

# ARM Pipetek Ltd

## TERMS & CONDITIONS FOR THE PURCHASE OF GOODS

The Goods described within the Purchase Order shall be supplied strictly in accordance with these Terms and Conditions for the Purchase of Goods.

The Purchase Order constitutes an offer on the exact terms set forth and these terms apply to the exclusion of all others. Commencement of supply of the Goods and/or Services (or part thereof) shall constitute full acceptance of the Purchase Order and the Conditions of Contract incorporated herein.

### DEFINITIONS

"ARM Pipetek" shall mean registered Company ARM Pipetek Ltd. Company Number 8506274. Registered at Unit 8 Belmont Industrial Estate, Durham, DH1 1TN.

"Conditions" shall mean these Terms and Conditions for the Purchase of Goods.

"Contract" shall mean the agreement incorporating these Conditions and the Purchase Order.

The "Supplier" shall mean the person who has agreed to supply the Goods to ARM Pipetek in accordance with the Contract.

The "Contract Price" shall mean the sum agreed between ARM Pipetek and the Supplier for the supply of Goods. The Contract Price shall remain fixed for the duration of the Contract, unless otherwise stated in the Purchase Order.

The "Goods" shall mean the goods and/or equipment and/or materials to be supplied under this Contract.

The "Purchase Order" shall mean the form or document used by ARM Pipetek to order the Goods from the Supplier including, but not limited to, (a) a Purchase Order, (b) a Purchase Order Addendum, (c) a Blanket Purchase Agreement or (d) a Purchase Order Release.

### CONDITIONS

#### 1. SPECIFICATION AND TERMS & CONDITIONS ETC.

a) The Goods supplied shall be safe to use and shall comply in all respects with the type, specification, drawings, samples and/or patterns or any modification thereof, particulars of which are given on the Purchase Order. If no type, specification, drawings, samples and/or patterns are given on the Purchase order, the Goods shall be safe to use and of the best quality appropriate for the specified purpose.

b) Where the Goods consist of or comprise ready mixed concrete, reinforcement steel or the requirement for disposal and muck away, the additional provisions set out in Condition 24 of these Conditions shall apply.

c) All copyright and other intellectual property rights in all ARM Pipetek's specifications provided for the purpose of tendering for or performance of a Contract shall remain vested in ARM Pipetek. The information contained in ARM Pipetek's specifications is confidential and must not be used, reproduced, copied or disseminated in whole or in part without the consent in writing of ARM Pipetek except where and only to the extent thereto such copying reproduction or dissemination is necessary for the proper carrying out of the supply of Goods pursuant to this Contract.

d) ARM Pipetek may at any time make changes in writing relating to the Contract including but not limited to changes in drawings or specifications, method of shipment, quantities, packing or time and place of delivery. If such changes result in an increasing cost of or time required for the performance of the Contract, an equitable adjustment shall be made to the price, delivery schedule or both. Any claim or adjustment by the Supplier must be approved by ARM Pipetek in writing before the Supplier proceeds with such changes.

e) No terms and conditions of trade or supply, except those contained in the Conditions and/or the Purchase Order shall apply to the Supply of Goods. In particular, but without limitation to the generality of the foregoing, no term or condition of trade or supply printed on any of the Supplier's stationary, quotations, time sheets, delivery notes, order acknowledgements, dockets or other document evidencing the supply of Goods shall apply to this Contract.

f) The Supplier shall check with ARM Pipetek's Authorised Representative that any drawings or specification provided by ARM Pipetek are the current revisions. Any abortive work arising from failure to do so shall be at the Supplier's expense. The Supplier shall ensure that application is made for the supply of any drawings, specifications, details or other necessary information in order to complete deliveries within stated programme dates.

g) The Supplier must submit for approval necessary copies of any working drawings produced by the Supplier. Manufacture must not commence until written approval has been given. A minimum period of 7 days review is required for approval of drawings. Therefore, they shall be submitted at the earliest possible date to avoid delays to delivery or programme dates. Such approval shall not relieve the Supplier of responsibility for the design and the suitability of the materials provided by the Supplier under the Contract. The Supplier is expected to obtain such materials as is practicable pending approval of drawings.

h) In these Conditions words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender and vice versa.

