

Definitions

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Contract: the contract between the Company and the Supplier for the sale and purchase of Goods, comprising the Order and these conditions.

Company: Electronic Technicians Limited (registered in England and Wales with company number 01575674).

Delivery: delivery of the Goods to the Delivery Location in accordance with the terms of the Order (and the terms **Deliver** and **Delivered** shall be construed accordingly).

Delivery Date: the date set out in the Order for Delivery.

Delivery Location: the location as set out in the Order or where no location is stated, to 41-43 Cobham Rd, Ferndown Industrial Estate, Wimborne, BH21 7QZ.

Force Majeure Event: an event beyond the reasonable control of the Company or the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Company, the Supplier or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

Goods: the goods (or any part of them) set out in the Order.

Order: the Company's order for the Goods, whether submitted orally or in writing as the case may be.

Parties: the Company and the Supplier (and the term **Party** shall be construed accordingly).

Supplier: the person or firm from whom the Company purchases the Goods.

Basis of Contract

1. Goods are supplied by the Supplier to the Company subject to these conditions, which shall govern the Contract to the exclusion of any other terms or conditions that the Supplier seeks to impose or incorporate by trade, custom, practice or course of dealing.

2. The Order constitutes an offer by the Company to purchase Goods from the Supplier in accordance with these conditions.

3. The Order shall be deemed accepted on the earlier of:

3.1 the Supplier issuing a written acceptance of the Order to the Company; and

3.2 the Supplier doing any act consistent with fulfilling the Order; at which point the Contract shall come into existence.

4. Notwithstanding the provisions of clause 3 above, the Supplier shall, by written notice to the Company, acknowledge receipt and acceptance of the Order within three days of the Order being submitted by the Company.

5. No amendment to these conditions will be accepted by the Company unless expressly agreed to in writing and silence on the part of the Company shall not constitute valid acceptance of any amended or alternative terms.

The Goods

6. The Supplier shall ensure and undertakes to the Company that the Goods:

6.1. shall correspond with any applicable specification for the Goods stated in the Order by the Company;

6.2. where stated in the Order, will comply with the requirements of AS5553, Fraudulent/Counterfeit Electronic Parts, Avoidance, Detection Mitigation and Disposition;

6.3. shall be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) and fit for any purpose held out by the Supplier or made known to the Supplier by the Company expressly or by implication and in this respect the Company relies on the Supplier's skill and judgement;

6.4. shall be free from defects in design, material and workmanship and remain so for a period of 12 months following Delivery;

6.5. shall comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and Delivery of the Goods;

6.6. any perishable Goods have a minimum of 85% of their shelf-life remaining at the point of Delivery.

6.7. Where applicable the supplier shall insure all components are handled and stored in a manner which will prevent damage or deterioration in example, from ESD and FOD.

6.8. All Electrostatic Discharge (ESD) sensitive items shall be packed and handled using appropriate materials to prevent ESD damage. ESD control program should comply with MIL-STD-1686 or ANSI/ESD S20.20 or equivalent.

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7. The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.

8. The Company may inspect and test the Goods at any time before Delivery. The Supplier shall remain fully responsible for the Goods despite any such inspection or testing and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract.

9. If following such inspection or testing the Company considers that the Goods do not conform or are unlikely to comply with the Supplier's undertakings at clause 6,

the Company shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance. The Company may conduct further inspections and tests after the Supplier has carried out its remedial actions.

Delivery

10. The Company will make Delivery to the Delivery Location on the Delivery Date during the Company's normal business hours and Delivery of the Goods shall be completed upon completion of the unloading of the Goods arrival at the Delivery Location.

11. The Supplier shall ensure that:

11.1. the Goods are properly packed and secured in such manner as to enable them to reach the Delivery Location in good condition;

11.2. each Delivery of the Goods is accompanied by an advice note which shows the date of the Order, the Company's order number, the type and quantity of the Goods (including the code number of the Goods, where applicable) comprised in the Delivery, special storage instructions (if any) and, if the Goods are being Delivered by instalments, the outstanding balance of Goods remaining to be Delivered;

11.3. all Goods are Delivered free of charge to the Delivery Location unless agreed otherwise by the Company in writing.

