

U K - N S I C o . L t d .
 Driver Information Systems

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**UK-NSI LIMITED
 CONDITIONS OF PURCHASE**

Supplier	
Supplier Name	
Registered office address	
Name of Representative	

The documents selected below are either attached to this front sheet or have been made available to you on our website at <http://www.uk-nsi.co.uk/website> and form part of the contract between you and us:

- Purchase Order
- Supplier quality standard
- Tooling agreement
- Contractor rules and conditions (including our Health and Safety policy)
- Confidentiality agreement
- Request for quotation
- Quotation analysis form
- Packaging and delivery terms
- Specification
- Material control schedule
- Special conditions (at Schedule 1 of these conditions)

In agreement with these Conditions of Purchase, this Contract (incorporating such of the documents above as are ticked and the terms and conditions overleaf) has been executed by the parties on the date written below.

SIGNED for and on behalf of
SUPPLIER

Signature:

Name:

Position:

Date:

TERMS AND CONDITIONS

1. DEFINITIONS

“Confidential Information”	means any and all information acquired by you about our business and/or given by us to you and/or generated by you from our Confidential Information;
“Contract”	means any contract between us and you incorporating these conditions of purchase;
“Contractor Rules and Conditions”	means the document supplied to you by us and/or accessible on our website entitled “Contractor Rules and Conditions” and any amendments to the document made available by us to you;
“Developments”	means any improvements, inventions, discoveries, amendments, enhancements, adaptations, alterations, reworks, revision, modifications, adjustments, corrections, editions, variations, improvements made to the Intellectual Property Rights in the Equipment by you, any agreed sublicensee of yours or any third party under a contract with you originates, conceives, designs, draws, writes, makes, develops or improves at any time during the Contract;
“Equipment”	means tooling, jigs, tools, dies, patterns, designs, components and materials we provide to you;
“Force Majeure Event”	means any occurrence which hinders, delays or prevents a party in performing any of its obligations under the Contract which is beyond the control of, and without the fault or negligence of, such party and which by the exercise of reasonable diligence it is unable to prevent or provide against including but not limited to war, civil war, act of God, fires, flood, strikes and lock-outs (excluding those of your employees, agents or sub-contractors), insurrection or riots or embargoes;
“Front Sheet”	means the front sheet of this Contract;
“Goods”	means any products and/or items being sold by you to us;
“IMDS”	means the International Material Data System;
“Intellectual Property Rights”	means any patent, copyright, database right, design right (registered and/or unregistered), trade mark (registered and/or unregistered), know how, Confidential Information or other industrial or intellectual property right and any associated eye and/or machine readable material relating to them, or part of them, subsisting anywhere in the world whether in existence at the date of the Contract or arising after the date of the Contract, all rights to apply for the same and all rights of action with regard to any infringement of such rights which occurs prior to the date of the Contract and any application for any of the foregoing;
“Know How”	means our, or our customers’, know how, methodologies and expertise which is relevant to the Goods, Tooling or Equipment or their design, manufacture, production or assembly and which is not publicly known and which has been devised or developed by us or acquired by us;
“Purchase Order”	means any order we place with you;

“REACH”	means European Community regulation EC 1907/2006 regarding the registration, evaluation and authorisation of chemicals and any amending legislation;
“RoHS”	means the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2006 (SI 2006/1463) and any amending legislation;
“Special Terms”	means the additional conditions attached as Schedule 1 of these conditions;
“Supplier Profile”	means the supplier profile document in our standard form supplied to you by us;
“Supplier Quality Standard”	means the document supplied to you by us and/or accessible on our website entitled “Supplier Quality Standard” and any amendments to such documents made by us;
“Tooling”	means the tooling you manufacture for us in accordance with the Contract;
“Tooling Agreement”	means the agreement, if any, between us and you in respect of tooling;
“we, us, our”	means UK NSI (Company Number 02141243) whose registered office is at Merse Road North Moons Moat, Redditch, Worcestershire, B98 9HL;
“WEEE Regulations”	means the Waste Electrical and Electronic Equipment Regulations 2006 (SI 2006/3289) and any amending legislation; and
“you, your, yourself”	means the supplier named on the Front Sheet.