i) In the absence of a court judgment or arbitration or adjudication award, neither party will initiate any form of bankruptcy or insolvency proceedings (which shall include the service of a statutory or other pre-insolvency action demand) ("Insolvency Proceedings") to recover any sum due under this contract or alleged to be due under this contract. The party in breach of this provision (the "Defaulting Party") shall indemnify the other party (the "Innocent Party") against all legal costs and administrative costs incurred by the Innocent Party in defending, setting aside or otherwise disposing of the Insolvency Proceedings initiated by the Defaulting Party.

j) The Supplier shall take out and maintain for the duration of the Contract Employers Liability Insurance and Public Liability Insurance where the limit of indemnity shall not be less than:

- 1) Employers Liability shall be not less than 10 (ten) million pounds sterling for any one occurrence unlimited in all; and
- 2) Public Liability Insurance shall be not less than 5 (five) million for any one occurrence unlimited in all.

k) The Supplier shall fully indemnify ARM Pipetek for all loss, injury, damage, expense, consequential loss or delay incurred or suffered by ARM Pipetek or its Associates arising directly or indirectly from or in any way connected with the supply/sale of Goods to ARM Pipetek under this Contract, in particular, but without limitation to the generality of the foregoing, all such loss, injury, damage, expense or delay arising from or in any way connected with:

- 1) failure of the Goods to meet the requirements of ARM Pipetek for all or any of the purposes for which ARM Pipetek requires them;
- 2) any act or omission of the Supplier, whether wilful, negligent, fraudulent, dishonest, reckless or otherwise.

l) The Supplier is deemed to have knowledge of, and shall comply with, all industry standards, bulletins, best practice guidance notes, advice notes and the like that apply to the Goods detailed within this Contract, that are current during the performance of the Contract.

m) Any provision of the Contract which is held by a competent authority to be invalid, void, voidable, unenforceable or unreasonable (in whole or in part) shall to the extent of such invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the other provisions of

the Contract and the remainder of such provision shall not be affected and shall remain in full force and effect.

### 2. DELIVERY

a) The Supplier shall deliver the Goods in accordance with the instructions shown on the Purchase Order; or any subsequent call-forward instructions in the case of bulk or open orders where issued by ARM Pipetek's authorised representative on site. Such instructions shall specify the quantity required and the date and place of delivery. ARM Pipetek will be under no obligation to accept or pay for quantities delivered in excess or advance of those covered by such instructions and any excess will be and will remain at the Suppliers risk and will be returnable at the Suppliers expense. Where Goods are retained by the Supplier pending delivery to site, ARM Pipetek shall not be responsible for any costs of manufacture or storage, except where previously agreed in writing. Delivery notes to be produced with unique delivery note number / Purchase Order numbers / Description of Goods.

b) The Supplier shall notify ARM Pipetek not less than 5 working days prior to delivery of the Goods (or part thereof) of any occurrence reasonably outside their control, which they reasonably consider will delay the delivery of the Goods and ARM Pipetek shall consider at their discretion whether any extension of time is to be granted.

c) Unless provided for in the Purchase Order, no charge shall be made for packing cases and materials.

d) Should labour and craneage be required for off-loading, and off-loading is excluded from the Contract Price, the Supplier must give ARM Pipetek's site representative 48 hours' notice of the intended delivery. If this notice is not given, any standing time incurred will be at the Supplier's expense.

e) Where access to the premises is necessary in connection with delivery or installation the Supplier and/or its sub-contractors shall at all times comply with the reasonable requirements of ARM Pipetek's administrative office.

f) All delivery vehicles and plant entering the site shall be fitted with flashing amber rotary lamps in full working order and adequate rear and side view mirrors. When reversing, all delivery vehicles and plant operating on site shall do so strictly in accordance with ARM Pipetek's Reversing Vehicles Policy document, a current version of which is available for inspection and replication at ARM Pipetek's project offices. This policy requires the use of audible reversing warning devices, CCTV cameras and other such reversing aids in defined circumstances. The Supplier shall also utilise such number of banksmen in all instances where delivery vehicles are reversing and any other instances where circumstances indicate that use of banksmen is appropriate.

g) Delivery of the Goods by articulated tipper(s) is strictly prohibited.

h) All delivery personnel making deliveries to a site shall wear the appropriate Personal Protective Equipment ("PPE") at all times, unless the area of the site is specifically excluded by the authority of ARM Pipetek's site representative.

i) The Supplier shall ensure that its drivers are aware of all requirements in this Condition 2, and are provided, as a minimum, with a safety helmet and reflective jacket (which must be worn whenever they are required to leave the vehicle whilst on the site). All personnel on site must comply with ARM Pipetek's safety procedures and site rules in relation to each site to which a delivery is made, copies of which are available on request. Notwithstanding any other provision of this Condition 2, the Supplier shall comply with the safety policy and procedures of the site to which deliveries are made in so far as the same extends or amends the safety requirements stated within the Contract.

