

General Terms and Conditions of HAHN Automation Limited for Purchase

Standard Terms and Conditions of Purchase

“Contract” means the contract for the provision of goods and services comprising of these conditions and the purchase order;

“Goods” means the goods specified in the purchase order and all other goods and materials supplied by supplier to purchaser pursuant to carrying out the contract; “insolvency event” means becoming bankrupt, going into liquidation, suffering the appointment of a receiver, failing to pay debts as they become due or making any arrangement with creditors;

“Losses” means all losses, liabilities, claims, actions, damages, proceedings, demands, costs, charges and expenses;

“Order” means the purchase order placed by the purchaser for the supply of goods on these conditions and includes all specifications issued pursuant thereto;

“Price” means the price of the goods and/or the services;

“RFQ” or “request for quotation” means the document issued by the purchaser to the supplier prior to placement of the order and containing a description or drawings of goods and details (if any) of their manufacture and performance;

“Purchaser” means HAHN Automation, registered number 4628123; “services” means the services supplier will perform pursuant to the order;

“Supplier” means the person, firm or company to whom the order is addressed; “HAHN Automation “ means collectively purchaser, its ultimate holding company and all other companies directly or indirectly owned or controlled by that ultimate holding company.

1. Terms apply

- 1.1 Unless otherwise expressly agreed in writing these are the only conditions upon which the purchaser is prepared to purchase the goods detailed in the order.
- 1.2 All terms or conditions proffered by the supplier are hereby excluded. No variation to these conditions shall be effective unless agreed in writing signed by an authorised person on behalf of the purchaser. Acceptance of the supplier’s conditions of sale or any other terms inconsistent herewith shall not be implied from any act, omission or series of acts or omissions on the part of the purchaser.
- 1.3 Incoterms (2000 edition) shall apply to contracts with non-uk resident suppliers.
- 1.4 No variations of any contract term shall be effective unless in writing and signed by purchaser.

2. Obligations of Supplier

- 2.1 Supplier undertakes, warrants and represents that the goods shall: (a) conform to the quantities and specifications in the contract and any samples, prototypes or other trial goods delivered to purchaser prior to commencement of supply; (b) be of satisfactory quality free from all defects; (c) be fit for the express or implied purpose for which supplied; (d) be supplied with all necessary instructions and training materials and, if required by purchaser, a certificate of conformity showing the goods conform to the specifications; (e) be packaged and delivered in accordance with any purchaser delivery and format requirements and so that the goods reach their destination in good condition; and (f) comply with all applicable laws, regulations and standards in the countries where supplied including those relating to manufacture, supply, delivery and use.
- 2.2 Supplier undertakes, warrants and represents in relation to the services that: (a) it shall perform the services using all reasonable skill, care and diligence in accordance with good industry practice; (b) the services, and the manner in which it supplies them, shall comply with the contract and all applicable laws, regulations and

standards in the territories of supply; (c) the services shall be fit for the express or implied purposes for which supplied; (d) it and its employees and subcontractors shall obey all reasonable directions of purchaser; (e) it shall keep itemised written records of all the time spent and all expenses incurred.

- 2.3 The warranties in conditions 2.1(a), (b) and (c) and 2.2(a), (b) and (c) shall apply for two years from the date of delivery to purchaser's end customer, notwithstanding that the goods may be incorporated into other products.
- 2.4 Supplier shall during the contract co-operate in all matters with purchaser and shall provide all access to premises, staff, data and facilities (including inspection of the manufacture of goods and provision of services) as reasonably required by purchaser to carry out the contract and the rights under it. no inspection shall remove purchaser's rights or supplier's obligations under this contract.
- 2.5 Supplier shall ensure it and its employees and subcontractors have the skill and expertise required to carry out the services to the standards and timings required. in addition, supplier shall ensure that while at any HAHN Automation premises its employees and subcontractors shall obey the HAHN Automation health, safety and security policies. purchaser may exclude any person from its premises for any actual or threatened breach of these policies.
- 2.6. Any breach by supplier of condition 2 constitutes a material breach of the contract. in addition to purchaser's rights under condition 12 purchaser shall be entitled to: (a) require supplier to remedy the breach at its cost; (b) have the breach remedied and charge supplier for all related costs of doing this; (c) reject the goods (and any further deliveries), require supplier to immediately collect the goods (or pay for their return) and require supplier to supply replacement goods; or (d) require supplier to repay all amounts paid by purchaser for the defective goods/services.