2. THE CONTRACT

- 2.1 A contract between you and us shall be formed between us by your acceptance of our Purchase Order. Purchase Orders shall be subject to these conditions whether or not this is expressly stated.
- 2.2 The Contract shall be governed by these terms and conditions to the exclusion of any other terms or conditions and shall have incorporated into it any document selected on the Front Sheet.
- 2.3 In the event of any conflict between these conditions and any terms in the documents referred to at clause 2.2, the conditions in such documents shall prevail.
- 2.4 Any express or implied acceptance of the Purchase Order shall be unconditional acceptance of the Purchase Order and these conditions irrespective of whether such acceptance purports to impose new conditions. Delivery of the Goods requested in a Purchase Order shall be implied acceptance of the Purchase Order.
- 2.5 No variation of the Purchase Order shall be binding upon us unless agreed by us in writing by a duly authorised representative.
- 2.6 Unless you have our prior written consent you shall not exceed any quantity specified in the Purchase Order or supply any Goods which are of a different design or which are made by a different process from the design or process contained in the documents incorporated in the Contract.
- 2.7 If a Purchase Order for Goods is delivered in instalments the Contract will be treated as a single contract and will not be severable.
- 2.8 If the Goods are to be utilised in connection with another contract between us and a third party then the terms and conditions of such third party contract shall form part of the Contract except to the extent that the terms of such third party contract conflict with these conditions in which case, these conditions shall prevail.

- 2.9 You will at our request complete the Supplier Profile and notify us in writing of the full names and addresses of your proprietor or proprietors including all partners of your business or, if you are a limited company, the full name of the company and your registered office and the trading name or names used by you to the extent that such information is not included on the Front Sheet. You will immediately inform us in writing of any change to such information.

3. RISK AND TITLE

- 3.1 The Goods shall be at your risk until acceptance by us in accordance with clause 5.4.
- 3.2 Title to Goods ordered will pass to us upon the earlier of delivery, any advance payment or progress payment is made by us or the Goods are appropriated to the Contract. In such circumstances, title, but not the risk, in any Goods purchased or allocated by you for the purpose of the Contract shall immediately vest in us and upon termination of the Contract we shall be entitled to enter upon your premises and collect such Goods.
- 3.3 All goods and equipment supplied by us to you for the purposes of manufacture, processing, repair or storage shall not be removed from your premises without our prior written instructions except for the purpose of meeting your obligations under the Contract and title in such goods or materials shall not pass to you.

4. PACKAGING, CARRIAGE AND DELIVERY

- 4.1 Save where as otherwise provided for in the documents selected on the Front Sheet, the following clauses govern packaging, carriage and delivery of Goods.
- 4.2 All Goods must be delivered to us in the quantities and at the time specified by us on our delivery instructions which we shall send to you from time to time.
- 4.3 You may be required to deliver at any time of the day or night.
- 4.4 You will be fully responsible for ensuring that materials are ordered in time to meet the scheduled delivery times in our delivery instructions and if you fail to deliver all or any Goods within the time specified in any delivery instructions then (without prejudice to our other rights) we may reject or refuse delivery of all or any such Goods without liability to pay for any Goods not accepted by us.
- 4.5 You shall pay for all packing, carriage, duties, taxes and insurance unless otherwise agreed by us in writing.
- 4.6 All Goods must be accompanied by a detailed and prominent delivery note giving full particulars of the Goods supplied including our part number, date of manufacture, drawing issue level, batch number, quantity delivered, description of Goods and our order number.
- 4.7 All labels on cases of packages must have our order number and part number and quantity clearly shown and if requested by us, you will ensure that all Goods are supplied with barcode labels which meet our specification for the same.
- 4.8 Time for delivery is of the essence and time shall be of the essence for any extension of time for delivery agreed by us.
- 4.9 Goods shall be deemed delivered to us once Goods are completely off loaded at the address we specify for delivery and in accordance with all delivery instructions we give to you.

5. INSPECTION AND ACCEPTANCE

- 5.1 We do not inspect Goods on arrival at our factory because of the nature and quality of the goods that we purchase.
- 5.2 No such failure to inspect the Goods on delivery or any time thereafter (or actual inspection of any Goods at any time) or failure to reject any Goods shall constitute or imply acceptance of Goods by us or relieve you of any obligations in respect of the Goods.
- 5.3 We inspect the Goods when the Goods are used in our production processes at our premises or, in the case of non-production goods, when the Goods are used by us.
- 5.4 After we have inspected the Goods, we shall accept the Goods if they are used in our production processes or by us to our reasonable satisfaction.

- 5.5 We reserve the right to reject any Goods in whole or in part at any time where all or any part of an order of Goods fails to satisfy any of the conditions of the Contract including, but not limited to, specification, quality, quantity, materials, workmanship and/or design.
- 5.6 If the Goods fail to satisfy the conditions set out in clause 5.5, we shall notify you as soon as practicable. After such notification, we may require you to inform us immediately whether you will attend our premises to check the remainder of the order for defects or whether you wish to appoint a third party to carry out such inspection at your cost.
- 5.7 You or the third party you appoint shall carry out the inspection in accordance with clause 5.6 no more than 24 hours after we send you notification in accordance with clause 5.6.
- 5.8 If an inspection in accordance with clause 5.6 interferes with or stops our production, you shall compensate us in accordance with clause 29.1 and any provisions for compensation in the Contract between us and our customer relating to the Goods.