j) The Supplier shall off load the Goods at its own risk and as directed by ARM Pipetek.

k) In the event that ARM Pipetek agrees to collect the Goods from the Suppliers premises or any other premises, details of which are provided by the Supplier, ARM Pipetek accepts no liability for any damage or loss to the premises or property therein contained howsoever occasioned.

l) The Supplier shall supply ARM Pipetek on delivery of the Goods with all operating and safety instructions, warning notices clearly displayed and other information as may be necessary for their proper use, maintenance and repair for ARM Pipetek to accept delivery of the Goods

m) Time for delivery shall be of the essence.

### 3. INVOICES & ADVICES OF DESPATCH

a) Invoices for a consignment(s) of goods must be addressed to and forwarded to ARM Pipetek in accordance with the instructions contained in the Purchase Order and dated no earlier than the last working day in the month in which the consignment(s) was delivered to ARM Pipetek, unless otherwise agreed in writing. Invoices must show the Purchase Order reference number and any applicable trade or settlement discount.

b) Advice of despatch shall be sent separately to the consignee on the day of despatch giving the Purchase Order reference number, catalogue number, description of Goods, number of packages and such other particulars, including the method of despatch, as it may be appropriate to supply.

### 4. TERMS OF PAYMENT

a) In respect of Goods which have been delivered and accepted by ARM Pipetek as complying with the Contract and for which ARM Pipetek has received a contractually correct invoice in accordance with Condition 3 above, ARM Pipetek shall make payment (in accordance with the rates and/or Price detailed on the Purchase Order) within 45 days from the Month End, of the month in which the invoice was submitted, unless otherwise detailed in the Purchase Order.

b) The parties hereto expressly agree that any payment obligations pursuant to the Purchase Order which are presently denominated in a national currency of a member state of the European Community or in ECU shall be automatically converted to an equivalent obligation in the proposed Single European Currency Unit (the "Euro") on the date on which the Euro becomes the sole legal currency of such member state. The rate of conversion shall be the irrevocably fixed conversion rate to be adopted by the Council of the European Communities. This agreement shall not be amended or terminated as a result of the conversion referred to in the foregoing sentences, and shall remain in full force and effect.

c) ARM Pipetek does not guarantee placing a minimum number of orders or any orders for Goods.

d) European Economic Community (EEC) Suppliers providing Goods from EEC member countries must submit details to ARM Pipetek (on receipt of the Purchase Order) in compliance with United Kingdom (UK) Value Added Tax (VAT) requirements. These details include but are not limited to the following: the value of goods in sterling, the weight of the goods, the method of transportation used, the transaction type, the country where the Goods have been dispatched from and the HM Revenue and Customs commodity code.

e) The Supplier shall ensure that the Goods are invoiced in accordance with the rates detailed in the Purchase Order. Where items differ, they are to be invoiced at rates agreed by ARM Pipetek in advance and confirmed by a Purchase Order Addendum.

f) Where quantities are excluded from the Purchase Order, this is an open order, and quantities will be as instructed in writing by ARM Pipetek's Site Representative. Payment shall be made only for those Goods supplied and delivered in accordance with the quantities confirmed by site.

g) The Supplier is not entitled to suspend deliveries of the Goods or prevent collection of the Goods by ARM Pipetek as a result of any sums whatsoever being outstanding.

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### 5. PAYMENT ON NET WEIGHT

- a) Where the Contract price is by weight, payment will be made on the net weight of the Goods only and each delivery shall be accompanied by a weight docket issued from an authorised and approved weighbridge.
- b) ARM Pipetek reserves the right to check and weigh vehicles periodically at the nearest Public Weighbridge.
- c) Where the Goods are steel reinforcement bar, payment shall be made on net theoretical weight.

