

TFC LIMITED (“TFC”)

CONDITIONS OF PURCHASE October 2023

1 Interpretation

1.1 The definitions and rules of interpretation in this clause apply in these conditions.

Contract the Purchase Order and the Supplier's acceptance of it in accordance with condition 3.3.

Goods the goods and products agreed in the Contract to be purchased by TFC from the Supplier (including any part of it) and such packaging as may be necessary for the immediate containment or handling of the Goods but excluding additional cartons, cases or other similar containers used for the convenience of the Supplier or its distributors.

Intellectual Property Rights patents, rights to inventions, copyright and related rights, trademarks, trade names, domain names, rights in 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 without limitation 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.

Purchase Order TFC's written order to supply the Goods, incorporating these conditions, including any Specifications.

Specification any specification for the Goods, including any related plans, descriptions and drawings submitted by TFC or, if none, any specification published or supplied by the Supplier in relation to the Goods.

Supplier the person, firm or company who accepts the Purchase Order in accordance with condition 3.3.

TFC means TFC Ltd (registration number 0675195) whose registered office is at Hale House, Ghyll Industrial Estate, Heathfield, East Sussex TN21 8AW.

1.2 **Construction.** In these conditions, the following rules apply:

- 1.2.1 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.2.2 A reference to a party includes its personal representatives, successors or permitted assigns.
- 1.2.3 A reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted.
- 1.2.4 Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.2.5 A reference to **writing** or **written** includes faxes and e-mails.

2 **Application of Conditions**

2.1 These conditions shall:

- 2.1.1 apply to and be incorporated in the Contract; and
- 2.1.2 prevail over any inconsistent terms or conditions contained in or referred to in the Supplier's quotation, acceptance of the Purchase Order, correspondence or elsewhere or implied by law, trade custom, practice or course of dealing.

2.2 No addition to, variation of, exclusion or attempted exclusion of the Purchase Order or these conditions or any of them shall be binding on TFC unless in writing and signed by a duly authorised representative of TFC.

2.3 Each Purchase Order will constitute a separate Contract between TFC and the Supplier.

2.4 Where the Purchase Order is for more than one item, it shall (following acceptance by the Supplier) be regarded as a single Contract for all Goods supplied pursuant to that Purchase Order.

3 **Effect of Purchase Order**

3.1 TFC shall only be bound by an order if it is issued on TFC's standard Purchase Order form or, where the order exceeds £2,000 in value, is signed by a duly authorised representative of TFC.

3.2 The Purchase Order constitutes an offer by TFC to purchase the Goods subject to these conditions. Accordingly, any acceptance of the Purchase Order by the Supplier shall establish a contract for the sale and purchase of the Goods on these conditions. Any counter-offer made by the Supplier to supply the Goods on other conditions shall only be validly accepted if such acceptance is in writing and signed by a duly authorised representative of TFC.

3.3 The execution and return of the acknowledgement copy of the Purchase Order form by the Supplier, or the Supplier's execution, commencement of work or commencement of delivery pursuant to the Purchase Order constitutes acceptance of the Purchase Order on these conditions by the Supplier.

3.4 Where product is being 'bought in' by the supplier rather than manufactured 'on site' the supplier shall be responsible for ensuring all applicable requirements including customer requirements, designated or approved sources or processes as stated on the TFC purchase order form are flowed down the supply chain as appropriate.

4 **Supplier's Warranty**

4.1 The Seller would have been chosen as an expert in its field for the supply of the Goods and TFC relies solely upon the Seller's expertise to produce Goods to the standard and for the purposes referred to in

the Contract and to produce and deliver the Goods in accordance with the Contract on time. All such obligations are of the essence of the Contract.

