

# Watford Control Instruments Limited – Co. Reg. 10186990 – Terms & Conditions of Purchase

## CONDITIONS OF PURCHASE FOR GOODS

No terms or conditions submitted at any time by the Supplier shall form any part of the Contract. In the event of a conflict between any of these Conditions and any specific term or condition (whether in the Contract or otherwise) referred to in the Purchase Order, the latter shall prevail.

### 1. DEFINITIONS

1.1 In these Conditions:

**"Contract"** means the contract between the Purchaser and the Supplier consisting of the Purchase Order, these Conditions, and any other documents (or parts thereof) specified in the Purchase Order;

**"Delivery Date"** means the date on which the Goods are to be delivered to the Purchaser, as specified in the Purchase Order

**"Goods"** means any such goods supplied to the Purchaser by the Supplier pursuant to or in connection with the Purchase Order;

**"Price"** means the price of the Goods as specified in the Purchase Order;

**"Purchaser"** means Watford Control Instruments Ltd (WCI)

**"Purchase Order"** means the document setting out the Purchaser's requirements for the Contract;

**"Supplier"** means the person, firm or company who is the supplier of the Goods named in the Purchase Order.

1.2 The headings in these Conditions are for convenience only and shall not affect its construction or interpretation.

### 2. VARIATION

2.1 These Conditions may only be varied with the written agreement of the Purchaser.

2.2 The Purchaser reserves the right by reasonable notice to the Supplier to vary the Goods detailed in the Purchase Order and any alteration to the Price or delivery date arising by reason of such modification shall be agreed between the parties and evidenced in writing.

2.3 The Contract shall become binding and these Conditions shall be deemed to have been accepted by the Supplier on the acceptance of the Purchase Order by the Supplier (either verbally or in writing) or on delivery of the Goods, whichever is the earlier.

### 3. GOODS

3.1 The Supplier warrants and represents to the Purchaser that the Goods shall:

3.1.1 conform in all respects with any particulars or specification specified in the Purchase Order including any variations;

3.1.2 conform in all respects with the requirements of any statutes, orders, regulations or bye-laws from time to time in force;

3.1.3 be of satisfactory quality and free from defects in materials and workmanship; and

3.1.4 be fit and sufficient for the purpose for which such goods are ordinarily used and for any particular purpose made known to the Supplier by the Purchaser and the Purchaser relies on the skill and judgement of the Supplier in the supply of the Goods and the execution of the Purchase Order.

### 4. PRICE

4.1 The Supplier shall not increase the Price unless it is validly accepted by the Purchaser and agreed in writing before the execution of the Purchase Order.

4.2 Unless expressly agreed otherwise between the parties in writing, the Price shall be inclusive of all delivery and insurance costs, VAT and any other applicable sales taxes, duties or levies.

4.3 Unless otherwise agreed in writing by the Purchaser, the Supplier shall render a separate invoice in respect of each consignment of the Goods delivered under the Purchase Order. The Purchaser undertakes to pay correctly submitted invoices within 30 days of receipt from the day of physical or electronic arrival at the nominated address of the Purchaser. Invoices shall not be rendered by the

Supplier until completion of delivery of all the Goods which are the subject of the Purchase Order or of the consignment (as appropriate).

4.4 A valid invoice is one that is:  
- delivered in timing in accordance with the contract;  
- that is for the correct sum;  
- in respect of goods / services supplied or delivered to the required quality (or are expected to be at the required quality);  
- which quote the relevant purchase order / contract reference (where used)  
- which has been delivered to the nominated address .

4.5 The Purchaser specifically reserves the right to withhold or deduct by way of set-off or otherwise from any monies due or to become due to the Supplier, any monies due to the Purchaser from the Supplier.

4.6 The Purchaser shall not be liable for any orders or amendments to orders other than those issued or confirmed on the official Purchase Order and shall not be responsible for the payment of the Price for Goods supplied in excess of those required by the Purchase Order.

4.7 No payment of or on account of the Price shall constitute any admission by the Purchaser as to proper performance by the Supplier of its obligations under the Contract.