### 6. PATENTS, ROYALTIES ETC.

- a) The Supplier shall pay all royalties and fees on all patented Goods, processes and registered designs and shall be responsible for any infringement or alleged infringement of any patent registered design or otherwise protected right and the consequences thereof and shall indemnify ARM Pipetek against all actions claims, costs, damages and expenses brought against or suffered by ARM Pipetek in regard to any of the aforesaid matters; provided always that this indemnity shall not apply to any infringement or alleged infringement which is due to the use of the Goods in a manner or for a purpose not reasonably to be inferred by the Supplier or disclosed to the Supplier prior to the placing of the Contract or Purchase Order. In the event of any claim being made or action brought against ARM Pipetek in respect of infringement or alleged infringement of patent, registered design or otherwise protected right ARM Pipetek shall notify the Supplier immediately and the Supplier may at his own expense conduct all negotiations for the settlement of same and any litigation or other proceedings that may arise therefrom. ARM Pipetek shall at the request of the Supplier afford reasonable assistance for any such purpose and shall be repaid any expenses incurred in so doing.
- b) ARM Pipetek shall be informed of all applications by the Supplier for patents or for registration of designs in respect of inventions, designs or improvements made in the course of the work or directly arising therefrom. Where ARM Pipetek has contributed to such designs or improvements the Supplier shall seek ARM Pipetek's consent prior to any application and ARM Pipetek shall be entitled to join in any such applications.

### 7. ASSIGNMENT, SUBLETTING AND DEBT FACTORING

- a) The Supplier shall not without the written consent of ARM Pipetek, which may be withheld in ARM Pipetek's absolute discretion, assign or sublet the Contract or any part thereof nor allow any Goods or parts thereof to be made elsewhere other than in the Supplier's own establishment.
- b) No sum due from ARM Pipetek to the Supplier for Goods supplied shall be assigned, sold or otherwise transferred to a debt or other factor or debt collection agency.

### 8. QUALITY ASSURANCE

- a) Except where otherwise agreed the Supplier shall give ARM Pipetek's authorised representative access at all reasonable times to the Supplier's premises and allow such representatives to carry out surveillance of the Supplier's quality systems and production methods or if deemed necessary by ARM Pipetek to inspect examine and test the Goods to be supplied during and after manufacture and the materials being used in their manufacture.
- b) Any costs incurred by the Supplier in arranging compliance with the quality standards required by ARM Pipetek will be borne by the Supplier.
- c) Copies of the inspection and test certificates, and certificates of conformity, must be supplied to ARM Pipetek by the Supplier with the Goods or within 5 working days of the delivery of the Goods. Failure to comply will entitle ARM Pipetek to reject the Goods.
- d) The provisions of this Condition apply equally to agreed Sub Suppliers.
- e) It is the responsibility of the Supplier to operate a Quality Assurance system that complies with ARM Pipetek's Quality Assurance system and to ensure that all goods are supplied in accordance with such.
- f) It is the responsibility of the Supplier to comply with and adhere to all relevant standards imposed upon ARM Pipetek through its main contract which are applicable to the activities detailed within this order (for Railway-related activities this will include all relevant Rail Safety & Standards Board and Group standards). The Supplier shall also comply with and adhere to all relevant and most current British and European Standards and Codes of Practice, including quality and environmental standards applicable to the activities carried out under this Contract.
- g) Without prejudice to ARM Pipetek's rights under Conditions 9, 10 and 14; where the Supplier provides samples of the Goods for approval by ARM Pipetek and approval is granted, all subsequent Goods delivered must be of at least equal quality.
- h) The Goods shall be fit and sufficient for the purpose for which such Goods are ordinarily used and for any particular purpose made known to the Supplier by ARM Pipetek and ARM Pipetek relies on the skill and judgement of the Supplier in the supply of the Goods for the purposes required by ARM Pipetek.

### 9. ACCEPTANCE & REJECTION

- a) ARM Pipetek may within 12 months of delivery, or within the time stated in the Purchase Order if such time stated exceeds 12 months, reject by notice in writing without liability to ARM Pipetek any Goods that in the opinion of ARM Pipetek are not reasonably fit for their purpose, or not in accordance with the Contract, or not of satisfactory quality. Any Goods not so rejected within the period stated above should be deemed to have been accepted by ARM Pipetek. Goods delivered to site and signed for shall be deemed not to have been examined (except for obvious visual defects) before signing.
- b) ARM Pipetek may return any Goods rejected at the expense and risk of the Supplier, subject to ARM Pipetek's lien for any carriage or warehousing charges having first been satisfied. The Supplier at their expense and risk may remove any Goods not returned within 14 days of receipt by them of notice of rejection from ARM Pipetek. Any Goods not removed within 14 days may thereafter be disposed of by ARM Pipetek at the expense and risk of the Supplier without having to account to the Supplier for any proceeds of sale. Notice shall be deemed to have been received by the Supplier 2 working days after the same shall have been posted by ARM Pipetek, or on the same day in the case of notification by facsimile, or e mail. The right to reject shall extend to the whole or any part of a consignment.