3. Inspection and Testing

- 3.1 Prior to delivery, the supplier shall test goods for conformity with the order. the purchaser relies on the supplier's skill and judgement in assessing quality and fitness for purpose. the supplier shall on request provide the purchaser free of charge with evidence and results of testing.
- 3.2 The purchaser's authorised representatives may upon seven days' notice to the supplier have access to monitor the progress of work by the supplier or subcontractors on an order and may attend and observe testing of and inspect goods but such attendance shall not constitute the purchaser's acceptance of goods.

4. Delivery

- 4.1 Date and time of delivery shall be of the essence of the contract. the supplier shall notify the purchaser forthwith of any likely delays.
- 4.2 The purchaser shall be entitled at its absolute discretion to defer delivery without any liability for storage or other charges from the supplier. in such case goods shall not be invoiced until three months has elapsed from deferment date, after which goods shall be invoiced in full.
- 4.3 Goods found on delivery not to conform with the rfq or order or to be damaged or defective may be returned to the supplier within a period of twelve months after delivery at the supplier's risk and expense.
- 4.4 The supplier shall at the purchaser's sole option either supply replacements or remedy such defects or damage to the purchaser's reasonable satisfaction. the making of payment shall not prejudice the purchaser's rights under this condition.
- 4.5 The supplier's failure to adhere to any provision of the contract, or offer and fail to adhere to a corrective action plan shall entitle the purchaser at its sole option at any time after the date for performance or delivery to treat the contract as repudiated in whole or in part (without prejudice to any other rights it may have) and the purchaser shall not be prejudiced by any delay in exercising such option or any indulgence granted to the supplier.

4.6 If the contract provides for delivery by instalments the purchaser shall be entitled to default in delivery of one instalment as breach of contract (without prejudice to any of its other rights and remedies).

5. Risk and Title

5.1 Title to the goods shall pass to purchaser upon the earlier of delivery or payment for the goods.

5.2 Risk in the goods shall remain with supplier until completion of delivery. supplier shall insure the goods accordingly.

6. Price

6.1 The price shall be the amount set out in the contract and shall include all taxes, duties and other costs (including the cost of delivery) but shall exclude vat. any expenses included in the price must be reasonable, charged at cost and approved by purchaser in advance.

6.2 No variation to the price is valid without purchaser's written consent.

7. Payment

7.1. All invoices must include the purchaser's purchase order number, job number and job description.

7.2 Subject to condition 7.1, payment shall be made by purchaser by the end of the month following the month of issue of supplier's invoice or completion of all of supplier's obligations under the contract to the satisfaction of purchaser, whichever is later. the currency of payment shall be as stated in the purchase order.

7.3 Payment by purchaser shall be without prejudice to any claims or rights which purchaser may have against supplier and shall not constitute any admission by it of supplier's performance of its contractual obligations. prior to making any payment, purchaser shall be entitled to make deductions or deferments from the payments in respect of any disputes or claims with supplier, whether under the contract or otherwise.

8. Warranty

8.1 Unless otherwise agreed and in the absence of any other period agreed between the parties the purchaser may, within a period of twelve months following acceptance of the goods return the goods to the supplier, in the event of the discovery of a defect which arises from defective workmanship, design or material or which represents a non-conformity with the purchaser's order.

8.2 The purchaser shall return the goods as soon as reasonably practical and at the risk and expense of the supplier. the supplier shall repair or replace the goods free of charge without delay and the balance of the above-mentioned period at the time of defect shall recommence upon acceptance of the replacement goods.

