

Conditions of Purchase

1 Definitions

- 1.1 "REL" shall mean Responsive Engineering Ltd, a company registered in England and Wales with company number 04617703 and having its registered office address at Wincomblee Road, Walker, Newcastle upon Tyne, NE6 3QS.
- 1.2 "REL Materials" shall have the meaning set out in clause 2.5.
- 1.3 "Commencement Date" shall have the meaning set out in clause 2.2.
- 1.4 "Conditions" shall mean these terms and conditions as amended from time to time in accordance with clause 16.7.
- 1.5 "Contract" shall mean the contract between REL and the Supplier for the supply of Products and/or Services and/or for Subcontracted Manufacturing in accordance with these Conditions.
- 1.6 "Deliverables" shall mean all documents, products and/or materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services or the Subcontracted Manufacturing in any form or media, including without limitation drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports (including drafts).
- 1.7 "Delivery Location" shall have the meaning set out in clause 4.2.2.
- 1.8 "Force Majeure Event" shall mean any act, event or omission beyond the affected party's reasonable control, including but not limited to acts of God, flood, drought, earthquake or other natural disaster; epidemic or pandemic; terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition, or failing to grant a necessary licence or consent; collapse of buildings, fire, explosion or accident; any labour or trade dispute, strikes, industrial action or lockouts (other than in each case by the party seeking to rely on this clause, or companies in the same group as that party); and interruption or failure of utility service.
- 1.9 "Intellectual Property Rights" shall mean patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
- 1.10 "Supplier" shall mean the person, firm, company or other corporation REL contracts with for the purchase of Products and/or Services and/or in relation to Subcontracted Manufacturing.
- 1.11 "Products" shall mean all or any of the goods, products or materials, which from time to time REL contracts to purchase from the Supplier including but not limited to Products purchased by way of Subcontracted Manufacturing.
- 1.12 "Services" shall mean all or any of the services which from time to time REL contracts to purchase from the Supplier.
- 1.13 "Subcontracted Manufacturing" shall mean the manufacture and supply of Products by the Supplier on the basis of Specifications provided by REL.
- 1.14 "Specification" shall mean the description, samples, patterns and/or drawings of the Products and details of their manufacture and performance.
- 1.15 "Order" shall mean the Order placed by REL for the supply of the Products and/or Services and/or Subcontracted Manufacturing on the terms and conditions as set out herein. The Order includes all Specifications issued in conjunction with the Subcontracted Manufacturing or purchase of Products and/or Services.

2 Basis of Contract

- 2.1 The Order constitutes an offer by REL to purchase the Products and/or Services or to procure Subcontracted Manufacturing from the Supplier in accordance with these Conditions.
- 2.2 The Order shall be deemed accepted on the earlier of:
 - 2.2.1 the Supplier issuing written acceptance of the Order; or
 - 2.2.2 any act by the Supplier consistent with fulfilling the Order;at which point the Contract shall come into existence ("Commencement Date").
- 2.3 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 variation of, addition to, or deletion from these Conditions shall be effective unless in writing and signed for and on behalf of REL.
- 2.4 All of these Conditions shall apply to the supply of Products, Services as well as Subcontracted Manufacturing except where otherwise explicitly specified.
- 2.5 Any Specifications, drawings, prints, samples, materials, equipment, tools, jigs, fixtures, gauges, patterns or data supplied by REL ("REL Materials") to the Supplier for the supply of the Products, the Subcontracted Manufacturing and/or the provision of the Services in accordance with the Order shall be and remain the property of REL and shall solely be used by the Supplier unless otherwise authorised by REL in writing.

3 Supply of Products

- 3.1 As part of the Order, REL shall provide the Supplier with the Specifications necessary for the Supplier to supply the Products.
- 3.2 REL shall from time consult with the Supplier with respect to the process of the supply of the Products as set out in the Order.
- 3.3 Unless otherwise agreed between the parties, the Supplier shall pay for the costs of any tooling required for the supply of the Products as well as any repair or replacement of it.
- 3.4 If set out in the Order, the Supplier shall as soon as practicable submit to REL for approval pre-production samples of the Products. The Supplier shall not commence any Subcontracted Manufacturing of the Product until REL has communicated its approval of the samples to the Supplier in writing.
- 3.5 Subject to REL's approval of samples of the Product under clause 3.4, the Supplier shall manufacture in accordance with the Specification and supply to REL such volumes of the Products as specified in the Order.
- 3.6 The Supplier shall not supply any Products produced pursuant to Subcontracted Manufacturing to any person or entity other than REL.
- 3.7 The Supplier warrants that the Products shall:

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- 3.7.1 correspond with their description set out in the Order and/or any applicable Specification;
 - 3.7.2 comply with any standard of performance specified in the Order;
 - 3.7.3 be of satisfactory quality (within the meaning of the Sale of Goods Act 1979) and fit for any purpose held out by the Supplier or made known to the Supplier by REL, expressly or by implication, and in this respect REL relies on the Supplier's skill and judgment;
 - 3.7.4 be free from defects in design, materials and workmanship and, unless otherwise agreed by the parties, remain so for 12 months after delivery; and
 - 3.7.5 comply with all British Standards, applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Products and/or such international statutory and/or regulatory requirements, as set out in the Order.
- 3.8 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 in respect of the Products.
- 3.9 Before delivering the Products, the Supplier shall carefully inspect and test them for compliance with the Order. The Supplier shall if so requested by REL give to REL reasonable notice of the making of any such inspection or tests and shall permit REL and/or its customers to be represented thereat. The Supplier shall keep proper records of all such inspections and tests and if so requested by REL shall supply to REL copies of such records.
- 3.10 If following such inspection or testing or inspection of test records, REL considers that the Products do not conform or are unlikely to comply with the Supplier's undertakings at clause 3.7, REL shall inform the Supplier and the Supplier shall immediately take such remedial action as is necessary to ensure compliance.
- 3.11 Notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Products and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract, and REL shall have the right to conduct further inspections and tests after the Supplier has carried out its remedial actions.
- 3.12 Prior to delivery of the Products, REL reserves the right to make changes to the Order under which the Products are supplied subject to a reasonable adjustment of the purchase price and delivery time. However, nothing in this clause shall relieve the Supplier from the obligation of proceeding without delay towards the delivery of an Order as it may have been changed in accordance with this clause.

