



AFE GROUP LTD

GENERAL CONDITIONS OF PURCHASE OF GOODS AND/OR SERVICES

1. GENERAL

1.1. In these conditions the following words shall have the following meanings (unless the context otherwise requires): -

"**CIP**" means CIP as defined in the edition of the rules for interpretation of trade terms known as Incoterms current as at the date of the Order.

"**Contract**" means the contract between AFE GROUP LTD and the Supplier for the sale and purchase of the Products and/or the Services in accordance with these conditions.

"**AFE GROUP LTD**" means AFE GROUP or such other AFE GROUP LTD division or business unit specified in the Order as being the customer for the purposes of the Contract.

"**Deliverables**" means all documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form or media, including without limitation drawings, maps, plans, diagrams, designs, pictures, hardware, software, computer programs, data, specifications and reports (including drafts).

"**Intellectual Property Rights**" means all patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, moral rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world;

"**Order**" AFE Group Ltd order for the Products and/or the Services.

"**Products**" means all products and any associated documentation covered by the Order.

"**Services**" means all services and any Deliverables covered by the Order.

"**Supplier**" means the person, firm or company from whom AFE GROUP LTD purchases the Products and/or the Services; and

"**writing**" or "**written**" includes faxes and e-mails.

1.2. These conditions apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. No addition to or variation of or exclusion or attempted exclusion of the Order and/or these conditions or any term contained therein shall be binding upon AFE GROUP LTD unless specifically agreed to in writing and signed by a duly authorised representative of AFE GROUP LTD.

1.3. All the provisions of the Contract between AFE GROUP LTD and the Supplier are contained in or referred to in the Order and in these conditions.

- 1.4. The Order constitutes an offer by AFE GROUP LTD to purchase the Products and/or the Services in accordance with these conditions.
- 1.5. The Order shall be deemed to be accepted on the earlier of:
- 1.5.1 the Supplier issuing a written acceptance of the Order; and
 - 1.5.2 the Supplier doing any act consistent with fulfilling the Order (including without limitation the Supplier's execution or commencement of work pursuant to the Order, any Delivery pursuant to the Order or acceptance of any progress payment),
- at which point the Contract shall come into existence.
- 1.6 In the event of a conflict between any of these conditions and any specific term on the face of the Order, the latter shall prevail.
- 1.7 These conditions (as amended from time to time) shall apply to all future Contracts for the supply of the Products and/or the Services by the Supplier to AFE GROUP LTD.
- 1.8 Headings appear for convenience only and shall not affect the construction of these conditions.

2 ELECTRONIC TRADING

- 2.1 Electronic Orders shall be valid if all the information agreed between the Supplier and AFE GROUP LTD as being required is properly set out in the agreed format and the Order is transmitted by AFE GROUP LTD to the Supplier by reference to the correct identification code and is received by the Supplier when collecting its electronic mail from the relevant system.
- 2.2 Each valid electronic Order will be deemed accepted by the Supplier unless the Supplier communicates rejection of the Order to AFE GROUP by electronic or other means (including telephone) within twenty-four (24) hours of receipt of the Order by the Supplier. Acceptance of an Order shall constitute a Contract for the sale and purchase of the Products and/or the Services to which these conditions shall apply.

3 DELIVERY

- 3.1 Unless otherwise agreed in writing by AFE GROUP LTD, delivery shall be deemed to take place when the Products are offloaded at the delivery address specified in the Order and delivery has been accepted by an authorised representative of AFE GROUP LTD in accordance with Clause 3.10 of these conditions ("**Delivery**").
- 3.2 All Products must be delivered at the delivery point specified in the Order or if no delivery point is specified, at AFE GROUP LTD premises, and at the times either specified or agreed by AFE GROUP LTD in writing.
- 3.3 The date or period for Delivery shall be that specified in the Order and shall be of the essence of the Contract. Consignment, part deliveries or deliveries in excess of the quantity ordered may be rejected unless AFE GROUP LTD has agreed in writing to accept such deliveries, and any rejected Products shall be returnable at the Supplier's risk and expense.
- 3.4 The Supplier shall upon request furnish such programmes and progress reports of manufacture and Delivery as AFE GROUP LTD may reasonably request and the Supplier shall give notice in writing to AFE GROUP LTD forthwith if such programmes are likely to be delayed. Without prejudice to any other rights accruing to AFE GROUP LTD any substitute date for Delivery or period for Delivery agreed by AFE GROUP LTD in writing shall also be of the essence of the Contract.