6. PAYMENT

- 6.1 Save as otherwise provided for in the documents selected on the Front Sheet we shall make payment to you in accordance with clauses 6.2 to 6.9 below.
- 6.2 We aim to pay invoices for Goods delivered 30 days from the last day of the month in which we receive the invoice.
- 6.3 We shall pay for Tooling in stages or by amortisation in accordance with the Tooling Agreement relating to such Tooling or, if there is no Tooling Agreement in place, in such stages or by amortisation as we consider appropriate.
- 6.4 We may withhold some of the total payment for Tooling due to you as set out in the Special Terms until we are satisfied that the Tooling is in working order and meets all specifications given by you.
- 6.5 Any invoices you send us must give full particulars of the Goods supplied including date of delivery, our part number, batch number, quantity delivered, description of Goods and our order number. If any of this information is not supplied we may not be able to process and pay the invoice.
- 6.6 We reserve the right to set off against any of your invoices any sums due or claimed by us from you.
- 6.7 In the event of late payment for whatever reason we shall be liable to pay interest to you at a rate of no more than 2% above the base rate from time to time of our Bank.
- 6.8 The interest in clause 6.7 shall be in substitution for any other right to interest or compensation for late payment which you may have, including under the Late Payment of Commercial Debts (Interest) Act 1998 or any other equivalent law and the parties agree that clause 6.7 constitutes a substantial remedy of late payment of any sum payable in accordance with the Contract for the purposes of Section 8(2) Late Payment of Commercial Debts (Interest) Act 1998.
- 6.9 You shall not have any lien over or a right to sell any of the Goods, Equipment, Tooling or any other property belonging to us which is in your possession or the possession of your sub-contractors or agents.

7. WARRANTY

- 7.1 You warrant, represent and guarantee that the Goods shall, from the date of the Purchase Order until the end of the warranty period specified by our end user customers, conform in every respect to any specification incorporated into the Contract which include, but are not limited to, specifications set out in the documents selected on the Front Sheet of these conditions and/or any tender and/or literature prepared by you in respect of the Goods, shall be fit for their purpose, shall be of satisfactory quality and free from defects in design, materials or workmanship and comply with any and all legal and/or regulatory requirements. We will provide you with details of such warranty periods upon request.
- 7.2 You shall replace at your own cost including carriage charges, any Goods in which any of the defects set out in clause 7.1 become apparent.

- 7.3 In the event that any claim is brought against us in respect of Goods supplied by you to us then you shall arrange for your staff to inspect the Goods (at our option either at our premises or another location specified by us) within 24 hours of us notifying you of the claim or such other period set out in any document incorporated into the Contract and provide us with any information and assistance reasonably required by us. Such information and assistance shall include copies of files, records and test data and access to the same to assist us in rejecting or remedying any such claim. We may at our option require you to rework or repair all Goods that are defective whether still in our possession or elsewhere.
- 7.4 You will at all times during the warranty period set out in clause 7.1 keep yourself adequately insured at a reputable insurance company against your liabilities under this clause and all other liabilities required by law.
- 7.5 Save where otherwise provided by documents selected on the Front Sheet, the provisions set out in clauses 7.1 to 7.4 and in clause 8 shall be deemed repeated in respect of the Tooling.

8. SERVICE SUPPORT AND SPARES

- 8.1 You shall ensure that you have the equipment and means to produce the Goods for a period of 15 years after the last day of production of the Goods or such other period as we from time to time notify you of.
- 8.2 You shall supply us with Goods at any time during the period set out in clause 8.1 at the same price and on the same terms as in the Contract pursuant to which the Goods were supplied in accordance with Purchase Orders previously sent to you.

9. INSTALLATION

- 9.1 Where in pursuance of the Contract you perform works at our premises, the following conditions shall apply.
- 9.2 You shall comply with, and you shall ensure that all your servants, agents and sub-contractors comply with all legislation and bye-laws and all of our regulations and rules relating to:
- 9.2.1 the carrying out of the works;
 - 9.2.2 the standard of the works; and
 - 9.2.3 the observance of standards of health, safety and hygiene.
- 9.3 Without prejudice to our rights to indemnity under clause 28, we reserve the right to remove or cause to be removed from our premises any person, object or substance who or which in our opinion constitutes a threat to the health and/or safety of persons on or adjacent to the premises.
- 9.4 Before commencing work at our premises, you shall sign a certificate provided by us certifying that you have been made aware of all of our company and site regulations and rules and Contractor Rules and Conditions and that you will abide by them and will ensure that your servants, agents and sub-contractors abide by them. Such regulations and rules may be made available to you on request
- 9.5 You shall insure against such risks and in such terms as we may reasonably direct.
- 9.6 You shall ensure all products or materials used in supplied products conform to applicable regulatory requirements of the UK and EU.