- 4.2 The Supplier shall, as applicable, have implemented and documented a quality management system meeting the requirements of ISO 9001 or of an internationally recognized standard of the same level.
- 4.3 The Supplier warrants to TFC that:
- 4.3.1 the Goods will conform with the quality, description, and other particulars of the Goods stated in the Purchase Order;
 - 4.3.2 the Goods will conform to any Specifications;
 - 4.3.3 the Goods will conform to all samples and patterns provided to TFC by the Supplier;
 - 4.3.4 the Goods will conform with all standards referred to on any part of the Goods and in any product packaging and/or documentation in, with or in relation to which the Goods are supplied;
 - 4.3.5 the Goods will be of satisfactory quality and fit for any intended uses expressly or impliedly made known to the Supplier, and will be free from all defects in materials, workmanship and installation for a period of 12 months from the date of delivery;
 - 4.3.6 the Goods will comply with all performance and other specifications stated in the Purchase Order, and all applicable legislation for the time being in force;
 - 4.3.7 the Goods shall conform with all statutory requirements applicable thereto, including but not limited to all requirements relating to health and safety, waste, electrical and electronic equipment (where applicable) and the use of hazardous substances;
 - 4.3.8 the Goods shall be traceable to original or authorised manufacturers if stated in the purchase order or specification, and the use of counterfeit and suspected unapproved products should be prevented.
 - 4.3.9 their business practices are in accordance with all applicable laws, directives and regulations, including economic sanctions and embargoes, governing the export and transfer of parts, components, and technical data and services. Including but not limited to
 - 4.3.9.1 REACH - EC1907/2006 and GB REACH - latest edition
 - 4.3.9.2 Rohs - EU 2015/863 and UK 2020 no 1647
 - 4.3.9.3 Conflict minerals
 - 4.3.9.4 Russian Embargo No 833/2014 and 269/2014 and Uk Russian sanctions
 - 4.3.10 They shall provide truthful and accurate information as requested and obtain export licenses and/or consents where necessary
- 4.4 TFC's rights under the Contract are in addition to the statutory terms implied in favour of TFC by the Sale of Goods Act 1979 and any other statute.
- 4.5 The provisions in this condition 4 shall survive any delivery, inspection, acceptance, payment or performance pursuant to the Contract and shall extend to any replacement, repaired, substitute or remedial Goods provided by the Supplier.
- 4.6 They will conduct themselves at all times in an ethical manner.

5 Quantities

Unless TFC has agreed otherwise in writing, the Supplier shall deliver the exact specified quantities or weight of the Goods in accordance with the Purchase Order. Without affecting its other rights and remedies, TFC reserves the right to reject incomplete deliveries and to return excess quantities at the Supplier's risk and expense.

6 Inspection and Testing of Goods

6.1 The Supplier shall:

6.1.1 carefully test and inspect the Goods before delivery to ensure that they comply with the requirements of the Purchase Order; and

6.1.2 document findings of any safety critical features ; and

6.1.3 if so requested by TFC, give TFC reasonable advance notice of such tests (which TFC shall be entitled to attend)

6.1.4 advise the TFC Group Quality Manager of any nonconforming product found in advance of goods being delivered to any TFC Group site.

6.1.5 obtain TFC approval from TFC Group Quality Manager for nonconforming product disposition

6.2 TFC reserves the right to call for certificates or test certificates for the Goods at any stage of manufacture or assembly. Such certificates shall clearly state TFC's order numbers and any item or Goods numbers. If, as a result of any inspection or test, TFC finds that the Goods or any items comprised within it do not comply with the Purchase Order, or are unlikely to comply with it on completion of manufacture, processing or performance, TFC may inform the Supplier, and the Supplier shall take such steps as are necessary to ensure compliance.

6.3 The supplier shall notify TFC of changes to the ordered product specified in the requirements of the purchase order prior to delivery.

6.4 Where fully traceable or PPAP'd product is ordered the supplier shall advise TFC of any changes in product and/or process, changes of suppliers, changes of manufacturing facility location and, where required obtain TFC acceptance from Group Quality Manager prior to production/delivery of specified items.