### 10. REPLACEMENT OF GOODS

Should ARM Pipetek reject any Goods under Condition 9 and the Supplier be unable to supply, what, in the opinion of ARM Pipetek is acceptable replacements within the time fixed by the Contract or any extension thereof agreed in writing by ARM Pipetek, ARM Pipetek shall be entitled on giving notice to the Supplier to obtain other Goods in lieu thereof and the Supplier shall forthwith upon receipt of a statement from ARM Pipetek pay ARM Pipetek any additional costs and losses incurred in obtaining such replacement Goods and make good any excess cost incurred by ARM Pipetek in so doing. Provided that where such rejected Goods form part of a series of consignments nothing in this Condition shall prevent ARM Pipetek from accepting subsequent consignments from the Supplier if the Goods contained within such subsequent consignments are acceptable to ARM Pipetek.

### 11. DAMAGES FOR DELAY IN DELIVERY

In the event that the Goods (or a part thereof) cannot by reason of delay in delivery be used commercially and/or efficiently or at all by ARM Pipetek and as a result thereof ARM Pipetek has suffered loss the Supplier shall pay to ARM Pipetek a sum by way of liquidated damages equivalent to 5% of the total Contract Price stated in the Contract (or on the appropriate proportion of the Contract price in respect of part of the Goods) for each week (or part thereof) of the period between the time for delivery stated in the Contract (or any extension thereof granted in accordance with Condition 2 hereof) and the actual time of delivery (whether such delivery is made by the Supplier or any other Supplier from whom the Goods were obtained in accordance with Condition 10 hereof) up to a maximum of 20% or such other weekly and maximum percentages as may be agreed in the Purchase Order. Such payment shall be subject to Conditions 10 and 14 and be in full satisfaction of the Supplier's liability for delay and shall not exceed the percentage of the Contract Price stated in the Contract.

### 12. SUPPLIERS NOT TO ADVERTISE

The Supplier shall not without the prior written consent of ARM Pipetek advertise or announce that the Supplier supplied Goods to ARM Pipetek under the Contract.

### 13. TERMINATION

- a) If the Supplier commits any breach in the terms and conditions of the Contract and fails to remedy such a breach within 7 days of being given written notice to do so by ARM Pipetek, or if they die or become bankrupt or insolvent, or have a receiving order made against them, or compound with their creditors, or commence to be wound up, or carry on their business under a receiver for the benefit of its creditors or any of them, ARM Pipetek, at ARM Pipetek's absolute discretion, shall be at liberty either:-
  - 1) to terminate the Contract forthwith by notice in writing to the Supplier or to the receiver or liquidator or to any person in whom the Contract may become vested
  - 2) To give such receiver, liquidator or other person the option of carrying out the Contract subject to them providing a guarantee for the due and faithful performance of the Contract up to an amount to be agreed. Provided always that any such determination or continuance of the Contract shall not affect any action or remedy that shall have accrued or shall accrue thereafter to ARM Pipetek.
- b) without prejudice to ARM Pipetek's rights to obtain replacement Goods under Conditions 10 and 14 and claim liquidated damages under Condition 11 if the Supplier fails to execute the Contract with due diligence or to comply with the delivery date stated in the Contract or extension thereof in accordance with Condition 2 ARM Pipetek may forthwith terminate the Contract when ARM Pipetek shall be entitled:
  - 1) To return to the Supplier at the Supplier's own risk and expense any of the Goods already delivered but which cannot in ARM Pipetek's opinion be effectively and commercially used by reason of the non-delivery of Goods still undelivered under the Contract and recover any payments made to the Supplier in respect of the Goods so returned
  - 2) Recover from the Supplier any additional expenditure reasonably incurred in obtaining other Goods in lieu of those returned and those not delivered because of the determination of the Contract
- c) Without prejudice to ARM Pipetek's other rights under this Condition 13, ARM Pipetek may, without cause terminate this agreement upon giving to the Supplier 14 days' notice in writing. ARM Pipetek shall have no liability for any loss of contract, loss of profit, consequential loss or economic loss arising from such termination.
- d) ARM Pipetek, acting reasonably, shall be at liberty, at ARM Pipetek's sole discretion, to suspend the Supplier from performing work under this Contract. ARM Pipetek shall have no liability for any loss of contract, loss of profit, consequential loss or economic loss arising from such suspension. Once any period of suspension subsists for a period of 6 months or more, the Supplier shall be entitled to terminate the Contract.
- e) No concession or delay on the part of ARM Pipetek shall be construed as a waiver of any rights and remedies.