10. TOOLING

- 10.1 Save where stated in documents selected on the Front Sheet of these conditions, the following clauses 10.2 to 10.24 apply in the event that any Purchase Order includes an order for the manufacture of Tooling.
- 10.2 We shall pay for Tooling in accordance with clause 6.
- 10.3 You shall supply us with prototype and sample Tooling if required by the Purchase Order, within the timescales notified by us to you.

- 10.4 The term "Goods" used in clauses 1 to 9, 11 to 30 and schedule 1 of these conditions shall, where appropriate, include Tooling. Save where otherwise provided by documents selected on the Front Sheet of these conditions, you shall provide the warranties set out at clause 7 in respect of the Tooling.
- 10.5 We agree that our Purchase Order must include the following information:
- 10.5.1 whether the cost of the Tooling will be amortised and if so the number of units over which it will be amortised;
 - 10.5.2 whether the cost of the Tooling will be a fixed price and if so the terms of payment;
 - 10.5.3 details of the parts which the Tooling will be used to manufacture;
 - 10.5.4 our requirement for the production of prototypes and samples;
 - 10.5.5 a time scale for the production of the Tooling (including if appropriate prototypes and samples); and
 - 10.5.6 capacity of the Tooling.
- 10.6 You will during the manufacture of the Tooling keep us fully informed of progress and exercise due and proper skill and care in the manufacture of the Tooling and comply with all our reasonable requests and allow us and our customers access to any premises where Tooling is located. In addition, you agree that whether or not the Tooling Agreement is ticked on the Front Sheet, if requested by us you will complete the tooling plan contained in the Tooling Agreement within 7 days of our request.
- 10.7 You warrant, guarantee and represent that for the [life of the relevant part] the Tooling shall conform in every respect to any specification incorporated into the Contract and shall be fit for its purpose, of satisfactory quality and free from defects in design, materials or workmanship and comply with any and all legal and regulatory requirements.
- 10.8 You will keep all materials of whatever nature relating to the Tooling under your exclusive control and unencumbered possession free of all charges liens and other encumbrances.
- 10.9 You will not use the Tooling for any purposes other than production of Goods for us.
- 10.10 You will store the Tooling free of charge and take all due care of the Tooling and keep it safe and insure it.
- 10.11 You will be responsible for monitoring the wear and tear of the Tooling and at your own cost be responsible for maintaining and promptly refurbishing and repairing the Tooling including general servicing and maintenance of the Tooling.
- 10.12 In the event that the Tooling needs replacing or refurbishing or rebuilding as a result of fair wear and tear then the cost of such work will (subject to any agreement otherwise) be your responsibility.
- 10.13 In the event that we ask you to make any alteration to the Tooling then such alteration will be carried out at our cost.
- 10.14 You shall notify us no more than 7 days after notification in accordance with clause 10.12 if you consider that the works set out at clause 10.12 need to be carried out due to fair wear and tear.
- 10.15 The parties shall have no more than 7 days after notification in accordance with clause 10.13 to attempt, in good faith, to reach an agreement regarding which party shall pay for the works.
- 10.16 If the dispute referred to in clause 10.14 is not resolved within the time limits set out in clause 10.14, either party may request that the dispute be referred to an independent expert. If the parties are unable to agree the identity of the independent expert within 5 days of the expiry of the period set out in clause 10.14 then on the application of either party an expert shall be nominated by the Centre for Dispute Resolution.
- 10.17 The parties agree that the decision of the expert to whom a reference is made under clause 10.15 shall be final and binding on the parties. The independent expert shall act as an expert and not as arbitrator.

- 10.18 Each party shall provide the expert to whom a reference is made under clause 10.15 with such information as the expert reasonably requires for the purposes of his determination.
- 10.19 The costs of the reference to an expert shall be borne in the first instance equally between the parties. The expert will in his decision determine the liability for such costs as between the parties, which decision shall be final and binding on the parties.
- 10.20 You acknowledge and agree that we or our customers are the owner of the Tooling and all Intellectual Property Rights in it. Intellectual Property Rights in the Tooling are subject to the provisions of clause 16.
- 10.21 You shall have no lien, right of set off or counterclaim in respect of the Tooling and you will deliver up possession of the Tooling to us or provide us with access to your premises for us to collect the Tooling immediately upon our demand. Redelivery of the Tooling to us will not affect any right of action accruing to us at that time.
- 10.22 You shall fix such identification plates or make such markings on the Tooling as we require, such plates or markings to be as set out in Schedule 2 or as we instruct and you shall ensure that all identification plates fixed to the Tooling remain in place.
- 10.23 You warrant and represent to us that the Tooling will be suitable for producing the number of parts as set out in our Purchase Order before it requires rebuilding or refurbishment.
- 10.24 You shall at our request at anytime destroy the Tooling and provide us with such evidence of such destruction as we require.