- 3.5 AFE GROUP LTD Order number shall be printed or written legibly by the Supplier on all Products delivered by package or parcel and on all related despatch notes and invoices submitted to AFE GROUP LTD.
- 3.6 Except as otherwise set out in these conditions, all Products delivered to AFE GROUP LTD from outside of the United Kingdom shall be delivered CIP the delivery point specified in the Order or if no delivery point is specified, CIP AFE GROUP LTD premises.
- 3.7 For Products purchased from outside the home country of AFE GROUP LTD, unless otherwise stated in the Order, the Supplier is responsible for obtaining all necessary documentation for export of the Products to the home country of AFE GROUP and for the import of the Products into the home country of AFE GROUP LTD including all applicable export and import licences and the Supplier shall be responsible for all and any delays and charges incurred due to export and/or import licences not being available when required.
- 3.8 The Supplier agrees to supply AFE GROUP LTD on request with such declarations and documents as may be reasonably required to establish the origin of the Products and the manner in which they qualify for EC, EEA or EFTA preferences or duty exemptions.
- 3.9 In the event of any fire, explosion, terrorist activity or accident or other matter or occurrence which for any reason prevents or hinders the use of any Products, Delivery of such Products and/or payment therefor may be suspended or postponed at AFE GROUP LTD sole option until the circumstances preventing or hindering the use of Products have ceased.
- 3.10 Acceptance of the Products and/or the Services will only be effective if communicated by AFE GROUP LTD in writing to the Supplier and AFE GROUP LTD acknowledgement of Delivery or performance on a delivery note or similar document shall not constitute acceptance thereof and AFE GROUP LTD retains the right to reject any of the Products and/or the Services until fully inspected by it.

4 SUPPLY OF SERVICES

- 4.1 The Supplier shall from the date set out in the Order and for the duration of this Contract provide the Services to AFE GROUP LTD in accordance with the terms of the Contract.
- 4.2 The Supplier shall meet, and time shall be of the essence of, any performance dates for the Services specified in the Order or notified to the Supplier by AFE GROUP LTD.
- 4.3 In providing the Services, the Supplier shall:
- 4.3.1 co-operate with AFE GROUP LTD in all matters relating to the Services, and comply with all instructions of AFE GROUP LTD.
 - 4.3.2 perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade.
 - 4.3.3 use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with this Contract.
 - 4.3.4 ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the Order or notified to the Supplier by AFE GROUP LTD,
 - 4.3.5 ensure that the Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by AFE GROUP LTD.
 - 4.3.6 provide all equipment, tools and vehicles and such other items as are required to provide the Services.
 - 4.3.7 use the best quality goods, materials, standards and techniques, and ensure that the Deliverables, and all goods and materials supplied and used in the Services or transferred to AFE GROUP LTD, will be free from defects in workmanship, installation and design.
 - 4.3.8 obtain and at all times maintain all necessary licences and consents and comply with all applicable laws and regulations.

- 4.3.9 observe all health and safety rules and regulations and any other security requirements that apply at any of AFE GROUP LTD premises.
- 4.3.10 hold all Equipment and Materials in safe custody at its own risk, maintain the Equipment and Materials in good condition until returned to AFE GROUP LTD, and not dispose or use the Equipment and Materials other than in accordance with AFE GROUP LTD written instructions or authorisation; and
- 4.3.11 not do or omit to do anything which may cause AFE GROUP LTD to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that AFE GROUP LTD may rely or act on the Services.

