

MPSI TERMS AND CONDITIONS OF PURCHASE



MPSI
INTELLIGENT SOLUTIONS

All goods and services purchased by MPSI Limited are subject to the following conditions:-

1 Definitions

1.1 In these Terms:

“**COMPANY**” means **MPSI LIMITED**;

“**SUPPLIER**” means any supplier of goods or services to the Company;

“**GOODS**” means any goods or service supplied or to be supplied by a Supplier to the Company;

“**CONTRACT**” means the contract between the Company and the Supplier consisting of the Purchase Order, these conditions and any other documents (or parts thereof) specified in the Purchase Order;

“**ORDER**” means the company’s Purchase Order to which these conditions are annexed.

1.2 A reference in these Terms to a provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.3 The headings in these Terms are for convenience only and shall not affect their interpretation.

2 Conditions:

2.1 The Order constitutes an offer by the company to purchase goods subject to these conditions.

2.2 These conditions shall apply to the Contract for the purchase of Goods placed by the Company with the Supplier and shall prevail over any Terms and Conditions contained in or referred to in the Suppliers quotation or acceptance of order or correspondence or elsewhere.

2.3 The Order will lapse unless unconditionally accepted by the Supplier in writing within 7 days of its date.

2.4 No addition or variation of or exclusion or attempted exclusion of the Order or in respect of and all or part of these conditions shall be binding upon the Company unless in writing and signed by a duly authorised representative of the Company.

2.5 No other conditions shall apply to the Contract except as agreed by the Company in writing.

2.6 Goods supplied before a Purchase Order shall have been placed or before acknowledgement by the Supplier shall be subject to these conditions.

3 Price:

3.1 All prices shall be as stated in the Order and no increase shall be permitted unless agreed by the Company in writing.

3.2 All prices included in scheduled Orders, commonly based upon an annual agreement will remain fixed for the duration of the annual agreement except for the betterment of pricing and predetermined pricing reviews.

3.3 No price increase will be permitted without the express authorisation in writing of the of the Company.

3.4 If no price is stated for an item the price of that item shall be the lowest price currently quoted or charged at the date of the Order by the Supplier for that item.

3.5 In no event shall the price be higher than the price most recently charged to the Company by the Supplier for that item.

3.6 All prices contained on the Order are fixed and inclusive of all charges for packaging, shipping, carriage, insurance and delivery together with all other charges, duties and taxes

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payable or leviable in respect of the Goods supplied under the Contract, unless specifically stated otherwise, and are not subject to adjustment.

4 Conformity:

All Goods supplied shall:~

4.1 Conform to the quantity and description contained within the Order.

4.2 Conform in all respects with the specifications and with any patterns, drawings, moulds or samples provided by the Company.

4.3 Conform to any quality standard as specified on the Order, that being ISO9000 by default or any relevant International Standard as specified.

4.4 Be fit for the purpose for which they are required.

5 Delivery and Packing:

5.1 In respect of all specified due dates in the Order time shall be of the essence.

5.2 The Supplier agrees to notify the Company immediately of any happening arising or anticipated to arise which may affect delivery schedules.

5.3 The Company shall be entitled to cancel the Order or any part thereof and/or claim reimbursement for all losses and expenses suffered in the event:~

5.3.1 The Supplier fails to supply Goods in accordance with the terms of the Order.

5.3.2 The Supplier fails to make progress with the Order so as to jeopardise the purpose of the Order.

5.4 All Goods must be delivered to the delivery address specified on the Purchase Order and must be adequately protected against damage or deterioration in transit and delivered carriage paid unless otherwise specified in writing by the Company.

5.5 All packages must be accompanied by an advice note. The advice note, invoices and all associated documentation must bear the Company's Order number and the Company reserves the right to refuse deliveries of Goods not so marked.

5.6 The Goods shall be at the Suppliers risk until delivered to the Company at the delivery address.

5.7 All containers and packing materials supplied by the Supplier shall be considered non-returnable.

5.8 Where the Company receives Goods as unexamined the Company's right subsequently to inspect the Goods and reject them if they do not comply with specifications or claim for shortage shall not be prejudiced.