12. The Supplier shall not Deliver the Goods in instalments without the Company's prior written consent. Where it is agreed that the Goods are to be Delivered by instalments, they may be invoiced and paid for separately. However, failure by the Supplier to Deliver any one instalment on time or at all, or any defect in an instalment shall entitle the Company to the remedies set out in clause 13.

Remedies

13. If the Goods are not Delivered on the Delivery Date, or do not comply with the undertakings set out in clause 6, then, without limiting any of its other rights or remedies, and whether or not it has accepted the Goods, the Company may exercise any one or more of the following remedies at its option:

13.1. to terminate the Contract;

13.2. to reject the Goods (in whole or in part) and return them to the Supplier at the Supplier's own risk and expense;

13.3. to require the Supplier to repair or replace the rejected Goods, or to provide a full refund of the price of the rejected Goods (if paid);

13.4. to refuse to accept any subsequent Delivery of the Goods which the Supplier attempts to make;

13.5. to recover from the Supplier any costs incurred by the Company in obtaining substitute goods from a third party; and

13.6. to claim damages for any other costs, loss or expenses incurred by the Company which are in any way attributable to the Supplier's failure to carry out its obligations under the Contract.

14. The provisions of clause 13 shall apply to any repaired or replacement Goods supplied by the Supplier.

15. The Company's rights and remedies under these Conditions are in addition to its rights and remedies implied by statute and common law.

Title and Risk

16. Title and risk in the Good shall pass to the Company on Delivery.

Price and Payment

17. Orders will be invoiced at the price as set out in the Order or, where no price is quoted, the Price set out in the Supplier's published price list in force as at the date the Contract came into existence.

18. No extra charges over and above the Price shall be effective unless agreed to in writing by the Company.

19. The Supplier may invoice the Company for price of the Goods plus VAT at the prevailing rate (if applicable) on or at any time after the completion of Delivery. The Supplier shall ensure that the invoice includes the date of the Order, the Company's order number, the invoice number, the Supplier's VAT registration number and any supporting documents that the Company may reasonably require.

20. The Company shall pay correctly rendered invoices within 30 days of receipt of the invoice by electronic bank transfer. Payment shall be made to the bank account nominated in writing by the Supplier.

21. The Company may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to the Company against any liability of the Company to the Supplier.

Supplier Obligations and Indemnity

22. The Supplier shall:

22.1. at all times during the term of the Contract notify the Company in writing of changes in Goods and/or Goods specification, changes in the Supplier's supplier, changes to manufacturing process of locality and, where required, obtain the written approval of the Company;

22.2. at all times during the term of the Contract and for a period of 6 years thereafter maintain in force, with a reputable insurance company, professional indemnity insurance, product liability insurance and public liability insurance sufficient to cover any liabilities that may arise under or in connection with the Contract and shall, if requested to by the Company, provide copies of such insurances and confirmation of the payment of such premiums within 5 Business Days of the request from the Company;

22.3. at all times during the term of the Contract and at any time after Delivery notify the Company of any of the Goods or any part of the Goods which do not comply with the undertakings contained at clause 6;

22.4. at all times during the term of the Contract and upon reasonable notice having been provided by the Company, provide the Company, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain with access to any of the Suppliers sites or premises used in connection with the manufacture, storage or any other aspect of the Goods and shall, if requested by the Company, use its best endeavors to procure access to any of the Supplier's suppliers sites or premises so that they can be inspected by the Company, their customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain.

22.5. ensure all products or services are carried out or supplied by competent personnel, including any required qualification/training necessary.

22.6. Be aware that The company will continuously monitor the quality, performance and on time delivery of external providers.

22.7. ensure all communicated approvals, process/methods are followed including any special requirements, critical items, or key characteristics.

22.8. use customer-designated or approved external providers, including process sources (e.g., special processes).

22.9. notify the Company of any nonconforming processes, products, or services and obtain approval for their disposition.

22.10. flow down to external providers applicable requirements including customer requirements.

22.11. ensure that persons involved in the supply of product or services are aware of:

22.11.1 their contribution to product or service conformity;

22.11.2 their contribution to product safety;

22.11.3 the importance of ethical behavior.

