

Terms and Conditions of Purchase (Goods and Services)



1. Definitions

In these Conditions:

Buyer means the person responsible for the issue of a valid CED Fabrications Ltd Purchase Order (PO).

Contractor means the Supplier of Goods or Services to CED Fabrications Ltd.

Contract means the contract between the Buyer and the Contractor consisting of the Purchase Order, these conditions and any other documents (or parts thereof) specified in the Purchase Order.

Goods means anything supplied or to be supplied to CED Fabrications Ltd whether raw materials, processed materials or fabricated products.

Purchase Order means the buyer's purchase order which specifies that these conditions apply to it.

Services means any Service(s) provided or to be provided to CED Fabrications Ltd.

2. Law

The Contract shall be governed by English Law and in accordance with all applicable UK legislation (e.g. the Sale of Goods Act, WEEE Directive).

3. Variation to CED Fabrications Ltd Terms and Conditions of Purchase

These Terms and Conditions of Purchase may only be varied following receipt of a written confirmation of the variation from a Director.

4. Conditions for the Supply of Goods

The Contractor shall supply the goods specified in the Purchase Order. All Goods shall be delivered, carriage paid, in accordance with agreed lead times, to the Purchase Order delivery address specified. Delivery is to be made between 7.30am and 5.30pm Monday to Thursday or between 7:30am to 3:30pm on Friday (unless otherwise agreed). A delivery note (goods receipt) must accompany the Goods. If Goods are incorrectly delivered the Contractor will be held responsible for any additional expense incurred in delivering them to their correct destination.

5. Acceptance of Goods

Goods may be returned at the Contractor's expense if they do not correspond with the contract. Any variation to the agreed delivery dates, amount or quality of the Goods must be notified to the Buyer with all possible speed. The Buyer shall confirm agreement or rejection of the variation in writing. Until the Buyer has confirmed his/her instructions they shall be deemed not to have been given.

In the case of Goods delivered by the Contractor not conforming with the Contract whether by reason of deliveries not received against agreed delivery date, quantity or part-shipment or quality not stipulated or being unfit for the purpose for which they are required the Buyer shall have the right to reject such Goods within a reasonable time of their delivery and to purchase elsewhere as near as practicable to the same Contract specifications and conditions as circumstances shall permit but without prejudice to any other right which the Buyer may have against the Contractor.

Before exercising the right to purchase elsewhere the Buyer shall give the Contractor a reasonable opportunity to replace rejected Goods with Goods which conform to the contract. The making of payment shall not prejudice the Buyer's right of rejection. Any inspection, checking, approval or

acceptance given on behalf of the Buyer shall not relieve the Contractor or his sub-contractor from any obligation under the Contract.

6. Conditions for the Supply of Services

The Contractor shall perform the services specified with all reasonable skill, care and diligence and in accordance with all applicable legislative and statutory requirements. Any variation to the amount or quality of the Service(s) must be notified to the Buyer with all possible speed. The Buyer shall confirm agreement or rejection of the variation in writing. Until the Buyer has confirmed his instructions they shall be deemed not to have been given.

7. Acceptance of Services

In the case of Services performed by the Contractor not conforming with the Contract whether by reason of being a quality not stipulated or being unfit for the purpose for which they are required, the Buyer shall have the right to reject such Services within a reasonable time of their performance and to purchase a Service elsewhere as near as practicable to the same Contract specifications and conditions as circumstances shall permit but without prejudice to any other right which the Buyer may have against the Contractor.

Before exercising the right to purchase elsewhere the Buyer shall give the Contractor a reasonable opportunity to improve the Service with that which conforms to the contract. The making of payment shall not prejudice the Buyer's right of rejection. Any inspection, checking, approval or acceptance given on behalf of the Buyer shall not relieve the Contractor or his sub-contractor from any obligation under the Contract.

8. Invoices and Payment

CED Fabrications Ltd payments are via BACS on the 20th of each month (e.g. June invoices pay 20th August, July invoices pay 20th September) subject to receipt of a valid accurate invoice. The invoice must clearly show a valid CED Fabrications Ltd Purchase Order number, along with any quotation or contract references. It must also show VAT separately and include the contractor's VAT registration number and payment details.

9. Loss or Damage

The Contractor shall, without delay and at his own expense, reinstate, replace or make good to the satisfaction of CED Fabrications Ltd or, if CED Fabrications Ltd agrees compensate CED Fabrications Ltd for any loss or damage connected with the execution of the Contract, except to the extent that such loss or damage is caused by the neglect or default of CED Fabrications Ltd.

'Loss or damage' includes: loss or damage to property or personal injury to, the sickness or death of any person; loss of profits or loss of use suffered as a result of contractor's sub-standard product or services. The Contractor shall further be liable in damages (if any) in respect of each Purchase Order

10. Insurance

The Contractor shall hold all relevant insurances applicable to the contract

11. Warranty

The Contractor shall as soon as reasonably practicable repair or replace all Goods which are or become defective during the period of warranty or in accordance with the Sale of Goods Act (as amended) This includes but is not limited to the Contractor's erroneous instructions as to use or erroneous use of data or inadequate or faulty materials or workmanship or any other breach of the Contractor's warranties expressed or implied. Repairs and replacement shall themselves be subject to the same warranty as the original Goods.