5 TITLE AND RISK

- 5.1 Without prejudice to any right of rejection which may accrue to AFE GROUP LTD and unless otherwise stated in the Order, title to the Products shall pass to AFE GROUP LTD upon the occurrence of the earlier of: -
 - 5.1.1 delivery of the Products to AFE GROUP LTD (whether or not acceptance has occurred in accordance with Clause 3.10); or
 - 5.1.2 any payment being made by AFE GROUP LTD for or in relation to the Products.
- 5.2 Risk of damage to or loss of the Products shall pass to AFE GROUP LTD on Delivery.
- 5.3 If title to the Products passes to AFE GROUP LTD prior to Delivery pursuant to Clause 5.1, then, until Delivery, the Supplier shall hold such Products as AFE GROUP LTD fiduciary agent and bailee and shall at all times keep the Products separate from those of the Supplier and third parties and properly stored, protected and insured against all risks and identified as AFE GROUP LTD property.
- 5.4 The Supplier shall be responsible for all transport and unloading costs and for insurance of the Products to their full replacement value against all risks of damage or loss prior to completion of Delivery.

6 PRICE AND PAYMENT

- 6.1 Unless otherwise agreed in writing by AFE GROUP LTD, the price for the Products shall be the price for the Products listed in the last version of the Supplier's price list which was supplied to AFE GROUP LTD by the Supplier prior to the date of the Order ("**Price**").
- 6.2 The charges for the Services shall be set out in the Order and shall be the full and exclusive remuneration of the Supplier in respect of the performance of the Services ("**Charges**"). Unless otherwise agreed in writing by AFE GROUP LTD, the Charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.
- 6.3 Unless otherwise stated in the Order, all amounts payable by AFE GROUP LTD under the Contract are fixed, fully inclusive of all duties and delivery charges, not subject to escalation or addition and are exclusive of amounts in respect of VAT.
- 6.4 In respect of the Products, the Supplier shall invoice AFE GROUP LTD on or at any time after completion of Delivery but not later than three (3) months following completion of Delivery. In respect of the Services, the Supplier shall invoice AFE GROUP LTD on completion of the Services. Each invoice shall include such supporting information required by AFE GROUP LTD to verify the accuracy of the invoice, including but not limited to the relevant purchase order number.
- 6.5 In consideration of the supply of the Products and/or the Services by the Supplier, AFE GROUP LTD shall pay the invoiced amounts within agreed payment terms, or otherwise sixty (60) days from the month end of the date of a correctly rendered invoice to a bank account nominated in writing by the Supplier.
- 6.6 Unless otherwise stipulated by AFE GROUP LTD in writing, prices are payable in Sterling.

- 6.7 No payment of or on account of the Price or the Charges shall constitute any admission by AFE GROUP LTD as to proper performance by the Supplier of its obligations under this Contract or any other Contract between the Supplier and AFE GROUP LTD.
- 6.8 Subject to Clause 6.11, in the event of default in payment by AFE GROUP LTD, the Supplier shall be entitled to charge interest on any amount outstanding at the rate of two per cent (2%) above the Bank of England's base rate from time to time until such time as the outstanding amount is paid by AFE GROUP LTD. The Supplier is not entitled to suspend delivery of the Products and/or performance of the Services as a result of any such sums being outstanding.
- 6.9 Packages and containers supplied by the Supplier will be returnable to the Supplier but at AFE GROUP LTD option and the Supplier's own cost.
- 6.10 The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Services, and the Supplier shall allow AFE GROUP LTD to inspect such records at all reasonable times on request.
- 6.11 AFE GROUP LTD specifically reserves the right to deduct from any monies due or to become due to the Supplier any monies due to AFE GROUP LTD from the Supplier and to withhold the whole of or part of the Price and/or the Charges for any reason whatsoever. If AFE GROUP LTD withholds or deducts any amount from the amount payable by it to the Supplier from time to time, such withholding or deduction shall not constitute a default in payment.

