

Terms and Conditions

1. Definitions. In these conditions and related documentation associated with the Purchase Order the following definitions shall apply:

-“QTS” or “Buyer” shall mean QinetiQ Target Systems Ltd.

- “Purchase Order” or “Order” means the Purchase Order issued by “Buyer” to the Supplier for the supply of goods or services.

-“Supplier” shall mean the person, partnership, firm or company upon whom the Purchase Order is placed.

-“Goods” means all articles and materials to be supplied under the Purchase Order.

-“Services” means all services to be performed under the Purchase Order.

-“Order Conditions” means these general conditions, together with any special conditions detailed overleaf. The Order Conditions form an integral part of the Purchase Order, together with any special conditions of purchase which may accompany or be referred to on the Purchase Order and shall not be varied except by written agreement of “Buyer”

2. Conformity with Order. Goods and/or Services shall be supplied strictly in accordance with the Order Conditions. Without prejudice to the generality of the foregoing, the Supplier shall not vary the quantity or quality specified in the Order nor depart from the drawings and/or specifications identified by Order Conditions without the prior authorisation of QinetiQ Target Systems Ltd. on an official QinetiQ Target Systems Ltd. Purchase Order, via agreed concession or production permit action.

3. Offer and Acceptance. The Purchase order constitutes an offer on the part of the Buyer. Acknowledging receipt or beginning performance shall constitute acceptance by the Supplier of the Purchase Order and the Order Conditions. The rights of the Buyer and the Supplier shall be in addition to their rights and remedies at law.

4. Exclusion of other Terms. No conditions submitted or referred to by Seller when tendering shall form part of the Contract unless otherwise agreed in writing by Buyer. The Order Conditions shall override and take the place of any other terms and conditions in any document or other communications used by Seller in concluding the Contract with Buyer.

5. Waiver Failure Waiver failure by Buyer at any time to enforce any order conditions shall not be construed as waiver by buyer of such order conditions.

6. Delivery Title and Ride.

i) The Goods and/or Services shall be delivered suitably packed to the consignee and at the times stated in the Order Conditions at the risk and expense of the Supplier.

ii) All packages shall be clearly marked with the Suppliers name and the consignment address specified in the Purchase Order.

iii) Title to Goods shall vest in Buyer upon payment, and risk of loss of or damage to Goods shall pass to Buyer when delivered to the destination specified in the Purchase Order. Passing of title is without prejudice to any rights of rejection which may accrue to Buyer hereunder.

7. Price and payment.

i) Unless otherwise stated on the Purchase Order, prices shall be fixed and firm and inclusive of all taxes except VAT and shall include duties, packing and delivery of the Goods and/or Services to the destination specified in the Purchase Order.

ii) Without prejudice to its other rights, Buyer reserves the right to deduct from any payments due to the Supplier under this Purchase Order the amount of any bona-fide contra-accounts and/or other claims which Buyer may have against the Supplier in connection with this Purchase Order or any other Purchase Order.

iii) No payment will be made in respect of goods delivered other than against an official Purchase Order.

8. Invoices/Accounts/Release Notes.

i) Invoices shall be posted to the Buyer at the Ashford address overleaf, on the day on which Goods are dispatched or Services completed.

ii) Payment of Supplier’s invoices will be made 60 days following the date of delivery, or tax point date of invoice, whichever is the later; except where otherwise indicated in writing by Buyer. Also provided that such Goods or Services have been supplied in accordance with condition 2 (Conformity with Order) and the invoice is correct.

iii) Detailed advice Notes (Release Notes and Certificates of Conformity, where requested) stating the Purchase Order number and details of Goods or Services including drawings and specification number shall accompany all Goods forwarded to Buyer or nominated consignee.