7 Delivery, Installation and Acceptance of Goods

7.1 The Supplier shall deliver the Goods on the date specified in the Purchase Order or, if no such date is specified, within 28 days of the date of the Purchase Order. Time is of the essence as to the delivery of the Goods under the Contract. If any delivery specified in the Purchase Order cannot be met, TFC may:

7.1.1 cancel the Contract in whole or in part without incurring any liability to the Supplier;

7.1.2 refuse to accept any subsequent delivery of items comprised in the Goods which the Supplier attempts to make;

7.1.3 purchase substitute items elsewhere; and

7.1.4 hold the Supplier accountable for any loss and additional costs incurred.

7.2 The Goods shall be properly packed and secured in such manner as to enable them to reach their destination in good condition and in accordance with any special requirements stated in the Purchase Order. No charge shall be made for wrapping, packing, cartons, boxes, crating or containers and TFC shall not be responsible for returning any such materials.

- 7.3 The Goods shall be delivered by the Supplier “delivered duty paid” (as defined in the Incoterms 2010) unless otherwise stated on the Purchase Order, to the place of delivery specified in the Purchase Order. The Goods shall be received at the place of delivery, subject to TFC's inspection and approval. Any Goods which TFC rejects as not conforming with the Purchase Order shall be returned at the Supplier's risk and expense.
- 7.4 TFC shall not be deemed to have accepted the Goods until it has had 14 days to inspect it after delivery. TFC may also reject the Goods as though they had not been accepted for a period of 12 months after any latent defect in the Goods has become apparent.
- 7.5 TFC shall not be obliged to take delivery of any Goods tendered before the time or date shown in the Contract and may return any Goods so tendered to the Supplier at the Supplier's risk and expense.
- 7.6 If for any reason TFC is unable to take delivery of any Goods which are duly tendered within the Contract, the Supplier shall store them for a maximum period of 12 weeks until TFC is able to accept delivery and TFC shall pay any reasonable storage costs incurred by the Supplier.

8 Risk and Property

- 8.1 The Goods shall be at the risk of the Supplier until delivery to TFC at the place of delivery specified in the Purchase Order, or as otherwise specified by TFC in accordance with condition 7.3. The Supplier shall off-load the Goods at its own risk as directed by TFC.
- 8.2 Ownership of the Goods shall pass to TFC on completion of delivery (including off-loading) in accordance with the Purchase Order, except that if the Goods are paid for before delivery ownership shall pass to TFC once payment has been made. The passing of ownership in the Goods is without prejudice to any right of rejection to which TFC may be entitled under the Contract or otherwise.

9 Prices

All prices shall be as stated in the Purchase Order. All prices are fixed and inclusive of delivery, packaging, packing, shipping, carriage, insurance and other charges and dues, and are not subject to adjustment save as specifically provided in these conditions or the Purchase Order. Any variation or alteration to the price of the Goods shall always be subject to TFC's written consent signed by its duly authorised signatory.

10 Payment

- 10.1 The Supplier may invoice on delivery of the Goods in accordance with the Contract.
- 10.2 Unless otherwise stated in the Purchase Order, payment of invoices shall be made 60 days from the end of the calendar month in which delivery of the Goods was made or the Supplier's invoice was received, whichever is the later.
- 10.3 Without prejudice to any other right or remedy, TFC reserves the right to set off any amount at any time owing to it by the Supplier against any amount payable by it to the Supplier under the Contract.

11 Indemnity

- 11.1 The Supplier shall indemnify and hold TFC harmless from all claims and all direct, indirect or consequential liabilities (including loss of profits, loss of business, depletion of goodwill and similar losses), costs, proceedings, damages and expenses (including legal and other professional fees and expenses) awarded against, or incurred or paid by, TFC as a result or in connection with:
- 11.1.1 any alleged or actual infringement, whether or not under English law, of any third party's Intellectual Property Rights or other rights arising out of the use, manufacture or supply of the Goods; or
- 11.1.2 defective workmanship, quality or materials in or in relation to the Goods; or

11.1.3 any claim made against TFC in respect of any liability, loss, damage, injury, cost or expense sustained by TFC's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the Contract by the Supplier.