11. EQUIPMENT

- 11.1 Equipment supplied by us for use in connection with the Contract:
- 11.1.1 shall be at your risk from the time it leaves our premises until it is returned to us;
 - 11.1.2 shall not be used by you except in connection with the Contract;
 - 11.1.3 shall be preserved under such conditions of secrecy as we may prescribe;
 - 11.1.4 shall be returned to us on termination of the Contract or on our demand; and
 - 11.1.5 shall remain our property.
- 11.2 You will not use the Equipment for any purposes other than production of Goods or Tooling for us.
- 11.3 You will store the Equipment free of charge and take all due care of the Equipment and keep it safe and insure it.
- 11.4 You will be responsible for monitoring the wear and tear of the Equipment and at your own cost be responsible for maintaining and promptly refurbishing and repairing the Equipment including general servicing and maintenance of the Equipment.
- 11.5 In the event that the Equipment needs replacing or refurbishing or rebuilding as a result of fair wear and tear then the cost of such work will (subject to any agreement otherwise) not be your responsibility unless such replacing or refurbishment or rebuilding is needed within the life of the Equipment as set out in our Purchase Order or material control schedule.
- 11.6 In the event that we ask you to make any alteration to the Equipment then such alteration will be carried out at our cost but in the event that the Equipment needs replacing or refurbishing or rebuilding as a result of any cause other than fair wear and tear, then the cost of such work will be carried out at your cost.
- 11.7 We shall notify you if we consider that the replacement, refurbishment or rebuilding is a result of anything other than fair wear and tear.
- 11.8 The procedure for resolving disputes set out in clauses 10.14 to 10.19 above shall be followed after notice in accordance with clause 11.7 where necessary.
- 11.9 You acknowledge and agree that we are the owner of the Equipment and of all Intellectual Property Rights in it. Intellectual Property Rights in the Equipment are subject to the provisions of clause 16.

- 11.10 You shall have no lien, right of set off or counterclaim in respect of the Equipment and you will deliver up possession of the Equipment to us or provide us with access to your premises for us to collect the Equipment immediately upon our demand. Redelivery of the Equipment to us will not affect any right of action accruing to us at that time.
- 11.11 You shall fix such identification plates or make such markings on the Equipment as we require and you shall ensure that all identification plates fixed to the Equipment remain in place.
- 11.12 You shall at our request at anytime destroy the Equipment and provide us with such evidence of such destruction as we require.

12. PERSONNEL

- 12.1 You shall ensure all of your personnel are sufficiently qualified and experienced in order for you to comply with the Supplier Quality Standard and you agree to promptly supply all evidence of this that we request including but not limited to training records.

13. SUB CONTRACTORS

- 13.1 You shall obtain our prior written permission to sub-contracting any of your obligations under the Contract.
- 13.2 Even where you sub-contract the whole or any part of your obligations under the Contract, having obtained the written consent in accordance with clause 13.1, you shall procure the sub-contractor's written consent to abide by the terms of the Contract and you shall remain liable in the event of the subcontractor's default under this Contract.
- 13.3 You shall procure the sub-contractor's written consent to comply with TS16949 and ISO14001.
- 13.4 You shall ensure that the sub-contractor provides us with access to the sub contractor's premises upon our written request.

14. CHANGES

- 14.1 We may at any time make changes in writing relating to the Contract including changes in the drawings or specification of the Goods. If any such changes requested by us result in an increase in cost then we may adjust the price and you shall be obliged to provide the Goods in any event according to our delivery instructions.
- 14.2 You shall use your best endeavours to mitigate the loss suffered by you as a result of [run-outs or] design changes and in such event our liability to you will be limited to a sum, if any, equal to the contract price for finished Goods which would, but for such run-out/design change, have been deliverable against the first two weeks of the delivery schedule in force when the run-out/design change is advised to you plus a sum, if any, equal to the agreed cost for semi-finished Goods, components and raw materials which would, but for such run-out/design change have been deliverable against the next two weeks of the delivery schedule.
- 14.3 You shall inform us immediately if any modification affecting the performance, appearance, function, durability or other essential specified characteristics of the Goods or any associated Tooling is found necessary during manufacture or commissioning and such modification must be set out in revised drawings submitted to us immediately. We shall not be obliged to accept any modification unless we have agreed to do so in writing.

15. COSTDOWN

- 15.1 It is our policy not to accept price increases but to expect annual reductions in prices and we expect you to provide costs and price reductions for improvements in value analysis and value engineering as set out in the Special Terms. You will make available to us in confidence all records and information required by us to establish your costs and overheads in relation to the production of Goods.