22.5. at all times during the term of the Contract comply with all applicable laws, statutes, regulations and codes from time to time in force;

22.6. keep the Company indemnified against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by the Company as a result of or in connection with:

22.6.1. any claim made against the Company for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the supply or use of the Goods;

22.6.2. any claim made against the Company by a third party for death, personal injury or damage to property arising out of or in connection with defects in Goods; and

22.6.3. any claim made against the Company by a third party arising out of or in connection with the supply of the Goods.

Confidentiality

23. A Party (**receiving party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other Party (**disclosing party**), its

employees, agents or subcontractors and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction.

24. Clause 23 shall survive termination of the Contract.

Termination of Contract

25. The Company may terminate the Contract in whole or in part at any time before Delivery with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. The Company shall pay the Supplier fair and reasonable compensation for any work in progress on the Goods at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss.

26. Without limiting its other rights or remedies, the Company may terminate the Contract with immediate effect by giving written notice to the Supplier if:

26.1. the Supplier commits a material breach of any term of the Contract and (if such a breach is remediable) fails to remedy that breach within 5 Business Days of the Supplier being notified in writing to do so;

26.2. the Supplier takes any step or action in connection with its entering administration, provisional liquidation or any composition or arrangement with its creditors (other than in relation to a solvent restructuring), being wound up (whether voluntarily or by order of the court, unless for the purpose of a solvent restructuring), having a receiver appointed to any of its assets or ceasing to carry on business;;

26.3. the Supplier takes any step or action in connection with the Supplier being made bankrupt, entering any composition or arrangement with his creditors, having a receiver appointed to any of his assets, or ceasing to carry on business];

26.4. the Supplier suspends, or threatens to suspend, or ceases or threatens to cease to carry on all or a substantial part of its business; or

26.5. the Supplier's financial position deteriorates to such an extent that in the Company's opinion the Supplier's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy.

27. Termination of the Contract, however arising, shall not affect any of the p

Parties' rights and remedies that have accrued as at termination.

Force Majeure

28. Neither Party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under it if such delay or failure results from a Force Majeure Event. If the period of delay or non-performance continues for 4 calendar weeks, the Party not affected may terminate the Contract by giving 5 Business Days written notice to the affected party.

General

29. The Company may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.

30. The Supplier shall not, without the prior written consent of the Company, assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

31. Any notice or other communication given to a Party under or in connection with the Contract shall be in writing, addressed to that Party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that Party may have specified to the other Party in writing in accordance with this clause 46, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier or fax.

32. A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 46; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting; if delivered by commercial courier, on the date and at the time that the

courier's delivery receipt is signed; or, if sent by fax, one Business Day after transmission.

33. If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 48 shall not affect the validity and enforceability of the rest of the Contract.

34. A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a Party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy.

35. The Contract constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understanding between them relating to its subject matter.

36. No one other than a party to the Contract [and their permitted assignees] shall have any right to enforce any of its terms

37. The Contract shall be governed by the laws of England and Wales and the parties irrevocably agree that the courts of England and Wales shall have [non-exclusive] jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).

Counterfeit Materiel

38. The Supplier should be capable of providing full traceability for the materiel being purchased, including names and addresses of prior sources. The Supplier should maintain records containing date and/or lot and/or relevant codes (if applicable), and unique item identifiers associated with the purchase order and invoice.

39. The Supplier should implement processes to ensure no counterfeit material is supplied. The Supplier must make available, upon request, OEM/OCM documentation that authenticates the traceability of the materials supplied.

40. The Supplier is required to comply with, and/or be certified to, an appropriate higher level quality standard (e.g., AS9100, AS9120, ISO 9001, and AS9003).

41. The Supplier may be liable for remedial costs should any counterfeit materiel be provided. Suspect or confirmed counterfeit goods will not be returned. The Supplier will be required to properly replace any suspect items.

42. The Supplier should supply any certificates of conformance and test/inspection data, If the Supplier becomes aware or suspects any counterfeit material has been supplied, the Supplier shall contact the Company immediately in writing.

Certificate of Conformance (C of C)

43. The C of C must contain as a minimum the following:

43.1 Unique C of C reference number.

43.2 It must be signed by an appropriate authority representative.

43.3 Description and quantity of items supplied.

43.4 Manufacturing lot no. or traceability reference (as appropriate),

43.5 Any applicable shelf-life expiry dates.

43.6 Clearly identify any tests completed.