### 5. DELIVERY

5.1 The Goods shall be delivered to the place named on, and in accordance with, the Purchase Order. Delivery shall be completed when the Goods have been unloaded at the point of delivery specified in the Purchase Order and delivery has been accepted by the Purchaser or its authorised representative. Any access to premises and any labour and equipment that may be provided by the Purchaser in connection with delivery shall be provided without acceptance by the Purchaser of any liability whatsoever or howsoever arising and the Supplier shall indemnify and keep indemnified the Purchaser in respect of any actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the Purchaser may suffer or incur as a result of or in connection with any damage or injury (including death) occurring in the course of delivery or installation to the extent that any such damage or injury is attributable to any act, omission or negligence of the Supplier or any of its sub-contractors.

5.2 Where any access to the premises is necessary in connection with delivery or installation, the Supplier and its sub-contractors shall at all times comply with the reasonable requirements of the Purchaser's authorised representative.

5.3 The time of delivery shall be of the essence for the purposes of the Contract and failure to deliver by the Delivery Date shall enable the Purchaser (at its option) to release itself from any obligation to accept and pay for the Goods and/or to cancel all or part of the Goods under the Purchase Order, in either case without prejudice to its other rights and remedies.

5.4 The Supplier's failure to effect delivery on the Delivery Date specified shall entitle the Purchaser to purchase substitute Goods and to hold the Supplier accountable for any and all loss and/or additional costs incurred as a result of such failure.

5.5 Failure by the Purchaser to exercise its options under Conditions 5.3 and/or 5.4 in respect of any part of a Purchase Order shall not be deemed to constitute a waiver with respect to any subsequent part of that Purchase Order.

5.6 Unless otherwise stated in the Purchase Order, the Supplier is responsible for obtaining and the cost of all the export and import licences for the Goods, and in the case of the Goods supplied from outside the UK, the Supplier shall ensure that accurate information is provided to the Purchaser as to the country of origin and the Supplier shall be liable for additional duties or taxes should the country of origin prove to be different to the one stated.

### 6. OWNERSHIP AND RISK

Ownership and risk in the Goods shall without prejudice to any of the rights or remedies of the Purchaser (including the Purchaser's rights and remedies under Condition 8 below) shall pass to the Purchaser on delivery.

### 7. DAMAGE IN TRANSIT

7.1 On despatch of any consignment of the Goods, the Supplier shall send to the Purchaser at the address for delivery of the Goods, an advice note specifying the means of transport, the place and date of

despatch, the number of packages and their weight and volume.

7.2 The Supplier shall, free of charge and as quickly as possible, either repair or replace (as the Purchaser shall elect in its sole discretion) such of the Goods as may either be damaged in transit or having been placed in transit fail to be delivered to the Purchaser provided that:

7.2.1 in the case of damage to such Goods in transit the Purchaser shall within thirty (30) days of delivery give notice to the Supplier that the Goods have been damaged; and

7.2.2 in the case of non-delivery the Purchaser shall (provided that the Purchaser has been advised of the despatch of the Goods) within ten (10) days of the notified date of delivery give notice to the Supplier that the Goods have not been delivered.

### 8. INSPECTION, REJECTION AND GUARANTEE

8.1 Nothing contained in these Conditions shall in any way detract from the Supplier's obligations under common law or statute or any express warranty or condition contained in the Purchase Order.

8.2 The Supplier shall permit the Purchaser or its authorised representatives to make any inspections or tests it may reasonably require in relation to the Goods and the Supplier shall afford all reasonable facilities and assistance free of charge at the Purchaser's premises. The Supplier shall make good any defects or deficiencies in the event of any failure (in the sole opinion of the Purchaser) to comply with the terms of the Purchase Order or the Contract. No failure to make a complaint at the time of such inspection or tests and no approval given during or after such tests or inspections shall constitute a waiver by the Purchaser of any rights or remedies in respect of the Goods.

8.3 The Purchaser may by written notice to the Supplier reject any of the Goods which fail to meet the requirements in the Contract. Such notice shall be given within a reasonable time after delivery to the Purchaser of the relevant Goods. If the Purchaser rejects any of the Goods pursuant to this Condition 8.3, the Supplier shall at the Purchaser's sole option (without prejudice to its other rights and remedies) either:

8.3.1 repair the defective Goods as quickly as possible or (as the Purchaser shall elect in its sole discretion) replace the defective Goods with Goods which comply in all respects with the requirements under the Contract; or

8.3.2 refund to the Purchaser the Price in respect of the defective Goods.