16. INTELLECTUAL PROPERTY RIGHTS

- 16.1 Any specification supplied by us to you or produced by you for us in connection with the Contract, together with all Intellectual Property Rights in the Goods, whether existing now or in the future, wherever existing in the world, together with the right to apply for protection of the same in the

specification, shall be owned exclusively by us absolutely except where otherwise provided in our contract with our customer in which case such contract will govern ownership of such rights.

- 16.2 The title to Equipment shall remain in us or our customer and we may retake possession of the Equipment at any time without prior notice and we are granted by you irrevocable authority to enter upon your premises where our Equipment or those of our customer are located to take possession of them.
- 16.3 You shall procure your agents' and subcontractors' written consent to us entering upon their premises pursuant to clause 16.2.
- 16.4 You warrant, guarantee and represent that all and any Intellectual Property Rights in any and all Goods and Tooling does not infringe any Intellectual Property Rights of any third party and undertake to indemnify us and keep us indemnified against all claims, judgements, decrees, orders, damages, costs and expenses arising from actual or alleged infringements of the same by you.
- 16.5 You shall not apply to register any Intellectual Property Rights in relation to the Goods, Equipment or Tooling.
- 16.6 In consideration of £1 paid by us to you (of which you acknowledge receipt) you shall assign to us with full title guarantee any and all existing and future rights, title and interest in any and all Intellectual Property Rights in the Goods or Tooling and Developments as you and/or your employees, agents and/or subcontractors may have or acquire in the same absolutely.
- 16.7 You agree that, at your cost, you will do all acts and execute all documents which are necessary or desirable to give effect to clause 16.6 above and/or to assist us or our customer in the application, registration, renewal and/or protection of any such Intellectual Property Rights.
- 16.8 To the extent that any of the Intellectual Property Rights assigned under clause 16.6 are not wholly and/or validly assigned, you shall hold the rights on a bare trust for our full and exclusive benefit.
- 16.9 You shall waive unconditionally, irrevocably and absolutely all and any moral rights now or in the future vested in or associated with the Intellectual Property Rights in the Goods or Tooling, in accordance with the Copyright Designs and Patents Act 1988 and/or any other legislation anywhere in the world.
- 16.10 We grant you a non-exclusive, non-transferable, revocable license, or sub-license where appropriate, to use the Intellectual Property Rights in the Goods and Equipment solely to fulfil your obligations under this Contract.
- 16.11 You may only sub-license the Intellectual Property Rights in the Goods and Tooling with our prior written consent from time to time as to the terms, scope and form of such sub-license.
- 16.12 Any and all Developments will belong to and be owned by us absolutely.
- 16.13 Any Development shall be:
 - 16.13.1 disclosed immediately by you to us and otherwise maintained in strict confidence; and
 - 16.13.2 assigned by you to us in accordance with clause 16.6.
- 16.14 To the extent that any of the rights to be assigned under clause 16.13.2 above are not wholly and/or validly assigned, you shall hold them on bare trust for our full and exclusive benefit.
- 16.15 You shall at our request and at our cost:
 - 16.15.1 execute any further documents and/or deeds and do any such things as we may require to enable to us to secure the delivery of information and the benefit of the rights assigned or held on trust in accordance with clauses 16.13 and 16.14; and/or
 - 16.15.2 take such action as we may reasonably require to assist us in bringing or defending any proceedings relating to the Intellectual Property Rights in the Equipment.
- 16.16 You agree to procure that all of your employees, agents and subcontractors waive, unconditionally, irrevocably and absolutely in favour of us and our permitted assigns and licensees any and all moral rights in the Developments and in or associated with any Intellectual Property Rights in the

Goods Equipment or Tooling in accordance with the Copyright Designs and Patents Act 1988 and/or any other legislation anywhere in the world.

17. FORECASTING

- 17.1 The following clauses govern the forecasts you shall provide us with during the Contract save as otherwise provided for in documents incorporated into the Contract.

(To be filled out for each Supplier individually)

18. CONFIDENTIAL INFORMATION

- 18.1 If the confidentiality agreement is selected on the Front Sheet of these conditions, the terms of the confidentiality agreement between us and you shall form part of the Contract.
- 18.2 You shall not (without our prior written consent) use and/or disclose Confidential Information and/or Know How received or acquired by you or Intellectual Property Rights in relation to the Goods or Tooling without our prior written consent provided always that this restriction shall not apply to any information:
- 18.2.1 which at the time of disclosure is in the public domain or which becomes public after disclosure otherwise than through your actions; and/or
 - 18.2.2 which you can show to have been in your possession prior to disclosure under the Contract or any other contract between us.
- 18.3 You shall not (without our prior written consent) advertise, publicise, market or otherwise promote your business with reference to us or the subject matter of the Contract.