7 VARIATION

- 7.1 AFE GROUP LTD has the right to amend quantities, specifications and scheduled times or deliveries by issuing an amendment in writing to the Supplier with which the Supplier shall comply. Any other amendments to the Contract must be made by agreement in writing between AFE GROUP LTD and the Supplier.
- 7.2 The Supplier shall advise AFE GROUP LTD forthwith if any proposed amendments either prevent the specified time for Delivery of the Products and/or performance of the Services being met or have any other material implication in regard to the Supplier's obligations to AFE GROUP LTD.
- 7.3 If appropriate, AFE GROUP LTD shall allow a reasonable adjustment to the Price and/or the Charges and/or the time for Delivery of the Products and/or performance of the Services, provided that AFE GROUP LTD is notified in writing within two (2) working days of the amendment.

8 SUPPLIERS GUARANTEE

- 8.1 The Supplier warrants that for a period of twenty-four (24) months from the date on which AFE GROUP LTD puts the Products into service or the period of thirty-six (36) months from the date of Delivery (whichever is later), the Products: -
- 8.1.1 will conform in all respects with any specifications, drawings and/or other details supplied to the Supplier or adopted by AFE GROUP LTD.
 - 8.1.2 will not deviate in substance or form from their description or any samples provided to AFE GROUP LTD before initial supply, or any previous product(s) supplied to AFE GROUP LTD in any course of dealing.
 - 8.1.3 will be new and fit and sufficient for the purposes for which they are intended and for any purpose(s) that AFE GROUP LTD has expressly informed the Supplier of or for any purpose that the Supplier is aware, or ought reasonably to be aware, of.
 - 8.1.4 will be of good quality, design, materials and workmanship and entirely free from defects and in accordance with best industry practice.
 - 8.1.5 will satisfactorily fulfil the performance requirements supplied or adopted by AFE GROUP LTD; and

- 8.1.6 comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Products.
- 8.2 The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.
- 8.3 The Supplier warrants its expertise and the accuracy of all statements and representations made to AFE GROUP LTD (or its agents or employees) in respect of the Products prior to the date of the Order.
- 8.4 Nothing contained in these conditions shall in any way detract from Supplier's obligations and AFE GROUP LTD rights under common law or statute or any express or implied term, condition or warranty.
- 8.5 The Supplier agrees to assign to AFE GROUP LTD upon request the benefit of any warranty guarantee or like rights which it has against any third-party manufacturer or supplier of the Products or any parts thereof.
- 8.6 The Supplier will provide all facilities, assistance and advice required by AFE GROUP LTD or AFE GROUP LTD insurers for the purpose of contesting or dealing with any action claim or matter arising out of the Order or the Supplier's performance of the Order.
- 8.7 The Supplier shall maintain public liability, professional indemnity and product liability insurance to include (without limitation) cover in respect of all matters for which the Supplier may become liable to AFE GROUP LTD pursuant to this Contract, for such indemnity limits (but not less than £5 million or such other sum as is specified in the order or notified to the Supplier by AFE GROUP LTD in writing from time to time in respect of any one occurrence) and cover as AFE GROUP LTD reasonably deems to be adequate.

9 AFE GROUP LTD ENGINEERING REMEDIES

- 9.1 If the Supplier fails to deliver the Products and/or perform the Services by the applicable date, AFE GROUP LTD shall, without limiting its other rights or remedies, have one or more of the following rights.
 - 9.1.1 to terminate the Contract (in whole or in part) with immediate effect by giving written notice to the Supplier.
 - 9.1.2 to refuse to accept any subsequent performance of the Services and/or delivery of the Products which the Supplier attempts to make.
 - 9.1.3 to recover from the Supplier any costs incurred by AFE GROUP LTD in obtaining substitute goods and/or services from a third party.
 - 9.1.4 where AFE GROUP LTD has paid in advance for Services that have not been provided by the Supplier and/or Products which have not been delivered by the Supplier, to have such sums refunded by the Supplier; and
 - 9.1.5 to claim damages for any additional costs, losses or expenses incurred by AFE GROUP LTD which are in any way attributable to the Supplier's failure to meet such dates.
- 9.2 If the Supplier has delivered Products and/or performed Services that do not comply with the undertakings set out in the Contract, then, without limiting its other rights or remedies, AFE GROUP LTD shall have one or more of the following rights, whether or not it has accepted the Products and/or the Services:
 - 9.2.1 to reject the Products and/or the Services (in whole or in part) whether or not title has passed and, to the extent necessary, to return them to the Supplier at the Supplier's own risk and expense.
 - 9.2.2 to terminate the Contract (in whole or in part) with immediate effect by giving written notice to the Supplier.
 - 9.2.3 to require the Supplier to repair, replace or re-perform the rejected Products and/or Services within five (5) days of being requested to do so, or to provide a full refund of the price of the rejected Products and/or Services.
 - 9.2.4 to refuse to accept any subsequent delivery of the Products and/or the Services which the Supplier attempts to make.