### 14. WARRANTY

- a) If during the warranty period stated in the Purchase Order any defect occurs in any of the Goods supplied thereunder due to the material, workmanship or design of such Goods not being in accordance with the Contract the Supplier shall replace or repair such defective Goods at their own expense and shall be liable for all costs incurred in removing and replacing such Goods to the satisfaction of ARM Pipetek. If no warranty period is stated in the Purchase Order then a minimum of 12 months warranty period shall apply. For the avoidance of doubt where Goods are to be delivered in separate consignments the warranty provisions herein contained shall relate to each consignment as if it were a separate Purchase Order.
- b) The Supplier shall immediately following notification by ARM Pipetek of any defect in the Goods supplied submit to ARM Pipetek written proposals for repair or replacement of the Goods and state the time required for such rectification. If these proposals are not received within 7 days or are not acceptable to ARM Pipetek, repair or replacement may be arranged by ARM Pipetek from an alternative source at the Suppliers' expense.
- c) Any Goods replaced or repaired under the provisions of this condition, shall from the date of replacement or repair be subject to the period of warranty stipulated in the Purchase Order or twelve months if none is specified. Such period of warranty shall run from the date the Goods are accepted by ARM Pipetek following the repair or replacement.

### 15. VESTING

- a) Title in the Goods will pass to ARM Pipetek upon delivery of the goods to site, save where payment (either in whole or in part) is made for the Goods prior to delivery to ARM Pipetek or where ARM Pipetek has supplied materials to be incorporated in the Goods to be supplied under these conditions in which case the following sub clause (b) shall apply.
- b) Without prejudice to any other rights contained in these Conditions, title to all Goods and all materials and other items acquired or allocated for use in the manufacture of such Goods shall vest in ARM Pipetek: (i) from the date of commencement of manufacture where payment is made by ARM Pipetek for Goods in advance of delivery; and/or (ii) from the date of delivery to the Supplier where any materials are supplied by ARM Pipetek for incorporation into the Goods.
- c) No such Goods materials or other items as aforesaid shall be removed from the Supplier's premises without the written consent of ARM Pipetek and the Supplier shall affix a prominent notice on (or place a prominent notice near) the Goods bearing the following words: "The goods or materials to which this notice is attached or refers are the absolute legal property of ARM and may not be removed from the Supplier's premises without the written consent of ARM Pipetek".
- d) In each case the Goods shall be at the Supplier's risk until delivery has been accepted by ARM Pipetek, notwithstanding that payment may have already been made and title passed to ARM Pipetek.
- e) In all cases, the Supplier shall be under an obligation to insure the Goods against all perils (including transit)

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### 16. AUDIT OF COSTS

ARM Pipetek shall be entitled to attend the premises of the Supplier at any time for the purposes of auditing all of the Supplier's documents (whether in paper form or electronically in any format whatsoever) in relation to the supply of the Goods, any applications for payment of the Goods and payments made by ARM Pipetek for the Goods.

### 17. FREE MATERIAL AND SAMPLES, PATTERNS ETC.

a) In the event of ARM Pipetek supplying to the Supplier (with the Supplier's agreement) free of charge materials the cost of which has been included in assessing the Contract Price, the Contract Price shall be reduced by an appropriate amount agreed between the Supplier and ARM Pipetek.

b) The Supplier shall be liable for and shall indemnify ARM Pipetek against the loss or damage by any cause to any free of charge materials supplied by ARM Pipetek to the Supplier in the full value thereof and keep them insured whilst they are in the Supplier's possession and shall from time to time when so required produce to ARM Pipetek the policy and receipts for the premiums. All moneys received under any such policies shall be applied in or towards the replacement or repair of the said free of charge materials lost destroyed or damaged but this provision shall not affect the Supplier's liabilities under the Contract.

c) During any or all periods of supply of free of charge materials by ARM Pipetek to the Supplier ownership shall at all times and for all purposes rest solely on ARM Pipetek and to this end the Supplier shall ensure that all materials supplied to the Supplier by ARM Pipetek are properly labelled as the property of ARM Pipetek and are kept separate from and not mixed with any materials owned or in possession of the Supplier or with any materials supplied to him by somebody other than ARM Pipetek. In the event of the Contract allowing the Supplier to mix such materials with other materials no items incorporating such materials shall be vested in any third party without ARM Pipetek's prior written consent and without being subject to such terms and conditions as ARM Pipetek shall require.