12. Sub-Contracting and Assignment

The Contractor shall not sub-contract or transfer, assign, charge, or otherwise dispose of the Contract or any part of it without the prior written consent of CED Fabrications Ltd. Where the Contractor enters into a Contract with a Supplier or Sub-Contractor for the purpose of performing the Contract or any part of it, he shall cause a term to be included in such Contract which requires payment to be made by the Contractor to the Supplier or Sub-Contractor within a period not exceeding 30 days from receipt of a valid Invoice.

13. Health and Safety

The Contractor shall ensure that any of his staff (or those of his subcontractor) who have access to or are employed on CED Fabrications Ltd's premises are made aware of and comply with CED Fabrications Ltd's Health and Safety and Security procedures at all times.

14. Intellectual Property Rights

Subject to any prior rights of the Contractor, and to the rights of Third Parties or of CED Fabrications Ltd arising otherwise than under this Contract, all Intellectual Property Rights, including Copyright, resulting from this Contract shall vest in and be the absolute property of the CED Fabrications Ltd.

Any specifications, plans, drawings, process information, patterns or designs supplied by the Buyer to the Contractor in connection with the Contract shall remain the property of the Buyer, and any information derived there from or otherwise communicated to the Contractor in connection with the Contract shall be kept secret and shall not, without the consent in writing of the Buyer, be published or disclosed to any third party, or made use of by the Contractor except for the purpose of implementing the Contract. Any specifications, plans, drawings, process information, or designs supplied by the Buyer must be returned to the Buyer on fulfilment of the Contract.

The Contractor warrants that neither the sale nor the use of the Goods nor the use of Purchase Order(s) shall infringe any patent copyright or name design (whether registered or not) or any other industrial or intellectual copyrights shall indemnify and hold CED Fabrications Ltd harmless from all actions, claims, costs, demands and liabilities whatsoever resulting from the aforementioned.

15. Free Issue Materials

Where the Buyer for the purposes of the Contract issues materials 'free of charge' to the Contractor such materials shall be and remain the property of the Buyer. The Contractor shall maintain all such materials in good order and condition subject, in the case of tools and equipment and the like, to fair wear and tear. The Contractor shall use such materials solely in connection with the Contract. Any surplus materials shall be disposed of at the Buyer's discretion. Waste of such materials arising from bad workmanship or negligence of the Contractor shall be made good at the Contractor's expense.

16. Trading Ethics

The Contractor shall not receive or agree to receive from any person or offer or agree to give to any person, or procure for any person, any gift or consideration of any kind as an inducement or reward for doing or not doing anything, or for showing favour or disfavour to any person or Company in relation to the Contract.

17. Supplier Evaluation

The Contractor shall have procedures for and shall actively participate in Supplier Evaluation and continuous performance improvement initiatives.

18. Environmental Requirements

The Contractor shall supply the Goods or provide the services in accordance with CED Fabrications Ltd's Environmental Policy, which is to conserve energy and natural resources, reduce waste, phase out the use of ozone-depleting substances and minimise the release of greenhouse gases, or any other substances damaging to health and the environment. Use of recycled packaging materials should be made where so ever possible.

The Contractor shall comply with all relevant environmental legislations.

19. Hazardous Goods

Hazardous Goods must be marked by the Contractor with Danger Symbol(s) and display the name of the material in English. Transport and other documents must include declaration of the hazard and name of the material in English. Goods must be accompanied by emergency information in English in the form of written instructions labels or markings. The Contractor shall observe the requirements of UK and International Agreements relating to the packing labelling and carriage of Hazardous Goods. All information held by or reasonably available to the Contractor regarding any potential hazards known or believed to exist in the transport, handling or use of the Goods supplied shall be promptly communicated to the Buyer.

20. Cancellation

Neither party shall be liable for failure to perform its obligations under the Contract if such failure results from circumstances which are beyond the party's reasonable control. Otherwise if the Contractor fails to fulfil his obligations under the Contract, CED Fabrications Ltd may cancel the Contract forthwith and recover any costs from the Contractor.

Whenever under the Contract any sum or sums of money shall be recoverable from or payable by the Contractor to CED Fabrications Ltd, the same may be deducted from any sum then due, or which at any later time may become due, to the Contractor under the Contract or under any other Contract with CED Fabrications Ltd.

CED Fabrications Ltd reserves the right to cancel the whole or part of the contract at any time. CED Fabrications Ltd reserves the right to direct the Contractor to cease all work connected with the Contract. Where CED Fabrications Ltd has invoked either of these rights, the Contractor may claim "reasonable" costs necessarily and properly incurred, excluding loss of profit. For the avoidance of doubt the Contractor's claim under this condition may not exceed the total cost of the Contract.

21. Bankruptcy or Liquidation

CED Fabrications reserves the right to cancel the contract by notice in writing without compensation to the Contractor if a voluntary arrangement is proposed or approved or an administration order is made or receivership or administrative receiver or liquidator is appointed over the Contractor's assets or undertaking or winding-up resolution or petition is passed.

CED Fabrications Ltd requires the Goods that have been paid for and are held or stored at the Contractor's premises to be returned or delivered to Company's premise.