties to this Contract do not intend that any term of this Contract will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it.
- 20.6 In these conditions any reference to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that statute or provision as from time to time amended, consolidated, modified, extended, re-enacted or replaced