- 9.2.5 to recover from the Supplier any expenditure incurred by AFE GROUP LTD in obtaining substitute products and/or services from a third party; and
- 9.2.6 to claim damages for any additional costs, losses or expenses incurred by AFE GROUP LTD arising from the Supplier's failure to supply Products and/or the Services in accordance with the Contract.

9.3 These conditions shall extend to any substituted or remedial services and/or repaired, or replacement products supplied by the Supplier.

9.4 AFE GROUP LTD rights and remedies under these conditions are in addition to its rights and remedies implied by statute and common law.

10 REGULATORY COMPLAINTS, SAFETY AND ENVIRONMENTAL

10.1 The Supplier warrants that in the design, manufacture, supply or installation of the Products and/or performance of the Services and the provision of information relating thereto, it will comply and will facilitate AFE GROUP LTD compliance with the duties imposed by any applicable environmental and health and safety laws and with all other relevant statutory provisions rules and regulations so far as they are applicable to the Products and/or Services and that the Products will be supplied with all safety guards, devices, product data sheets, details of any appropriate risk assessment, and markings sufficient to comply with all applicable legal requirements.

10.2 The Supplier warrants that all Products supplied to AFE GROUP LTD together with all necessary instructions information and warnings supplied therewith will be designed, manufactured and produced in such a manner as to ensure that the Products are not defective (in AFE GROUP LTD sole opinion).

10.3 In the event that the Supplier becomes aware at any time of any incidents events or discoveries which are in any way relevant to the safe operation of Products supplied or to be supplied, the Supplier shall forthwith issue notice in writing thereof to AFE GROUP LTD and in any event within two days of becoming so aware.

11 PROGRESS INSPECTION AND TESTING

11.1 The Products and/or the Services shall be subject to all specified and usual tests and checks by the Supplier and to any other tests which AFE GROUP LTD may reasonably require from time to time.

11.2 AFE GROUP LTD representatives and appropriate official authorities (where relevant) shall have the right to progress and inspect all Products and/or Services and attend tests thereon at the Supplier's premises and at the premises of subcontractors at all reasonable times and the Supplier shall give reasonable prior notice to allow such attendance at any tests.

11.3 Any attendance inspection approval or acceptance given by or on behalf of AFE GROUP LTD shall not relieve the Supplier of any obligation under the Contract.

12 INTELLECTUAL PROPERTY RIGHTS

12.1 The Supplier acknowledges and agrees that any:

- 12.1.1 Intellectual Property Rights in any documentation provided by AFE GROUP LTD to the Supplier in connection with the Contract (including, but not limited to, designs and specifications for the Products, Services and/or Deliverables); and
- 12.1.2 tooling or equipment provided by AFE GROUP LTD to the Supplier or used by AFE GROUP LTD in connection with the Contract ("**Equipment**"); and
- 12.1.3 any materials issued to the Supplier by AFE GROUP LTD for use in connection with the Contract ("**Materials**"),

12.2 Full title including, but not limited to, Intellectual Property Rights in all specifications, plans, drawings, patterns or designs supplied by AFE GROUP LTD to the Supplier in connection with the Contract or

prepared or made by the Supplier its employees, agents or sub-contractors for the purpose of fulfilling the Contract shall vest in and belong to AFE GROUP LTD absolutely.