d) If any samples, patterns, gauges, jigs, tools, dies, drawings, templates, materials or other items are supplied to the Supplier by ARM Pipetek for use in connection with the Contract they will be sent to the Supplier carriage paid and when requested by ARM Pipetek the Supplier shall return such samples, gauges, jigs, tools, dies, drawings and templates and unused materials and other Goods carriage paid to the address nominated by ARM Pipetek. The Supplier shall be responsible for their safe custody and return and for any loss of or damage to them, however caused, excepting fair wear and tear.

e) The Supplier shall be liable for and shall indemnify ARM Pipetek against the loss or damage to any free of charge materials supplied by ARM Pipetek to the Supplier in the full value thereof where ARM Pipetek deem, at ARM Pipetek's absolute discretion, that such have been utilised inefficiently or unproductively by the Supplier.

### 18. STATUTORY AND OTHER REGULATIONS

a) The Supplier shall in all matters arising in the performance of the Contract conform with all Acts of Parliament and in particular the Health and Safety at Work Act 1974 as the same may be amended or substituted from time to time and with all orders, regulations, bye-laws or codes of practice made with statutory authority by Government departments or by local or other authorities that shall be applicable to the Contract. The Supplier shall also observe through its staff and work people any rules applicable to the premises where the works are carried out or deliveries made.

b) The Supplier shall ensure that all Goods are suitably packed and identified at the time of delivery with reference to the hazards attached to them in accordance with all statutory requirements applicable to those Goods. Without limitation to the generality of the foregoing, all materials delivered to site by the Supplier shall have been subject to an assessment in accordance with the Control of Substances Hazardous to Health Regulations 2002 as the same may be amended or substituted from time to time ("COSHH") and where hazardous [such assessment indicates that the same is required pursuant to COSHH] the Supplier shall ensure that the necessary information and instruction is provided to ARM Pipetek.

c) In the event that the Supplier does not fulfil its responsibilities and obligations under the Contract and ARM Pipetek thereby incurs costs to which it would not otherwise be liable due to any law or any order, regulation, bye-law or code of practice having the force of the law, the full amount of such costs shall be reimbursed by the Supplier to ARM Pipetek.

### 19. GIFTS AND PAYMENTS OF COMMISSION

a) The Supplier shall not:-

1) offer or give or agree to give any servant of ARM Pipetek any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or foreborne to do any act in relation to obtaining or execution of this or any other Contract for ARM Pipetek or for showing or forbearing to show favour or disfavour to any person in relation to this or any other Contract for ARM Pipetek.

2) enter into this or any other Contract with ARM Pipetek in connection with which commission has been paid or agreed to be paid by the Supplier or on their behalf or to their knowledge unless before the Contract is made particulars of any such commission and of the terms and conditions of any agreement for the payment thereof have been disclosed in writing to any Director for the time being of ARM Pipetek and approved by that Director in writing.

b) Any breach of this condition by the Supplier or by anyone employed by the Supplier or acting on their behalf (whether with or without the knowledge of the Supplier) or the commission of any offence by the Supplier or by anyone employed by the Supplier or acting on their behalf under the Prevention of Corruption Acts 1889 to 1916, in relation to this or any other Contract for ARM Pipetek, shall entitle ARM Pipetek to determine the Contract and recover from the Supplier the amount of any loss resulting from such determination and/or to recover from the Supplier the amount or value of any such gift, consideration or commission.

c) Any dispute, difference or question arising in respect of the interpretation of this Condition (except so far as the same may relate to the amount recoverable from the Supplier under sub clause b) of this condition in respect of any loss resulting from such determination of the Contract), the right of ARM Pipetek to determine the Contract or the amount or value of any such gift, consideration or commission shall be decided by ARM Pipetek whose decision shall be final and conclusive.

### 20. COLLATERAL WARRANTIES

a) Where under the provisions of a main contract entered into by ARM Pipetek and ARM Pipetek's employer, ARM Pipetek is obliged to procure the grant of a collateral warranty or guarantee or other direct agreement from the Supplier to ARM Pipetek or to ARM Pipetek's employer (which for the purposes of this provision shall include a party with a legal or financial interest in the works for which the Goods are supplied), the Supplier shall with all expedition execute such document or documents as may be required by ARM Pipetek or by ARM Pipetek's employer from the Supplier.