9. Patents. The Supplier agrees to indemnify Buyer against any action, claim or proceeding relating to infringement or alleged infringement – whether by manufacture, use, sales or otherwise – of any patents, registered designs or other industrial or intellectual property right arising in connection with the supply of Goods or Services. This shall apply in all cases except where Goods or Services are manufactured to detailed drawings supplied by Buyer.

10. Design Rights and Copyright. If any Services or the production of any Goods involves research or development which is wholly or partly funded by Buyer then all rights in the results thereof and any IPSs will vest in Buyer.

11. Confidentiality

i) Except with the consent in writing of Buyer the Supplier shall not disclose any details of the Order or the Goods or Services to any person other than a person employed by the Supplier in the carrying out of the Order or any subcontractor of the Supplier accepting a like obligation, such disclosure shall be made in confidence and shall extend so far only as may be necessary for the purpose of the Order.

ii) All documents and information supplied by Buyer for the purposes of the Order shall remain the property of Buyer and shall be returned to Buyer on completion of the Order.

iii) Buyer shall have right to copy freely documentation supplied by the Supplier in connection with the Order where copyright is vested in the Supplier.

12. Publicity. The Supplier shall not refer to Buyers name, trademarks or products in connection with any publicity without prior written permission of buyer.

13. Free Issue Material.

i) Materials and any articles or materials manufactured or processed therefrom no matter at what stage of process supplied by Buyer to the Supplier shall vest in the property of Buyer, and shall be used in the execution of the Order and for no other purpose whatsoever.

ii) The Supplier shall inspect such free material on receipt and unless notice to the contrary is given to Buyer within 2 weeks of receipt it shall be deemed to have been received in good condition and quantities specified in the Buyer or any other consignor’s despatch note.

iii) The supplier shall be responsible for the safekeeping of all such free material and shall maintain the same in good order and condition. Any wastage of such free issue material arising from bad workmanship or negligence of the Supplier shall be made good at the Supplier’s expense.

iv) Following completion of the Goods or Services in respect of which the free issue material was issued the Supplier shall forthwith notify Buyer of the amount of any surplus material and shall dispose of the same in accordance with Buyer’s instructions.

14. Termination.

a) For Default. In the event of a breach or non-observance of the Order Conditions Buyer may give the Supplier written notice of such breach or non-observance and request this be rectified within 30 days. Should the Supplier fail to do this Buyer shall be entitled to inform the Supplier that the Order is terminated. Any excess costs resulting from termination shall be borne by the Supplier.

b) By Instruction. Buyer shall also have the power to terminate its liability under an Order at any time by giving two weeks notice in writing to the Supplier. In this event the Supplier shall stop work immediately and comply with any directions given by Buyer in connection with the Goods or Services Buyer undertakes to pay a fair and reasonable price for all work undertaken up to the time of the termination. Any Goods materials or components are covered by the above indemnity and shall become the property of Buyer and shall be delivered to Buyer by the Supplier in accordance with Buyer's instructions.

15. Force Majeure. Buyer reserves the right at any time, or from time to time to require the Supplier to suspend any delivery or deliveries under the Order, or the execution of any Services covered by the Order, to such extent and for such a period as in its absolute discretion it may consider expedient owing to any cause of whatsoever nature beyond the control of Buyer.

16. Lien. The Supplier shall not claim any lien attachment or similar claim in connection with the Goods, Services or free issue materials and shall fully and effectively indemnify Buyer against any and all liens, attachments or other similar claims, subcontractors or persons alleging to be subcontractors in connection with the Goods or Services to be furnished hereunder.

17. Licences and Permits. The Supplier shall at its own expense, be responsible for ensuring that all statutory licence, consents or permits required for the purpose of performance of the Purchase Order in its entirety have been obtained and shall furnish to Buyer upon request copies of any certification or other documents evidencing compliance with all relevant laws, ordinances and regulations.