9. Intellectual Property

9.1 All confidential information, materials and IPR supplied by purchaser belong to the HAHN Automation . supplier shall not use or have any rights in them other than to perform the contract.

9.2 All IPR created during or arising from the carrying out of the contract (other than IPR created by supplier prior to the commencement of the contract or developed independently of the materials and the HAHN Automation 's IPR) shall be immediately assigned with full legal title to purchaser. this IPR includes all IPR created for supplier by any of its employees, subcontractors or third parties in performing the contract. without charge supplier will procure all documents are signed and all necessary actions are taken to perfect HAHN Automation 's full legal title in the IPR and where any compensation is payable to an employee or third party for that IPR, such payment shall be made by supplier.

9.3 Supplier shall notify purchaser of all IPR created and immediately pass it to purchaser on request.

9.4 Supplier warrants to the HAHN Automation that all IPR created in carrying out the contract is the original work of it or its employees or agents and the use of this IPR does not and will not infringe any third party's IPR.

9.5 Supplier grants, and shall procure all third parties grant, the HAHN Automation a perpetual worldwide royalty

free licence to use any IPR of supplier or a third party contained in the goods and shall indemnify the HAHN Automation for all costs in relation thereto.

10. Termination

- 10.1 Either party may terminate the contract (and any other unperformed contracts with the other party) upon giving seven days' written notice if the other materially or consistently breaches the contract.
- 10.2 Purchaser may terminate or suspend the contract: (a) immediately if supplier suffers (or purchaser believes is likely to suffer) an insolvency event, either party undergoes a material change in its management, ownership or control, or a defect in the goods or services results in a recall of purchaser products; or (b) at any time subject to at least 7 days' notice.
- 10.3. Conditions 9, 11, 12 and 13 shall survive the contract's expiry or termination.

11. Confidentiality

- 11.1 Supplier shall keep strictly confidential all confidential information, materials and IPR belonging to the HAHN Automation , and shall impose the same obligations on its employees and subcontractors. supplier may disclose confidential information if required to do so by law, court order, regulation or governmental authority provided (to the extent permissible by law) it has notified purchaser in advance and agreed the scope of the disclosure with purchaser.

12. Liability

- 12.1 Supplier shall indemnify and hold harmless purchaser from: (a) all losses arising out of supplier's negligence or breach of the contract; (b) all losses arising from the automatic transfer of employment of supplier's and its subcontractor's employees to purchaser or any third party on the expiry or termination of the contract including, in relation to the employees: (i) all liabilities in respect of their employment before or after the expiry or termination of the contract and (ii) the costs of terminating their employment and any claims arising therefrom; and (c) purchaser being liable for any income tax, employer or employee social security contributions and/or any other taxes in respect of supplier, its employees or subcontractors together in each case with any interest, fines or penalties thereon.
- 12.2 Save for the wilful or deliberate breach of its obligations under the contract or, as set out above, neither party shall be liable for any consequential or indirect loss or damage.

13. Law

- 13.1 The order shall be deemed to have been placed in England and the construction, validity and performance thereof shall be governed by English Law with the English Courts having exclusive jurisdiction.
- 13.2 The provisions of the contracts (rights of third parties) act 1999 shall not apply to this order the supplier shall observe and ensure that the articles to be supplied conform to statutory regulations, orders and directives in force at the time of delivery.
- 13.3 If at any time any question, dispute or difference arising under or in relation to this contract shall arise between the parties they shall attempt to resolve the same by using an alternative dispute resolution ("ADR") procedure agreed between the parties. the costs and fees associated with such ADR procedure shall be paid equally by the parties.
- 13.4 In the event that the parties cannot agree on a suitable ADR procedure within six weeks of the original notification of the matter, or if the said question, dispute or difference cannot be resolved by the ADR procedure, then such question, dispute or difference shall be submitted to the exclusive jurisdiction of the courts of england for resolution.