### 21. RECOVERY OF SUMS DUE

a) Without prejudice to any other rights or remedies that ARM Pipetek has under the Contract, ARM Pipetek may deduct from any sums due to the Supplier under the Contract or any other, an amount

equivalent to any sums due to ARM Pipetek provided that before any payment is withheld under this Contract, ARM Pipetek has given notice to the Supplier specifying the amount to be withheld and the ground for its withholding.

### 22. WAIVER

No failure to exercise nor delay in exercising any right, power or remedy under or in connection with this Contract shall operate as a waiver thereof and no single or partial exercise of any right, power or remedy shall preclude any further or other exercise thereof, or the exercise of any other right or remedy.

### 23. SERVICE OF NOTICES

All notices to be served upon the Supplier shall be deemed to be properly served if sent by facsimile or by recorded delivery post to the address or facsimile number given in the tender or such other address or facsimile number as the Supplier may specify and it shall be deemed effectively given on the day when in the ordinary course of the means of transmission it would first be received by the addressee in the normal business hours.

### 24. ENVIRONMENT

a) ARM Pipetek recognises that its operations directly impact on the natural and human environment. ARM Pipetek aims through its environmental policy to continually assess the environmental implications of its activities and to actively seek the co-operation of clients, suppliers, sub-contractors and all its employees in minimising adverse effects. ARM Pipetek has developed an Environmental Management System that meets the requirements of ISO 14001. Pursuant to the environmental management system the Supplier is required to develop and implement systems that promote the sustainable use of materials. The Supplier shall comply with ARM Pipetek's environmental policy which includes, but is not limited to, the key elements of: compliance with any relevant environmental legislation, the prevention of pollution and the requirement for continuous improvement.

### 25. ALCOHOL/DRUGS

a) ARM Pipetek operates an Alcohol and Drugs Policy that is to be adhered to by the Supplier and the whole of its supply chain. A copy of this policy is available from ARM Pipetek upon request.

### 26. CURRENCY

a) All rates detailed herein are in Pounds Sterling. Additionally all monetary transactions relating to this order shall likewise take place in Sterling. This order shall not be subject to the exchange rate between Sterling or the Euro (or any other currency) unless expressly stated herein.

### 27. FORCE MAJEURE

a) ARM Pipetek reserves the right to defer the date of delivery or payment or to cancel the Contract or reduce the volume of the Goods ordered if it is prevented from or delayed in the carrying on of its business through any circumstances beyond its reasonable control.

b) Without prejudice to the generality of the foregoing, the following shall be included as causes beyond ARM Pipetek's reasonable control:

- 1) Governmental actions, war or threat of war, national emergency, riot, civil disturbance, sabotage or requisition;
- 2) Act of God, fire, explosion, flood, epidemic, or accident;
- 3) Import or export regulations or embargoes;
- 4) Labour disputes not including the workforce of the Supplier;
- 5) Inability to obtain or delay in obtaining supplies of adequate or suitable material, fuel, parts, machinery or labour; or
- 6) A power failure or breakdown of machinery.

### 28. REACH

a) The Supplier hereby confirms that it understands its obligations under (EC) Regulations No. 1907/2006 of the European Parliament and the Council of 18 December 2006 concerning Registration, Evaluation and Authorisation of Chemicals (REACH Regulations)

b) The Supplier warrants that all the substances included in the Goods to be supplied to ARM Pipetek pursuant to the Contract, and that may require registration and/or pre-registration under the REACH Regulations will be registered and/or pre-registered within the requisite timescales, either by itself, through its authorised representative or by its own supplier(s).

c) The Supplier shall keep ARM Pipetek and any of its Associates/Customers buying or using the Goods indemnified in full against all liability, loss, damage, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by ARM Pipetek or any of its Associates/Customers buying or using the Goods as a result of or in connection with a breach of the Suppliers warranty set out in this clause.

### 29. THIRD PARTIES

No person other than (i) ARM Pipetek and the Supplier; or (ii) their respective successors in title and assignees (where permitted under this agreement); and/or (iii) any persons expressly made parties to this agreement by novation; shall have any rights to enforce any term of this Contract whether or not any such term expressly or impliedly purports to confer any benefit upon such a person, by virtue of Contracts (Rights of Third Parties) Act 1999.

### 30. ENGLISH LAW

The formation, construction, performance, validity and all aspects of the Contract are governed by English Law and the parties submit to the exclusive jurisdiction of the English courts.