

**FILTON SYSTEMS ENGINEERING LIMITED (FSE)  
TERMS AND CONDITIONS OF PURCHASE**

**1. Contract**

- 1.1 This Contract shall apply to the sale of the Products by the Supplier to FSE.
- 1.2 This Contract shall apply to the exclusion of the Suppliers own terms and conditions. Any other terms and conditions delivered with the Products or otherwise provided to FSE shall not form part of this Contract.
- 1.3 The Purchase Order constitutes an offer by FSE to purchase the Products from the Supplier on the terms of this Contract. By accepting the Purchase Order, the Supplier agrees to be bound by the terms of this Contract.
- 1.4 Unless explicitly stated otherwise, the supplier shall continue to work to the terms of existing Contracts, Framework Agreement, NDAs etc previously agreed with FSE. In the event of conflict the Purchase Order shall take precedence.

**2. Delivery**

- 2.1 The Supplier shall deliver the Products by the Delivery Date to the Delivery Address. The Supplier shall carefully test and inspect the Products before delivery to ensure that they comply with the requirements of this Contract. Time shall be of the essence for delivery of the Products.
- 2.2 If the Supplier fails to deliver the Products to the Delivery Address by the Delivery Date, FSE may terminate this Contract on written notice to the Supplier. The Supplier shall promptly reimburse FSE for any costs and expenses incurred by FSE as a result of a failure to deliver the Products to the Delivery Address by the Delivery Date subject to a limit of the Purchase Order value.
- 2.3 The Products shall be properly packaged and protected by the Supplier in such manner as to enable them to reach the Delivery Address in good condition. The Supplier shall not charge FSE for packaging or shipping materials. FSE shall not be responsible for the return of any packaging or shipping materials to the Supplier.
- 2.4 The time at which the risk of damage to or loss of the Products shall pass from the Supplier to FSE shall be determined in accordance with the INCOTERMS 2020 of the International Chamber of Commerce. For this purpose, the Products shall be deemed to be sold DDP (Delivery Duty Paid).
- 2.5 Title in the Products shall pass to FSE on delivery of the Products to the Delivery Address.

**3. Acceptance or rejection of Products**

- 3.1 All Products may be inspected or tested by FSE.
- 3.2 If FSE determines that a Product does not comply with this Contract, FSE may:
  - (a) reject the Product (or all Products under this Contract) by notifying the Supplier and returning the Product(s) to the Supplier (at the Supplier's cost and risk) or making the Product(s) available for collection by the Supplier at the Delivery Address; or
  - (b) accept the Product for a reduced Price agreed with the Supplier.
- 3.3 Acceptance of a Product by FSE shall not relieve the Supplier from any of its obligations under this Contract.

**4. Price and Payment**

- 4.1 FSE shall pay the Price to the Supplier. The Price is fixed and, unless otherwise specified in the Purchase Order, is inclusive of all Sales Taxes and delivery, packaging, insurance and carriage charges.
- 4.2 The Supplier shall invoice FSE for the Price [on delivery of the Products] and FSE shall pay such invoice within 30 days of the date of the invoice (provided that such invoice is not disputed by FSE in good faith). Payment of an invoice by FSE shall not constitute acceptance of the Products.
- 4.3 FSE may, at any time, set off any amount owing to it from the Supplier against any amount payable by FSE to the Supplier under this Contract.

**5. Supplier's Obligations**

- 5.1 The Supplier represents and warrants that the Products:
  - (a) are new, of merchantable quality and fit for the purposes for which they are supplied;
  - (b) are free from any encumbrances or defects in title and comply with all applicable laws; and
  - (c) for a period of 12 months from the date of delivery, shall conform with the quality, description and other particulars stated in the Purchase Order and the Specification and shall be free from all defects in materials and workmanship.
- 5.2 The Supplier shall be responsible, at its own risk and expense, for obtaining all permits, licences (including export and import licences), registrations, consents and authorisations required to perform its obligations under this Contract.
- 5.3 Suppliers to comply with our general Supplier Quality Requirements, which are available at [www.filtonsys.com/suppliers](http://www.filtonsys.com/suppliers).

**6. FSE Remedies**

- 6.1 If FSE rejects a Product (or Products) under Clause 3.2(a) or a Product does not comply with one or more of the representations and warranties set out in Clause 5.1, FSE may require the Supplier to either:
  - (a) promptly refund to FSE the Price paid for such Product(s); or
  - (b) promptly deliver a replacement Product to the Delivery Address on a date agreed with FSE (and such replacement Product shall be subject to this Contract as if it was the original Product).
- 6.2 The Supplier shall reimburse FSE for any costs and expenses incurred by FSE as a consequence of the rejection of a Product or the failure of a Product to comply with the representations and warranties set out in Clause 5.1. limited to the value of the Purchase order.

**7. Indemnities**

- The Supplier indemnifies, defends and holds harmless FSE, and any person who receives the Products from FSE, from and against all claims:
- (a) in respect of damage to real or personal property and death of or personal injury to any person caused by the Supplier or the Products;
  - (b) that the Products infringe the intellectual property rights of a third party; or
  - (c) arising from any breach of this Contract by the Supplier.

