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CONDITIONS OF PURCHASE



- 1 Definitions
- 1.1 In these Conditions "Buyer' means Outreach Offshore Limited; 'Seller' means the person, firm or company to whom the Order is addressed; 'Goods' means the products or services to be supplied by the Seller and 'Order' means the Purchase Order detailed overleaf and all the obligations rising from it.
- 2 General
- 2.1 All Orders for Goods and any variation or amendment thereof are placed subject to the Buyer's Conditions of Purchase. Any other term(s) or any condition(s) put forward by the Seller which are inconsistent with these Conditions of Purchase shall be void unless specifically agreed in writing by the Buyer.
- 2.2 The Seller shall acknowledge receipt of the Order within five days stating acceptance of the terms and conditions contained therein.
- 2.3 All Orders shall be signed by a responsible official of the Buyer for and on behalf of the Buyer. Any unsigned Order is incomplete and should not be acted upon by the Seller.
- 2.4 The Goods shall be of sound quality and shall conform as to description and quantity specified in the Order and shall in every respect be suitable for the purpose(s) for which they are intended.
- 2.5 The Goods shall conform in respect of safety standards and in all other respects with the requirements of any statutes, orders, regulations, byelaws or codes of practice from time to time in force.
- 3 Price
- 3.1 Price unless expressly agreed otherwise, all prices are nett in £ Sterling.
- 3.2 All prices quoted are ex-works the Seller's premises, unless otherwise agreed. Any delivery costs to the Buyer's account are to be agreed and authorised by the Buyer prior to shipment.
- 3.3 The price set out overleaf is firm and may not be varied under any circumstances without the prior written consent of the Buyer.
- 3.4 The price does not include Value Added Tax which will be an additional charge to the Buyer at the rate ruling at the tax point. Any other tax or levy on the supply of the Goods is included in the price.
- 4 Payment
- 4.1 Unless otherwise set out on the Order, Terms of Payment shall be nett cash at the close of the month immediately following the month in which the Goods are delivered as set out in 6.1 to 6.8 below and invoiced.
- 4.2 No part payments for Goods will be made unless specifically agreed in the Order.
- 4.3 The Buyer reserves the right to set off any sums in respect of which the Seller may be in default to the Buyer.
- 5 Title
- 5.1 Property in Goods shall pass to the Buyer on whichever shall occur first of:(a) Delivery to the Buyer, and
 - (b) Payment of the purchase price.
- 5.2 Notwithstanding any such passing of property the Seller shall remain responsible for all of the risks in the Goods until they are delivered to the Buyer.
- 5.3 Where the Order price is payable in instalments and the first instalment has been paid, the property in the components purchased for such order shall vest in the Buyer. The full title for the Goods shall be transferred to the Buyer only after payment in full.
- 5.4 Where the Buyer or it's agent issues Goods free of charge to the Seller, such Goods shall remain the property of the Buyer. The risk in such Goods shall be the Seller who will maintain them in good order and condition and insure them at the full cost of reinstatement. Where there are surplus Goods, these are to be disposed of in accordance with the instructions of the Buyer.

- 6 Time & Delivery
- 6.1 The Seller shall complete the Order by the date specified on the Order and time shall be the essence.
- 6.2 If the Seller fails to complete by the specified date, the Seller shall pay the Buyer liquidated damages at the rate specified in the Order or if no rate is there specified, at such rate that shall compensate the Buyer for losses arising from the failure.
- 6.3 All Goods must be properly and securely packed at the Seller's expense prior to delivery. The Seller shall be responsible for damage arising because of improper or inadequate packing.
- 6.4 The Goods shall be delivered to the location named on the Order. The Seller shall indemnify the Buyer against all claims, damages, losses, costs and expenses arising from any damage or injury occurring during such delivery and off-loading to the extent that some such damage or injury is attributable to any act or omission of the Seller or any of his sub-contractors.
- 6.5 The Seller shall notify the Buyer if there are Goods to be delivered which require lifting equipment or special labour. The cost of hiring any such equipment or labour shall be by mutual agreement or at an additional cost.
- 6.6 If any of the Goods shall be damaged in transit to the place of delivery, or having been placed in transit shall fail to be delivered to the Buyer, then:
 - (a) In the case of damage to the Goods in transit, the Buyer shall within seven days give notice to the Seller that the Goods have been damaged
 - (b) In the case of non-delivery, if the Buyer has been advised of the despatch of the Goods, he shall use his best endeavours to notify the Seller within seven days of the non-receipt of the Goods.
- 6.7 Goods which are incomplete will not be deemed to have been delivered until the supply has been completed.
- 6.8 Delivery of the Goods in whole or in part will not be deemed to take place until all relevant documentation has been received by the Buyer
- 7 Rejection
- 7.1 The Buyer may reject some or all of the Goods which fail to meet the requirements of the Order.
- 7.2 The Goods rejected shall be returned to the Seller at the Seller's risk and expense. The Seller shall as quickly as possible supply replacement goods which comply in all respects with the requirements of the Order. Failing such replacement, the Seller shall pay any additional costs over and above the Order price incurred by the Buyer in obtaining goods from another source
- 8. Liability
- 8.1 The Seller shall indemnify and hold harmless the Buyer in respect of:
 - (a) Any and all loss, damage or expense suffered by the Buyer in consequence of any negligence or breach of statutory or other duty on the part of the Seller, his subcontractor or agent or any servant of them in any way arising out of or connected with the performance of the Order.