11.2 The Supplier must prior to commencement of any work at TFC's premises be insured against such risks as TFC may reasonably require in the joint names of the Supplier and TFC with full waiver of subrogation, must maintain such insurance in force until satisfactory completion of the work and produce on request the relevant policy of insurance together with premium receipts.

12 Confidentiality and TFC's Property

12.1 The Supplier shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the Supplier by TFC or its agents, and any other confidential information concerning TFC's business or its products which the Supplier may obtain. The Supplier shall restrict disclosure of such confidential material to such of its employees as need to know the same for the purpose of discharging the Supplier's obligations to TFC.

12.2 All materials, Goods, tools, copyright, rights in designs and any other Intellectual Property Rights in all drawings, specifications and data supplied by TFC to the Supplier shall at all times be and remain the exclusive property of TFC, and shall be held by the Supplier in safe custody at its own risk and maintained and kept in good condition by the Supplier until returned to TFC, and shall not be disposed or used other than in accordance with TFC's written instructions or authorisation. The Supplier shall return all copies of any such material to TFC immediately on TFC's first written request.

12.3 The Supplier warrants that the supply of the Goods to TFC and the use by TFC of the Goods, if the Supplier has been made aware of the intended use, does not in any way infringe patent rights, registered designs, design rights, copyright, trade or service marks or names, database rights or any other intellectual property rights arising from or incurred by reason of the supply of the Goods to TFC by the Supplier, except where the design for the Goods was made, furnished or specified by TFC. The Supplier shall indemnify TFC against all actions, claims, demands, liabilities, costs and expenses arising from or incurred by reason of any infringement or alleged infringement of any such intellectual property rights.

12.4 The Supplier warrants that all royalties and fees in respect of any intellectual property rights embodied in or forming part of the Goods have been paid and shall indemnify TFC against all claims which may result from any breach of such warranties.

12.5 The Supplier may not use its connection with TFC in its advertising of its goods and services without TFC's prior written consent.

12.6 This condition 12 shall survive the termination of the Contract, however arising.

13 Termination

13.1 TFC may cancel the Contract (for all or part only of the Goods) by giving written notice to the Supplier at any time before delivery of the Goods, in which case TFC shall have no liability to the Supplier under the Contract, except for fair and reasonable compensation on a time and material basis for work done by the Supplier on any sample requested by TFC. For the avoidance of doubt, such compensation shall not include loss of anticipated profits or any consequential loss.

13.2 Without prejudice to any other rights or remedies to which TFC may be entitled, TFC may terminate the Contract without liability to the Supplier if:

13.2.1 the ability of TFC to accept delivery of the Goods is delayed, hindered or prevented by circumstances beyond its reasonable control; or

13.2.2 the Supplier commits any breach of its obligations under the Contract and fails to remedy that breach within 14 days of receiving written notice from TFC requiring its remedy; or

- 13.2.3 an order is made or a resolution is passed for the winding up of the Supplier, or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order in relation to the Supplier; or
 - 13.2.4 an order is made for the appointment of an administrator to manage the affairs, business and property of the Supplier, or documents are filed with a court of competent jurisdiction for the appointment of an administrator of the Supplier, or notice of intention to appoint an administrator is given by the Supplier or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986); or
 - 13.2.5 a receiver is appointed of any of the Supplier's assets or undertaking, or if circumstances arise which entitle a court of competent jurisdiction or a creditor to appoint a receiver or manager of the Supplier, or if any other person takes possession of or sells the Supplier's assets; or
 - 13.2.6 the Supplier makes any arrangement or composition with its creditors, or makes an application to a court of competent jurisdiction for the protection of its creditors in any way, or becomes bankrupt; or
 - 13.2.7 the Supplier ceases, or threatens to cease, to trade; or
 - 13.2.8 there is a change of control of the Supplier within the meaning of section 1124 of the Corporation Tax Act 2010; or
 - 13.2.9 the Supplier takes or suffers any similar or analogous action in any jurisdiction in consequence of debt.
- 13.3 Termination of the Contract, however arising, shall not affect or prejudice the accrued rights of the parties as at termination or the continuation of any provision expressly or implicitly stated to survive termination.