**8. Liability**

- Nothing in this Contract shall exclude or limit the liability of a party for:
- (a) death or personal injury caused by its negligence;
  - (b) fraud or fraudulent misrepresentation; or
  - (c) any other liability that cannot be excluded or limited by law.

**9. Termination**

- 9.1 FSE may terminate this Contract (in whole or in part):
  - (a) [on written notice to the Supplier at any time before delivery of the Products]; and
  - (b) in accordance with Clause 2.2.
- 9.2 Either party may terminate this Contract (in whole or in part) at any time on written notice to the other party if:
  - (a) the other party commits a material breach of this Contract and (i) the breach cannot be remedied or (ii) if the breach can be remedied, the other party has failed to remedy it within 14 days after being notified in writing to do so; or
  - (b) the other party suffers an Insolvency Event.
- 9.3 Any provision of this Contract which is intended to have effect following expiry or termination of this Contract shall survive expiry or termination of this Contract.

**10. Confidentiality**

Each party shall keep the other party's Confidential Information confidential and shall not use or disclose such Confidential Information other than for purposes of performing its obligations or exercising its rights under this Contract.

**11. General**

- 11.1 If any provision of this Contract becomes or is declared by any competent court or body to be illegal, invalid or unenforceable under the law of any jurisdiction, it shall not affect or impair the legality, validity or enforceability of the remaining provisions of this Contract.
- 11.2 The rights and remedies provided under this Contract are in addition to, and not exclusive of, any rights or remedies provided by law.
- 11.3 Any notice to be given under this Contract must be in writing and may be given by fax, post or personal delivery. Notices to FSE shall be sent to 13 Apex Court, Woodlands, Bristol, BS32 4JT and notices to the Supplier shall be sent to such place or fax as the Supplier notifies to FSE under this Clause 11.3. Any notice shall be deemed effective (a) when actually received (if sent by fax) or (b) when left at the address mentioned above (if delivered personally) or (c) two business days after posting by first class post addressed as required above (if given by post).
- 11.4 No purported amendment or variation of this Contract shall be effective unless it is in writing and duly executed by or on behalf of each of the parties.
- 11.5 A party shall have no liability for any delay in performance or any non-performance of any obligation under this Contract to the extent that such delay or non-performance is due to Force Majeure.
- 11.6 The failure by a party to exercise or delay in exercising a right or remedy under this Contract shall not constitute a waiver of that right or remedy, and no waiver by a party of any breach of this Contract shall constitute a waiver of any subsequent breach of the same or any other provision.
- 11.7 This Contract constitutes the entire agreement and understanding between the parties relating to the sale of the Products by the Supplier to FSE and supercedes any other agreement or understanding (written or oral) between the parties relating to the same. Nothing in this Clause 11.7 shall operate or be construed to exclude or limit any liability of any person for fraud, including fraudulent misrepresentation.
- 11.8 This Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by English law. The parties submit to the non-exclusive jurisdiction of the English courts for all purposes relating to and in connection with this Contract and any such dispute or claim referred to in this Clause 11.8.

**12. Interpretation**

In this Contract, unless specified to the contrary:

- "**Contract**" means the contract formed between the Supplier and FSE upon the Supplier's acceptance of the Purchase Order and which consists of these Terms and Conditions and the Purchase Order;
- "**Confidential Information**" means any information which is marked or identified as confidential or proprietary or which is confidential or proprietary by its nature;
- "**Delivery Address**" means address for delivery of the Products specified in the Purchase Order or, if no such address is specified, 13 Apex Court, Woodlands, Bristol, BS32 4JT, UK;
- "**Delivery Date**" means the date specified in the Purchase Order for delivery of the Products or, if no such date is specified, within 90 days of the date of the Purchase Order;
- "**Force Majeure**" means any cause or event that is beyond the reasonable control of the affected party, the effect of which could not have been circumvented by reasonable precautions by the affected party, but shall not include strikes or other industrial disputes relating to the workforce of the affected party or its subcontractors;
- "**Insolvency Event**" means where a person ceases or threatens to cease to carry on business, is unable to pay its debts within the meaning of the Insolvency Act 1986 section 123, has an administrator, receiver, administrative receiver or manager appointed over the whole or any part of its assets, enters any composition with creditors generally, has an order made or resolution passed for it to be wound up (otherwise than in furtherance of any scheme for solvent amalgamation or solvent reconstruction), undergoes any other arrangement which affects the rights of creditors or undergoes any similar or equivalent process in any jurisdiction;
- "**Price**" means the price for the Products as specified in the Purchase Order;
- "**Products**" means the products specified in the Purchase Order;
- "**Purchase Order**" means a written order for products in the form of FSE's standard purchase order;
- "**FSE**" means Filton Systems Engineering Limited incorporated in England and Wales with company number 08230492 whose registered office is at 13 Apex Court, Woodlands, Bristol, BS32 4JT;
- "**Sales Taxes**" means any value added taxes, goods taxes or other sales taxes which may at any time be chargeable in respect of the sale or supply of Products; and
- "**Specification**" means the technical and functional specifications for the Products provided by the Supplier (including on its website)