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- (c) All claims made against the Buyer by any Third Party including any servant or the personal representatives or dependants of any servant of the Buyer for any negligence or breach of duty or defect or incorrectness referred to in 8.1 (a) and (b) above.
- (d) All claims made against the Buyer by any servant or agent of the Seller or by any servant or agent of any sub-contractor or by the personal representatives or dependants of any such servant or agent for or in respect of the death of or any damage, loss or personal injuries incurred or suffered by such servant or agent arising from any cause whatever including fault, negligence or breach of duty on the part of the Buyer or any agent or servant of the Buyer.
- (e) All legal and other costs however incurred by the Buyer in connection with any such loss, damage or claim detailed above.
- 8.2 If any fault of design, materials or workmanship shall occur within a period of 12 months (or within contractual warranty period) of delivery of the Goods covered by this Order, the defective Goods shall, at the option of the Buyer, either be replaced or made good by the Seller at any place directed by the Buyer. Any Goods replaced or made good shall be guaranteed for a further period of 12 months.
- 8.3 Except to the extent that the Goods are made in accordance with designs furnished to the Seller by the Buyer, the Seller shall indemnify and hold harmless the Buyer against all claims made against the Buyer and all liability in respect of any claim made by any Third Party for an infringement of Letters Patent, Registered Design, Trade Mark, Copyright, Know-how, License or any similar rights in respect of the manufacture, sale and/or use of the Goods and for all costs and expenses incurred by the Buyer in connection therewith. The Seller warrants that there is no infringement of any such rights and that all licenses or other permits necessary for the performance of the Order have been granted.
- Information
- 9.1 Any information derived from the Order or items supplied by the Buyer to the Seller shall be regarded as confidential and shall not be published or disclosed to any Third Party or be used by the Seller otherwise than for the performance of the Order, unless there is a specific agreement in writing from the Buyer.
- 9.2 All written instructions, specifications and other technical information supplied by the Buyer or produced by the Seller in connection with or for performing the Order shall be the property of the Buyer and shall if required by the Buyer be returned after completion of the Order. The Seller shall be responsible for the safe custody of all such items supplied.
- 10 Marking and Identification of Goods
- 10.1 The Goods shall be marked in accordance with the Buyer's instructions.
- 10.2 Any Goods which are hazardous shall be marked with the appropriate international danger symbols and the name of the Goods or Materials in English. The Seller shall observe all United Kingdom and International Agreements relating to the packaging, and carriage of hazardous Goods. The Goods shall be supplied with appropriate documentation to enable Goods inwards inspection to be carried out. The Buyer's Purchase Order Number must be quoted on all documentation.
- 11 Inspection and Right of Access
- 11.1 The Buyer, his customer or his customer's representatives shall be entitled to a right of access to the Seller's and sub-contractor's premises at all reasonable times for checking progress or carrying out or witnessing tests and/or procedures.

- 12 Termination
- 12.1 The Buyer shall have the right to terminate this order forthwith by notice in writing without prejudice to any other rights of the Buyer against the Seller hereunder if:
 - (a) The Seller makes default in or commits a breach of the Order or any of the other Seller's obligation to the Buyer
 - (b) Any distress or execution is levied on the Seller's property or assets
 - (c) The Seller offers to make any arrangement or composition with the Seller's creditors or commits any act of bankruptcy
 - (d) Any Petition or Receiving Order of Bankruptcy is presented, or a Receiver or Administrator of any part of the undertaking, property or assets of the Seller is appointed
 - (e) A Court Order is made, or an effective Resolution passed for the winding up of the Seller, not being a winding up for reconstruction or amalgamation only.
- 13 Variation
- 13.1 The Buyer shall not be liable to pay for or be responsible for any additions or variations to the Order unless the Buyer confirms the same in writing and agrees to:
 - (a) Any consequential addition to or abatement from the purchase price and/or
 - (b) Any consequential change to the delivery date.
- 14 Force Majeure
- 14.1 The Seller shall not be liable for failure to perform any obligation under the Order to the extent that performance of the Seller is prevented or delayed by any fire, flood, war, riot, act of government or act of God or any strike or labour dispute other than by the Seller's own workforce provided that:
 - (a) The Seller shall have given the Buyer written notice of such event having occurred as promptly as possible and in any event within seven days of the occurrence, and
 - (b) The Seller shall have used every reasonable effort to mitigate the effects of the event and to complete its obligations as promptly as possible notwithstanding its occurrence.
- 15 Assignment
- 15.1 The Seller shall not assign the whole or any part of this Order without the prior written consent of the Buyer.
- 16 Notices
- 16.1 Notices shall be given by either Party in writing by pre-paid first-class post addressed to the other Party at the last known address of the Party to whom notice has been sent and any such notice shall be deemed to have been given twenty-four hours after time of posting.
- 17 Law
- 17.1 This Order shall be governed and construed in accordance with the Laws of Scotland and the Parties hereby submit to the exclusive jurisdiction of the Scottish Courts.