8.4 The Supplier shall guarantee the Goods for a period of twelve (12) months from installation or eighteen (18) months from delivery, whichever shall be the shorter (subject to any alternative guarantee arrangements agreed in writing between the Purchaser and the Supplier). If the Purchaser shall, within such guarantee period or within thirty (30) days thereafter, give notice in writing to the Supplier of any defect in any of the Goods that have arisen during the guarantee period under proper and normal use, the Supplier shall (without prejudice to any of the Purchaser's other rights and remedies) as quickly as possible remedy such defects (whether by repair or replacement as the Purchaser shall elect in its sole discretion) without cost to the Purchaser.

8.5 Any Goods rejected or returned by the Purchaser pursuant to this Condition 8 shall be returned to the Supplier at the Supplier's risk and expense.

### 9. LABELLING AND PACKAGING

9.1 The Goods shall be packed and marked in a proper manner and in accordance with the Purchaser's instructions and any statutory requirements and any requirements of the carriers. In particular the Goods shall be marked with the Order Number, the net, gross and the weights, details of the contents shall be clearly marked on each container and all containers of hazardous goods (and all relating documents) shall bear prominent and adequate warnings. The Supplier shall indemnify and keep indemnified the Purchaser against all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the Purchaser may suffer or incur as a result of or in connection with any breach of this Condition 9.1.

9.2 All packaging materials will be considered non-returnable and will be destroyed unless the Supplier's advice note states that such materials will be charged for unless returned. The Purchaser