19. EXCLUSIVITY

- 19.1 During the course of the Contract or for a period of 5 years starting on the date the Purchase Order was accepted, whichever is the shorter period, you shall not without our prior written consent and that of our customer, where required by the contract between us and our customer, directly and/or indirectly:
- 19.1.1 sell or supply to or manufacture for any third party Goods or Tooling, or parts of the same; and/or
 - 19.1.2 sell or supply to or manufacture for any third party any goods or tooling, or parts of the same, which are similar to the Goods and/or Tooling.

20. HEALTH AND SAFETY AND QUALITY ASSURANCE

- 20.1 Any Goods supplied to us shall be formulated, designed, constructed, finished and packaged as to be safe and without risk to health and all Goods will be supplied with full instructions for their proper use maintenance and repair and with any necessary warning notices clearly displayed.
- 20.2 You shall comply with all relevant health and safety legislation, and provide us with all information we reasonably request from you in order to satisfy our own obligations under health and safety legislation.
- 20.3 You shall produce the Goods and/or perform works at our premises in accordance with our Contractor Rules and Conditions and other instructions from time to time notified to you.
- 20.4 You shall maintain quality control and supplier quality assurance standards in respect of the Goods in accordance with the requirements of statute and regulatory bodies, and/or our Supplier Quality Standard.
- 20.5 You will maintain detailed quality control and manufacturing records for the period of at least 15 years from the date of supply of Goods.
- 20.6 You shall acquaint yourself with the purposes for which the Goods supplied are to be used.

21. ENVIRONMENTAL, WEEE REGULATIONS, REACH AND RoHS REGULATIONS

- 21.1 You shall at all times use processes and materials to minimise pollution and other environmental disturbances to manufacture the Goods. you shall not use either in the Goods or within any process connected with their manufacture any lead, chlorofluorocarbons, cadmium, asbestos or any other deleterious substances specified by us from time to time unless prior written authority for their use is given by us.
- 21.2 In recognition of you and us agreeing that the Goods constitute WEEE (at the relevant time) under the WEEE Regulations, you agree as follows:
- 21.2.1 to must comply at your own cost with any collection or disposal obligations you have in accordance with regulation 9(1)(b) of the WEEE Regulations; and
- 21.2.2 to provide us with the WEEE producer registration number (as defined in the WEEE Regulations) in respect of the Goods falling under clause 21.2.
- 21.3 You shall dispose of Goods constituting WEEE under the WEEE Regulations at our request at your own cost.
- 21.4 You shall comply with any relevant obligations you have under any other environmental legislation to include but not limited to your obligations under RoHS and REACH and any amending legislation and provide us with all information we reasonably request from you in order to satisfy our own obligations such legislation.
- 21.5 You shall comply with TS16949 and ISO14001 at all times during the Contract.
- 21.6 You shall provide us with all IMDS information as requested directly onto the relevant website within our request timescales.
- 21.7 You shall provide us with access to information in respect of the manufacturing processes, raw materials and logistics used to provide us with the Goods within 7 days of receiving such a request from us to enable us to respond to ecological assessments carried out by our customers.

22. CUSTOMER CARE

- 22.1 You shall attend meetings at your cost between us and our customers at our request.
- 22.2 You shall ensure that any representative who attends meetings in accordance with clause 22.1 has sufficient knowledge of the Contract to participate in the meeting.
- 22.3 You shall procure your agents' and sub-contractors' consent to attend meetings between us and our customers at our request and at their own cost.

23. ELECTRONIC DATA INTERCHANGE

- 23.1 You shall meet our electronic data interchange requirements as requested and pursuant to any written instructions sent to you by us from time to time.

24. SOCIAL RESPONSIBILITY

- 24.1 You shall comply with all relevant legislation in respect of social responsibility to employees and society to include, but not limited to, the Directives of the UN Initiative Global Compact and the rights approved by the International Labour Organisation.

25. BRIBERY AND CORRUPTION

- 25.1 You shall not offer, give or agree to give to any third party any gift or consideration of any kind as inducement or reward for doing or forbearing to do or for having done or forborne from doing any action in relation to the Contract.
- 25.2 We may terminate the Contract if we consider that you are in breach of clause 25.1 and you shall indemnify us in accordance with clause 29.

26. DISPUTE RESOLUTION

- 26.1 If a dispute arises between you and us in relation to the operation or interpretation of the Contract, we will attempt, in good faith, to reach settlement as soon as possible by way of a meeting between representatives of both parties.

- 26.2 You agree to any customer to which the Contract relates being present at a meeting arranged pursuant to clause 26.1.
- 26.3 You shall arrange for your subcontractors to attend a meeting at a venue of our choice, arranged pursuant to clause 26.1 at their own cost if required by us.
- 26.4 The parties acknowledge and agree that the dispute resolution procedure set out in clause 26.1 will be followed prior to commencing any legal proceedings except nothing in clause 26.1 shall prevent us from seeking interim injunctive relief from a court of law.