- 12.3 Any information derived from the documents specified in Clause 12.2 or otherwise communicated to the Supplier in connection with the Contract shall be regarded by the Supplier as confidential and shall not without the consent of the Company in writing be published or disclosed to any third party or made use of by the Supplier except for the purpose of performing the Contract.
- 12.4 In respect of the Products and any products that are transferred to AFE GROUP LTD as part of the Services under this Contract, including without limitation the Deliverables or any part of them, the Supplier warrants that it has full, clear and unencumbered title to all such items, and that at the date of delivery of such items to AFE GROUP LTD, it will have full and unrestricted rights to sell and transfer all such items to AFE GROUP LTD.
- 12.5 The Supplier assigns to AFE GROUP LTD, with full title guarantee and free from all third-party rights, all Intellectual Property Rights in the products of the Services including, for the avoidance of doubt, the Deliverables.
- 12.6 The Supplier shall obtain waivers of all moral rights in the products of the Services (including, for the avoidance of doubt, the Deliverables) to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.
- 12.7 The Supplier shall, promptly at AFE GROUP LTD request, do (or procure to be done) all such further acts and things and the execution of all such other documents as AFE GROUP LTD may from time to time require for the purpose of securing for AFE GROUP LTD the full benefit of the Contract, including all right, title and interest in and to the Intellectual Property Rights assigned to or vesting in AFE GROUP LTD in accordance with Clause 12.2 and/or 12.5.

13 EQUIPMENT AND MATERIALS

- 13.1 Risk of damage to or loss of the Equipment or the Materials shall pass to the Supplier on delivery to the Supplier.
- 13.2 The Supplier shall ensure that the Materials and Equipment are maintained in good working order and repair and shall maintain appropriate insurance cover in this regard as AFE GROUP LTD reasonably deems to be adequate subject in the case of tooling patterns and the like to fair wear and tear and shall use the same only in connection with the Contract.
- 13.3 If AFE GROUP LTD in its sole opinion believes that repairs are required to the Equipment it may request the Supplier to carry out such repairs at the Supplier's cost. If, following receipt of a request pursuant to this Clause, the Supplier fails to carry out the specified repairs within a reasonable period of time (in AFE GROUP LTD absolute opinion), AFE GROUP LTD may carry out or instruct a third party to carry out such repairs and shall invoice the Supplier for any related costs and expenses.
- 13.4 On the termination of the Contract howsoever occurring, any surplus Materials shall be disposed of forthwith by the Supplier in accordance with AFE GROUP LTD directions and any Materials wasted as a result of the Supplier's bad workmanship or negligence (in AFE GROUP LTD sole opinion) shall be replaced at the Supplier's expense.
- 13.5 On the termination of the Contract howsoever occurring and at any other time, the Supplier shall upon AFE GROUP LTD request deliver forthwith the Equipment to AFE GROUP LTD and, if the Supplier fails to do so, AFE GROUP LTD shall be entitled (at the Supplier's expense) to enter upon the Supplier's premises or those premises of a third party and to recover the Equipment. The Supplier agrees that it shall not be entitled to bring any claim against AFE GROUP LTD Precision as a result of or in connection with such entry.

13.6 The Supplier shall not be entitled to pledge or in any way charge by way of security for indebtedness, the Equipment or the Materials.

14 INFORMATION

14.1 The Supplier shall neither publish information about the Contract or any correspondence concerned with it to any third party nor use the name of AFE GROUP LTD for advertisement or publicity purposes without AFE GROUP LTD prior consent in writing.

14.2 The Supplier shall submit to AFE GROUP LTD as soon as practicable after receipt of the Order such drawings, design details and operational and maintenance manuals which are required by AFE GROUP LTD or which it is usual in the trade to provide in respect of products and/or services of the same kind as the Products and/or the Services.

14.3 The Supplier shall be solely responsible for all errors and omissions in drawings calculations packing details or other particulars supplied by it and the approval or acceptance thereof by AFE GROUP LTD shall not relieve the Supplier of any obligation under the Contract.