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- accepts no liability in respect of the non-arrival at the Supplier's premises of empty packages returned by the Purchaser.
10. **INTELLECTUAL PROPERTY**
- 10.1 Except to the extent that the Goods are supplied in accordance with designs provided by the Purchaser, it shall be a condition of the Purchase Order that none of the Goods will infringe any patent, trade mark, design right (whether registered or not), copyright or any other right in the nature of intellectual property of any third party and the Supplier shall indemnify and keep indemnified the Purchaser against all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the Purchaser may suffer or incur as a result of or in connection with any breach of this Condition 10.1.
- 10.2 All materials, equipment, software, inventions, specifications, instructions, plans or any form of intellectual property right in any of the foregoing ("**Intellectual Property**"):
- 10.1.1 furnished to or made available to the Supplier by the Purchaser pursuant to the Purchase Order are hereby assigned to and shall remain vested solely in the Purchaser; and
- 10.1.2 the Supplier shall not (except to the extent necessary for the implementation of the Purchase Order) without prior written consent of the Purchaser, use or disclose any such Intellectual Property or any information (whether or not relevant to the Contract) which the Supplier may obtain pursuant to the Contract and in particular (but without prejudice to the generality of the foregoing) the Supplier shall not refer to the Purchaser or the Contract in any advertisement without the Purchaser's prior written agreement.
11. **HEALTH AND SAFETY**
- 11.1 The Supplier represents and warrants to the Purchaser that the Supplier has satisfied itself that:
- 11.1.1 all necessary tests and examinations have been made or will be made prior to delivery of the Goods to ensure that the Goods are designed, manufactured, supplied and installed so as to be safe and without risk to the health or safety of persons using the same; and
- 11.1.2 that it has made available to the Purchaser adequate information about the use for which the Goods have been designed and have been tested and about any conditions necessary to ensure that when put to use the Goods will be safe and without risk to health.
- 11.2 In any event, the Supplier will comply with the duties imposed on it by the Health & Safety at Work etc Act 1974 or any amendment thereto and of all other statutory provisions, rules and regulations so far as they are applicable. The Supplier shall indemnify and keep indemnified the Purchaser against any and all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the Purchaser may suffer or incur as a result of or in connection with any breach of this Condition 11.
12. **INDEMNITY AND INSURANCE**
- 12.1 Without prejudice to any rights or remedies of the Purchaser (including the Purchaser's rights and remedies under Condition 8 above) the Supplier shall indemnify and keep indemnified the Purchaser against any and all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the Purchaser may suffer or incur as a result of or in connection with any damage to property or in respect of any injury (including death) to any person which may result directly or indirectly from any defect in the Goods or the negligence, acts or omissions of the Supplier or any of its employees, agents or sub-contractors.
- 12.2 The Supplier shall take out and maintain with a reputable insurance company a policy or policies of insurance that are normal for contracts of this nature and covering all the matters which are the subject of indemnities under these Conditions.
- 12.3 The Supplier shall at the request of the Purchaser produce the relevant policy or policies together with receipts or other evidence of payment of the latest premium.
- 12.4 The Supplier shall be liable under the provisions of the Contract (including Condition 12.1) whether or not it complies with the insurance provisions in this Condition 12.
- 12.5 Nothing in these Conditions or the Contract shall exclude or limit the liability of either party for death or personal injury caused by its negligence or for fraudulent misrepresentation.
13. **CONFIDENTIALITY**
- 13.1 The Supplier shall and shall ensure that its staff shall keep secret and do not disclose any information of a confidential nature obtained by reason of the Contract except information which is in the public domain otherwise than as required to be by reason of a breach of this Condition 13 or disclosed by law.
- 13.2 The provisions of this Condition 13 shall apply during the continuance of the Contract and after its termination howsoever arising without limitation in time.
14. **TERMINATION**
- 14.1 In the event of a material breach of the Contract by either party, the non-breaching party may terminate the Contract with immediate effect by notice in writing.
- 14.2 The Purchaser may terminate the Contract with immediate effect by notice in writing to the Supplier if at any time:-
- 14.2.1 the Supplier passes a resolution that it be wound-up or that an application be made for an administration order or the Supplier applies to enter into a voluntary arrangement with its creditors;
- 14.2.2 a receiver, liquidator, administrator, supervisor or administrative receiver be appointed in respect of the Supplier's property, assets or any part thereof;
- 14.2.3 the court orders that the Supplier be wound-up or a receiver of all or any part of the Supplier's assets be appointed;
- 14.2.4 the Supplier is unable to pay its debts in accordance with Section 123 of the Insolvency Act 1986;
- 14.2.5 the Supplier (being an individual or partnership) is declared or adjudicated bankrupt or enters into any arrangement or composition with its creditors;
- 14.3 The Purchaser may, at any time, terminate the contract for convenience and in doing so will compensate the Supplier for any reasonable costs incurred in respect of the contract, prior to cancellation by the Purchaser;
- 14.4 Nothing in this Condition 14 shall affect the coming into, or continuance in force of any provision of the Contract which is expressly or by implication intended to come into force or continue in force upon termination of the Contract.
15. **ASSIGNMENT AND SUB-CONTRACTING**
- 15.1 The Supplier shall not without the prior written consent of the Purchaser assign or transfer the benefit or burden of the Contract.
- 15.2 No sub-contracting by the Supplier shall in any way relieve the Supplier of any of its responsibilities under the Contract.
- 15.3 Where the Purchaser enters a sub-contract with a supplier or contractor for the purpose of performing the Contract, it shall cause a clause to be included in such sub-contract which requires payment to be made to the supplier or contractor within a specified period not exceeding thirty (30) days from receipt of a valid invoice as defined by the sub-contract requirement.
16. **NOTICES**
- Any notices to be given under the Contract shall be delivered personally or sent by post or by electronic transmission to the Purchaser or to the address set out in the Purchase Order (in the case of the Supplier). Any such notice shall be deemed to be served, if delivered personally, at the time of delivery, if sent by post, 48 hours after posting or, if sent by electronic transmission, 12 hours after proper transmission.
17. **THIRD PARTY RIGHTS**
- The Contract is not intended to create any rights of any kind whatsoever enforceable by any person who is not a party to the Contract, including any rights enforceable under the Contracts (Rights of Third Parties) Act 1999.
18. **SEVERABILITY**
- If any provision under this Contract is or becomes unenforceable, such provision shall not take effect and shall be deemed to be severed from the remainder of the Contract to the extent that the remainder of the Contract and the unaffected part of the provision shall continue to be fully enforceable.
19. **WAIVER**
- No delay or omission by the Purchaser in exercising any of its rights under the Contract shall constitute a waiver of that right and any partial exercise of any such right shall not prevent any future exercise of the right.
20. **LAW AND JURISDICTION**
- The Contract and any dispute arising under or in any way connected with the subject matter of the Contract (whether of a contractual or tortious nature or otherwise) shall be governed by and interpreted in accordance with English Law and the parties submit to the jurisdiction of the Courts of England & Wales.