5.9 Where Goods are rejected they will be returned at the Suppliers risk and expense.

6 Ownership:

6.1 Property in the Goods shall pass to the Company upon delivery unless payment for the Goods is made prior to delivery, when it shall pass to the Company once payment has been made and the Goods have been appropriated to the Contract. The passing of title shall not prejudice either the Company's right to reject for non-conformity with specification or any other rights that the Company may have under the Order.

6.2 All Goods so appropriated shall be adequately marked and recorded by the Supplier as being the property of the Company.

7 Rejection:

7.1 The Company may reject Goods which are not in accordance with the Contract and shall not be deemed to have accepted any Goods until the Company has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent. In such a case, if so required by the Company, the Supplier shall within reasonable time replace such rejected Goods with Goods which are in all respects in accordance with the Contract.

7.2 Any money paid by the Company to the Supplier in respect of any rejected Goods not so replaced by the Supplier together with any additional expenditure over and above the Contract price reasonably incurred by the Company in obtaining other Goods in replacement shall be paid by the Supplier to the Company.

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8 Free-Issue Materials:

- 8.1 Where the Company for the purposes of the Contract issues materials free of charge to the Supplier such materials shall remain the property of the Company.
- 8.2 The Supplier shall maintain all such materials in good order and condition.
- 8.3 The Supplier shall use such materials solely in conjunction with the Contract.
- 8.4 Any surplus materials must be returned to the Company (unless otherwise agreed in writing) and shall be disposed of only at the Company's discretion.
- 8.5 Damage or loss of free-issue materials arising from bad workmanship or negligence of behalf of the Supplier shall be made good at the Suppliers expense.
- 8.6 Without prejudice to any other rights of the Company, the Supplier will make available for audit and/or deliver up such materials whether further processed or not, to the Company on demand.

9 Tooling:

- 9.1 Where the Company for the purposes of the Contract pays the Supplier the whole or part of the cost of the provision of any tooling necessary for the performance of the contract the property in such tooling shall pass to the Company when the manufacture of such tooling is complete and it has been satisfactorily tested.
- 9.2 The Supplier shall maintain such tooling in good order and condition subject to fair wear and tear, and shall use such tooling solely in conjunction with the Contract.
- 9.3 The Supplier shall deliver up such tooling to the Company on demand and in the case of Insolvency or Bankruptcy on the part of the Supplier.

10 Payment:

- 10.1 Unless otherwise stated in the Order and/or specifically otherwise negotiated, payment will be made at the end of the month following that in which the Goods and invoice are received.
- 10.2 Value Added Tax, where applicable, shall be shown separately on all invoices as a strictly net extra charge.
- 10.3 The Company shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by the Supplier, whether or not shown on its own Terms and Conditions of sale.
- 10.4 Payment may be delayed (but no prompt payment discount, if applicable, shall be forfeited by the Company) in the event that the Supplier:-
 - 10.4.1 Fails to send a monthly statement of account quoting the invoice numbers applicable to each item on the Purchase Order.
 - 10.4.2 Fails to send on the day of despatch for each consignment appropriate advice of despatch and invoices.
 - 10.4.3 Fails to quote the Order number on correspondence and documents relating to the Order.
- 10.5 In no event shall the Company be liable for interest on the Purchase price.
- 10.6 The Company shall be entitled to set off against the Contract price any sums owed to the Company by the Supplier.

11 Progress, Inspection and Test:

- 11.4 The Company's representatives will be entitled to access to the Suppliers work or to the works of any of the Supplier's sub-contractors to inspect and test the Goods during manufacture process or storage and to assess progress towards meeting the delivery date.
- 11.5 The Supplier shall if requested by the Company give the Company reasonable notice of all tests and the Company shall be entitled to be represented at such tests.
- 11.6 Reasonable facilities shall be provided at the Suppliers expense for the Company's representative to inspect and test the Goods. Such inspection shall not relieve the Supplier of any liability nor shall it imply acceptance of the Goods by the Company.
- 11.7 If as a result of inspection or testing the Company is not satisfied that the Goods will comply in all respects with the Contract, and the Company so informs the Supplier within 7 days of inspection or testing the Supplier shall take such steps as are necessary to ensure compliance.

12 Assignment and Subletting:

- 12.1 The Supplier shall not assign or sublet all or any part of the Contract normally attributable to the Suppliers manufacture or supply without the Company's consent in writing.