15 INDEMNITY

15.1 The Supplier shall indemnify AFE GROUP LTD and/or the relevant member of its group of companies and keep AFE GROUP LTD and/or the relevant member of its group of companies fully and effectively indemnified against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by AFE GROUP LTD and/or a member of its group of companies arising out of or in connection with:

15.1.1 any claim made against AFE GROUP LTD and/or any member of its group of companies for actual or alleged infringement of a third party's intellectual property rights arising out of, or in connection with, either: (i) the manufacture, supply or use of the Products; and/or (ii) receipt, use or performance of the Services, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;

15.1.2 any claim made against AFE GROUP LTD and/or any member of its group of companies by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in the Products and/or the performance of the Services, to the extent that the defects in the Products and/or the Services are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and

15.1.3 any claim made against AFE GROUP LTD and/or any member of its group of companies by a third party arising out of or in connection with the supply of the Products and/or performance of the Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors.

16 LIMITATION OF LIABILITY

16.1 Nothing in these conditions shall limit or exclude the liability of AFE GROUP LTD for:

16.1.1 death or personal injury resulting from negligence; or

16.1.2 fraud or fraudulent misrepresentation; or

16.1.3 the indemnities contained in Clause 15; or

16.1.4 any breach of any term of the Contract that results from the deliberate wilful act or deliberate wilful omission of AFE GROUP LTD or its employees, agents or subcontractors; or

16.1.5 any other matters which cannot be limited or excluded by law.

16.2 Except for the obligation to make payment of the Price for the Products and/or Charges for the Services properly supplied by the Supplier, and subject to the provisions of Clause 16.1, AFE GROUP LTD shall have no liability whatsoever to the Supplier, whether arising as a result of breach of contract, negligence or any other tort, under statute or otherwise.

17 CANCELLATION

- 17.1 Without prejudice to any other lawful right available to it, AFE GROUP LTD shall have the right to cancel the Contract (in whole or in part) without cause at any time by giving notice in writing to the Supplier.
- 17.2 In the event that AFE GROUP LTD terminates the Contract pursuant to Clause 17.1 AFE GROUP LTD shall pay to the Supplier such proportion of the Price and/or the Charges as may be fair and reasonable (in AFE GROUP LTD sole opinion) having regard to the value of the Products and/or Services which are then acceptable to AFE GROUP LTD for Delivery and/or performance under the Contract and, on such payment, AFE GROUP LTD shall not be liable for any liabilities, losses, damages, costs or expenses (including, but not limited to, loss of revenue or loss of profits) suffered or incurred or paid by the Supplier as a result of such cancellation.

18 TERMINATION

- 18.1 Without prejudice to any other rights or remedies of AFE GROUP LTD, it shall be entitled in any of the following circumstances to terminate (in whole or in part) this and any other Contracts whenever made between AFE GROUP LTD and the Supplier if: -
- 18.1.1 the Supplier suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being a natural person) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986;
 - 18.1.2 the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts or makes a proposal for or enters into any compromise or arrangement with its creditors.
 - 18.1.3 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or on connection with the winding up of the Supplier.
 - 18.1.4 an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Supplier.
 - 18.1.5 a floating charge holder over the assets of the Supplier has become entitled to appoint or has appointed an administrative receiver.
 - 18.1.6 a person becomes entitled to appoint a receiver over the assets of the Supplier or a receiver is appointed over the assets of the Supplier.
 - 18.1.7 the Supplier, being an individual, is the subject of a bankruptcy petition or order.
 - 18.1.8 any event occurs, or proceeding is taken, with respect to the Supplier if any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in Clauses 18.1.1 to 18.1.7 (inclusive).
 - 18.1.9 AFE GROUP LTD reasonably believes or apprehends that any of the events mentioned above or any equivalent or similar events under any relevant laws to which the Supplier or any connected person of the Supplier is subject has or may occur.
 - 18.1.10 there is a change of control of the Supplier (within the meaning of section 1124 of the Corporation Tax Act 2010).
 - 18.1.11 the Supplier commits a material breach of this, or any other Contract whenever made between the Supplier and AFE GROUP LTD.
- 18.2 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.
- 18.3 Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

19 COMPLIANCE

- 19.1 The Supplier will comply with all appropriate local legislation. Without prejudice to the generality of the foregoing, the Supplier shall comply with all relevant anti-corruption legislation in connection with this

Agreement and AFE GROUP LTD business and shall immediately notify AFE GROUP LTD if it discovers or suspects that any of its officers, directors, employees or representatives are acting or have acted in a way which violates such legislation.