27. TERMINATION

- 27.1 We may terminate the Contract in respect of all or part of the Goods by giving notice to you at any time up to 7 days before the due date for delivery without any liability to you.
- 27.2 We may immediately terminate the Contract by written notice to you if:
- 27.2.1 you breach a term of the Contract;
 - 27.2.2 you persistently breach one or more terms of the Contract;
 - 27.2.3 performance of the Contract is prevented by a Force Majeure Event;
 - 27.2.4 you come under the ownership or control of a direct competitor of ours;
 - 27.2.5 you cease to or threaten to cease to carry on business;
 - 27.2.6 you are declared or become insolvent or bankrupt or a moratorium is declared in respect of any indebtedness of your business, you enter into administration, receivership, administrative receivership or liquidation or threaten to do any of these things, you take or suffer any similar action in any jurisdiction or any step is taken (including, without limitation, the making of an application or the giving of any notice) by you or by any other person in respect of any of these circumstances; or
 - 27.2.7 you appear reasonably to be about to suffer any of the events set out in clauses 27.2.
- 27.3 Without prejudice to our rights to terminate the Contract under clauses 27.1 and 27.2 and such rights as we may have at general law to determine the contract, we may by written notice at any time summarily terminate the contract.
- 27.4 On termination the following provisions shall apply:
- 27.4.1 you shall use your best endeavours to mitigate the loss suffered by you as a result of termination of the Contract and, without prejudice to mitigating your loss, you shall comply with our reasonable directions as to disposal of finished and semi-finished goods, components and raw materials, as to the termination of your liability under relevant sub-contracts and as to the insurance and return to us of finished and semi-finished Tooling, Tooling samples and Tooling prototypes.
 - 27.4.2 If the Contract is terminated in accordance with clause 27.3 due to a design change or run out, we shall pay to you such sum, if any, as equals the contract price for finished goods which would, but for such run-out/design change, have been deliverable against the first two weeks of the delivery schedule in force at the date of determination plus such sum, if any, as equals the agreed cost for semi-finished goods, components and raw materials which would, but for such run-out/design change have been deliverable against the next two weeks of the delivery schedule.

28. LIMITS ON LIABILITY

- 28.1 Each of the exclusions and/or limitations on our liability in these conditions shall apply to liability for breach of contract, liability in tort (including negligence), liability for breach of statutory duty and liability to breach of common law and/or under any other legal basis.
- 28.2 Nothing in this Contract shall exclude or limit our liability for death or personal injury due to our negligence or any liability which is due to our fraud or any other liability which we are not permitted to exclude as a matter of law.

29. INDEMNITY

- 29.1 You will indemnify us and keep us indemnified against any and all losses, damages, customer lineside costs, warranty costs, awards, costs (including legal costs), expenses, claims, consequential losses (including without limitation any costs, penalties liquidated damages or fixed amounts for loss of manufacturing time), goods inwards costs or production line costs, damage or injury to any person or property however arising, incurred by us or claimed from us by any third party in connection with:
- 29.1.1 any act and/or omission by you or your servants, agents or sub-contractors which is in breach of the Contract, in breach of contract, in breach of any tortious duty of care and/or in breach of any statutory duty;
 - 29.1.2 any defects in the Goods and/or the Tooling;
 - 29.1.3 the conditions of premises, vehicles, plant tools and materials (whether or not owned, possessed or controlled by us) used by you, your servants, agents or sub-contractors; and/or
 - 29.1.4 your failure, or the failure of any of your servants, agents or sub-contractors, to comply with such regulations and standards or as a result of any other act or neglect by you, your servants, agents or sub-contractors.
- 29.2 You shall insure yourself against potential liability for defective products under all relevant product liability legislation.

30. GENERAL

- 30.1 No extension of time or other consideration granted by us shall in any way affect our rights or your obligations under the Contract.
- 30.2 No waiver by us of any breach of the Contract by you shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 30.3 If any provision of these conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these conditions and the remainder of the provision in question shall not be affected.
- 30.4 All third party rights are excluded and no third party shall have any right to enforce the Contract and/or any part of it. This shall not apply to any members of our group and our customers who shall, subject to our consent, maintain their third party rights. Any rights of a third party to enforce the Contract and/or part of it may be varied and/or extinguished by written agreement between the parties.
- 30.5 The Contract shall be deemed to have been made in England and shall be governed by and interpreted in accordance with English Law. The parties agree to submit to the non-exclusive jurisdiction of the courts of England.

SCHEDULE 1
SPECIAL TERMS

1. PAYMENT

2. COSTS

3. FORECASTING

4. INDEMNITY CAP

- 4.1 Your total liability to us under clause 29 shall not exceed **[£ [] or []%** of **[the amount payable by us under the Contract]**.

SCHEDULE 2

PLATE STYLE

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