18. Jigs and Tools.

i) Any jigs, tools, etc the cost of which is borne by Buyer, whether by separate charges or by inclusion in the price of the work, will become the property of Buyer and shall be maintained in good condition and available for disposal as Buyer may direct.

ii) It shall be the responsibility of the Supplier to ensure that all forms of measuring equipment supplied by Buyer in aid of the Order shall be maintained, controlled and calibrated using standards whose accuracy is traceable to National or International standards. All standards used in the calibration system shall be supported by certificates attesting to the date, accuracy and conditions under which the results were obtained.

19. Indemnities. The Supplier shall at all times indemnify and hold Buyer harmless against any claims, demands, actions proceedings and costs arising from the execution of the Order by the Supplier resulting from any injury, loss or damage to persons or property however caused, or consequential losses occasioned by Buyer, Buyer's customer or customers as a result of the supplier's non-performance of the Order.

20. Rejection and Defects.

i) The provision of this clause shall apply in addition to and without prejudice to any other of Buyer's rights hereunder, whether express or implied.

ii) Buyer reserves the right to reject and return to the Supplier at the Supplier's expense the whole or part of any consignment if any proportion, percentage or sample taken from any consignment does not conform with the requirements of the Order or is not fit for purpose.

iii) Unless otherwise instructed, the Supplier shall without delay and without charge to Buyer replace such rejected Goods with Goods which in all respects conform with the Order Conditions.

iv) If within a period of 12 months or less from receipt or acceptance whichever is the later, Buyer gives written notice of any defect in the Goods or Services performed which arises from faulty design, materials or workmanship, Buyer shall return the Goods at the expense and risk of the Supplier and the Supplier shall repair or replace the Goods with all possible speed and redeliver the same in accordance with the Order Conditions so as to remedy the defects without additional cost to Buyer.

v) The rights under this clause shall be assignable by Buyer or its customer for the benefit of the ultimate user.

21. Health and Safety at Work Act 1974.

Seller hereby warrants to Buyer that:

i) The Goods are so designed and constructed as to be safe and without risks to health when properly used; and

ii) It has carried out such testing and examination of the Goods as may be necessary for the performance of the duty imposed on Seller by the preceding paragraph and that it will when supplying the Goods supply, where so required by Buyer, a certificate of Conformity in respect of all tests carried out in relation to the Goods; and

iii) It will make available adequate information about the use of Goods and about any conditions necessary to ensure that, when put to that use, they will be safe and without risks to health and where Section 6(8) of the Health and Safety at Work Act 1974 applied it will clearly define any specific steps that have to be taken by Buyer to ensure that the requirements of the said Act are met. The Seller shall hold the Buyer fully indemnified against any liability by reason of any loss, damage or expense arising from prosecution, death, injury, loss or damage resulting from operation or use of the Goods whether by the Buyer or any of its customers or their respective employees, servants or agents resulting from any breach of the warranties referred to herein.

22. Law Applicable. This Order shall be subject to and interpreted in accordance with the laws of England.

23. Suppliers. Suppliers to QinetiQ Target Systems (if and where appropriate) will be subject to on-site audit and / or site visit by QTS Customer quality departments and / or supply chain representative. Scheduled verification audits, site visits and business to business meetings shall be supported when required. Suppliers and their sub-suppliers shall provide to QTS Customers:-The right of access to facilities where parts of the contracted activities are being performed including sub-suppliers premises.

Information pertaining to the fulfilment of requirements in the contract

Unrestricted opportunity to evaluate supplier compliance with this document

Unrestricted opportunity to conduct verification of product conformity to contract requirements

Assistance for evaluation, verification, validation, testing, inspection or release of the product to verify that contract requirements have been accomplished at the supplier's or sub-suppliers premises

Working area and facilities:-

The necessary equipment available for reasonable use for performing verification

Supplier and/or sub-suppliers personnel for operation of verification equipment as required

Access to information and communication facilities

The necessary supplier documentation, to confirm product conformance to specification

Copies of necessary documents, including those on electronic media

Confirmation of capacity constraints