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12.2 Every permitted assignment or subletting shall be made subject to the Contract.

12.3 The Supplier shall provide copy Orders of all permitted sublet work on the day following placing of such orders which must include the Company's Order number.

13 Development:

13.1 Where development forms part of the Order the ownership of any intellectual property arising from such developments shall be transferred to the Company as of the effective date of the Order and the Supplier shall co-operate in any measure necessary to make such transfer effective as soon as any such right arises.

14 Variations:

14.1 The Supplier shall not alter any of the Goods, except as directed in writing by the Company, but the Company shall have the right, from time to time during the execution of the Contract by notice in writing to direct the Supplier to add or omit, or otherwise vary, the Goods, and the Supplier shall carry out such variations and be bound by the same conditions, so far as applicable, as though the said variations were stated in the Contract.

15 Warranty:

15.1 The Supplier warrants to the Company that the Goods: ~

15.1.1 will be of merchantable quality and fit for any purpose held out by the Supplier or made known to the Supplier in writing at the time the Order is placed.

15.1.2 will be free from defects in design, material and workmanship.

15.1.3 will correspond with any relevant specification or sample; and

15.1.4 will comply with all statutory requirements and regulations relating to the sale of the Goods.

15.1.5 If within twelve months from the date of delivery of Goods the Company shall discover any fault therein not arising from a design made furnished or specified by the Company, or from improper use of the Goods by the Company, the Company shall have the option exercisable by notice in writing to the Supplier to require reimbursement of the price paid for the Goods or repair or replacement of the Goods or the carrying out of any other appropriate remedial work without cost to the Company within seven days.

15.1.6 The provisions of this condition shall apply to any Goods repaired or replaced or any remedial work carried out as aforesaid until the end of a period of twelve months from the date of such repair or replacement or other works.

15.1.7 Without prejudice to any other remedy if any Goods are not supplied or performed in accordance with the Contract then the Company shall be entitled at the Company's sole option and whether or not the Company has previously required the Supplier to repair the Goods or to supply any replacement Goods to treat the Contract as discharged by the Supplier's breach and require the repayment of any part of the price which has been paid.

16 Indemnity:

16.1 The Supplier will indemnify the Company in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Company as a result of or in connection with: -

16.2 Breach of any warranty given by the Supplier in relation to the Goods.

16.3 Any claim that the Goods infringe or their importation, use or resale, infringes the patent, copyright, design right, trade mark or other intellectual property rights of any other person, except to the extent that the claim arises from compliance with any specification supplied by the Company.

16.4 Any act or omission of the Supplier or its Employees, Agents, or subcontractors in supplying, delivering and installing goods; and

16.5 Any act or omission of any of the Suppliers personnel in connection with the performance of the Contract.

16.6 The Supplier will also keep the Company indemnified against: -

16.7 Any claim arising out of death or loss or injury caused to any person.

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16.8 Any claim arising out of damage to the property of any person by reason of the Suppliers negligence or any act or omission on the part of the Supplier, his employees, subcontractors or agents arising out of the performance of the Contract.

17 Suspension and Force Majeure:

17.1 In the event of any interruption of the Company's business due to circumstances beyond the Company's control such as but not limited to any industrial dispute, fire, explosion or accident which would prevent or hinder the use of Goods which are the subject of the Order the Company shall have the right to suspend the order until such circumstances have ceased.

18 Insolvency and Bankruptcy:

18.1 If the Supplier becomes insolvent or bankrupt or makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or being a company has an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction), the Company may, without prejudice to any of its other rights, terminate the Contract forthwith by notice to the Supplier.

19 Confidentiality:

19.1 The Supplier shall treat all information provided by the Company as confidential and use such information only for the purposes of performing completion of the Company's Order.

19.2 The Supplier shall exercise proper custody and control over drawings or other data issued to him and return or dispose of such in accordance with the Company's written instructions.

19.3 Prior written consent shall be obtained from the Company before any publicity is issued by the Supplier in connection with the Order.

20 Governing Law

All contracts made between the Buyer and the Seller shall be constructed in accordance with and governed in all respects by English Law and the Buyer agrees to submit to the exclusive jurisdiction of English Courts.

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