14 Record retention

The supplier shall retain detailed records of all transactions with TFC, including but not limited to, original TFC purchase order, acknowledgement, delivery note, certification, and invoice for the appropriate length of time as dictated by UK law as of the date of said purchase order.

Should need arise the supplier will allow TFC, their customer & regulatory authorities access to the applicable areas of all facilities, at any level of the supply chain, involved in any TFC order and to all applicable records.

15 Remedies

If any Goods are not supplied in accordance with, or the Supplier fails to comply with, any terms of the Contract, TFC may (without prejudice to any other right or remedy) exercise any one or more of the following rights or remedies, whether or not any part of the Goods has been accepted by TFC:

- 15.1.1 rescind the Contract; or
- 15.1.2 reject the Goods (in whole or in part) and return them to the Supplier at the risk and cost of the Supplier on the basis that a full refund for the Goods so returned shall be paid immediately by the Supplier; or
- 15.1.3 require the Supplier, at the Supplier's expense, either (at TFC's option) to remedy any defect in the Goods and carry out such other work as is necessary to ensure that the Goods are in all respects in accordance with the Purchase Order or to supply replacement Goods, provided that if the Supplier refuses to remedy the defect in the Goods or to supply replacement Goods within 15 days of receiving such a request, TFC may purchase replacement Goods from another source and the Supplier shall reimburse TFC for all costs and expenses reasonably incurred in doing so; or
- 15.1.4 refuse to accept any further deliveries of the Goods, without liability to the Supplier; and

15.1.5 in any case, to claim such damages as it may have sustained in connection with the Supplier's breach of the Contract not otherwise covered by this condition 14.

16 Force Majeure

TFC may defer the date of delivery or payment, or cancel the Contract or reduce the amount of Goods ordered, if it is prevented from or delayed in carrying on its business by acts, events, omissions or accidents beyond its reasonable control, including without limitation strikes, lock-outs or other industrial disputes (whether involving the workforce of TFC or any other party), failure of a utility service or transport or telecommunication network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or sub-contractors.

17 Anti-bribery

The Supplier shall in respect of each Contract duly comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010.

18 Waiver

- 18.1 A waiver of any right under the Contract is only effective if it is in writing and it applies only to the party to whom the waiver is addressed and the circumstances for which it is given.
- 18.2 Unless specifically provided otherwise, rights arising under the Contract are cumulative and do not exclude rights provided by law.

19 Assignment

- 19.1 The Supplier shall not, without the prior written consent of TFC, assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.
- 19.2 TFC may at any time assign, transfer, charge, sub-contract or deal in any other manner with all or any of its rights or obligations under the Contract.

20 Third Party Rights

The Contract is made for the benefit of the parties to it and (where applicable) their successors and permitted assigns, and is not intended to benefit, or be enforceable by, anyone else by virtue of the Contract (Rights of Third Parties) Act 1999.

21 Variation

Except as set out in these conditions, any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by TFC.

22 Notices

- 22.1 Any notice required to be given under the Contract shall be in writing and shall be delivered by hand or sent by pre-paid first-class post or recorded delivery post to the other party at its address set out in the Contract (or such other address as may have been notified by that party for such purposes), or sent by fax to the other party's fax number as set out in the Contract.
- 22.2 A notice delivered by hand shall be deemed to have been received when delivered (or, if delivery is not in business hours, at 9.00 am on the first business day following delivery). A correctly addressed notice sent by pre-paid first-class post or recorded delivery post shall be deemed to have been received at the time at which it would have been delivered in the normal course of post. A notice sent by fax shall be deemed to have been received at the time of transmission (as shown by the timed printout obtained by the sender).

23 Governing Law and Jurisdiction

- 23.1 The Contract and any disputes or claims arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the law of England.
- 23.2 The parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Contract its subject matter or formation (including non-contractual disputes or claims).