19.2 No forced, bonded or involuntary prison labour will be used by the Supplier. No children under 16 years old are to be employed or utilised by the Supplier. Employees of our suppliers shall be paid wages and benefits for a standard working week that meet or exceed minimum national requirements. Employees of the Supplier shall work hours that comply with national laws.

19.3 If the Products contain tin, tantalum, tungsten or gold, the Supplier must be able to demonstrate a reasonable country of origin investigation, leading to the identification of the smelter. This is in support of the Organisation for Economic Co-operation and Development due diligence guidelines for responsible supply chains of minerals from conflict regions.

19.4 The Supplier acknowledges that AFE GROUP LTD has a code of responsible business which is available at www.theafegroup.com and the Supplier shall, at all times, conduct, and procure that its officers, directors, employees and/or representatives conduct, business ethically and in accordance with the relevant provisions of AFE GROUP LTD Way. This Clause shall apply whether or not the Supplier is acting pursuant to the Contract or its relationship with AFE GROUP LTD or any member of AFE GROUP LTD group of companies.

19.5 The Supplier agrees that it must be able to demonstrate its compliance with the requirements referred to in this Clause 19 at the request of and to the satisfaction of AFE GROUP LTD which includes, but is not limited to, AFE GROUP LTD having the right to inspect any site involved in work for AFE GROUP LTD. If the Supplier fails to comply with this Clause 19, AFE GROUP LTD shall be entitled, in its sole discretion, to terminate the Contract and any Orders or other agreements between the Supplier and AFE GROUP LTD without penalty to AFE GROUP LTD, but with obligations for the Supplier to remedy any damages suffered by AFE GROUP LTD as a result of such termination or as a result of the breach of the Contract by the Supplier.

20 ASSIGNMENT AND SUBCONTRACTORS

20.1 The Supplier shall not without the prior consent in writing of AFE GROUP LTD subcontract or assign all or any part of the benefit or burden of the Contract.

20.2 Any authority given by AFE GROUP LTD for the Supplier to subcontract shall not impose any duty on AFE GROUP LTD to enquire as to the competency of any authorised subcontractor and the Supplier shall not be excused of full and proper performance of the Contract.

20.3 AFE GROUP LTD shall be entitled to assign any and all of its rights and benefits under the Contract without notice to the Supplier.

21 MISCELLANEOUS

21.1 No waiver of or delay or failure by AFE GROUP LTD to exercise any rights or remedies shall prejudice or preclude any future or further exercise thereof.

21.2 Nothing in these conditions shall create a partnership, agency or relationship of employment between the parties.

21.3 If any provision of these conditions shall be held to be invalid or unenforceable in whole or in part, then the unaffected provisions shall remain in full force and effect.

21.4 AFE GROUP LTD may set off against the Price, the Charges or any claim by the Supplier under the Contract any other liability or claim howsoever arising of AFE GROUP LTD against the Supplier whether actual, contingent, primary, collateral, joint or several.

21.5 Except as otherwise provided in this Contract, a person who is not a party to this Contract shall have no right pursuant to the Contracts (Rights of Third Parties) Act 1999 (the “**Act**”) to enforce any terms of the Contract. Any right or remedy which exists or is available apart from the Act is not affected.

21.6 The Contract and any non-contractual obligations arising out of or in connection with it shall be governed and interpreted exclusively according to English law. The parties hereby agree to submit to the exclusive jurisdiction of the English courts provided that AFE GROUP LTD may at its option take proceedings in the courts of the state in which the Supplier is domiciled including action to obtain any remedy (including injunctive relief).