4 Delivery of Products

- 4.1 The Supplier shall ensure that:
- 4.1.1 the Products are properly packaged and secured in such manner as to enable them to reach their destination in good condition;
 - 4.1.2 each delivery of the Products is accompanied by a delivery note which shows the date of the Order, the Order number (if any), the type and quantity of the Products (including the code number of the Products (where applicable)), special storage instructions (if any), manuals and handling instructions and, if the Products are being delivered in instalments, the outstanding balance of Products remaining to be delivered; and
 - 4.1.3 if the Supplier requires REL to return any packaging materials to the Supplier, that fact is clearly stated on the delivery note. Any such packaging material shall only be returned to the Supplier at the cost of the Supplier.
- 4.2 The Supplier shall deliver the Products at its expense:
- 4.2.1 on the date specified in the Order or, if no such date is specified, then within 7 days of the date of the Order;
 - 4.2.2 to such location as is set out in the Order or as instructed by REL before delivery ("**Delivery Location**");
 - 4.2.3 during REL's normal hours of business, or as instructed by it.
- 4.3 Delivery of the Products shall be completed on the completion of unloading and, if applicable, installation of the Products at the Delivery Location in the manner specified in the Order.
- 4.4 If the Supplier:
- 4.4.1 delivers less than 95 per cent of the quantity of Products ordered, REL may reject the Products; or
 - 4.4.2 delivers more than 105 per cent of the quantity of Products ordered, REL may at its sole discretion reject the Products or the excess Products,
- and any rejected Products shall be returnable at the Supplier's risk and expense. If the Supplier delivers more or less than the quantity of Products ordered, and REL accepts the delivery, a pro rata adjustment shall be made to the invoice for the Products.
- 4.5 The Supplier shall not deliver the Products in instalments without REL's prior written consent. Where it is agreed that the Products are delivered by instalments, they may be invoiced and paid for separately. However, failure by the Supplier to deliver any one instalment on time or at all or any defect in an instalment shall entitle REL to the remedies set out in clause 6 (REL Remedies).
- 4.6 Title in the Products shall pass to REL on completion of delivery in accordance with clause 4.3 or on payment for the Products by REL whichever occurs first subject to any right of REL to reject or return the Products in accordance with clause 6. Risk in the Products shall pass to REL on completion of delivery in accordance with clause 4.3. The Supplier shall indemnify REL against any loss or damage to any Products whilst in the ownership of REL but in possession of the Supplier, its employees, subcontractors or agents in accordance with clause 9.
- 4.7 All tools, dies, moulds, patterns, drawings, jigs and any other special equipment prepared especially in relation to an Order by the Supplier shall be made available to REL on request at no extra cost in the event of the Supplier being unable to fulfil the remaining part of the Order or any future Contract.

5 Supply of Services

- 5.1 The Supplier shall from the date set out in the Order and for the duration of this Contract provide the Services to REL in accordance with the terms of the Contract.
- 5.2 The Supplier shall meet any performance dates for the Services specified in the Order or notified to the Supplier by REL.
- 5.3 In providing the Services, the Supplier shall:
- 5.3.1 co-operate with REL in all matters relating to the Services, and comply with all instructions of REL;
 - 5.3.2 perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;

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- 5.3.3 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;
 - 5.3.4 ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the Specification, and that the Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by REL;
 - 5.3.5 provide all equipment, tools and vehicles and such other items as are required to provide the Services;
 - 5.3.6 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 REL, will be free from defects in workmanship, installation and design;
 - 5.3.7 obtain and at all times maintain all necessary licences and consents, and comply with all applicable laws and regulations;
 - 5.3.8 observe all health and safety rules and regulations and any other security requirements that apply at any of REL's premises or the premises of any of REL's customers;
 - 5.3.9 hold any REL Materials provided to the Supplier in order to provide the Services in safe custody at its own risk, maintain them in good condition until returned to REL, and not dispose or use REL Materials other than in accordance with REL's written instructions or authorisation;
 - 5.3.10 maintain complete and accurate records of the time and materials spent during the provision of the Services and make these available as required by REL;
 - 5.3.11 not do or omit to do anything which may cause REL to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that REL may rely or act on the Services provided.
- 5.4 Title and risk in any Deliverables provided as part of the Services shall pass to REL on delivery of the Deliverables at the Delivery Location.

6 REL Remedies

- 6.1 Time shall be of the essence of the Contract as regards the delivery of the Products and/or performance of the Services by the Supplier.
- 6.2 If the Supplier fails to deliver the Products and/or perform the Services by the dates stipulated in clauses 4.2 or 5.2, REL shall, without limiting its other rights or remedies, have one or more of the following rights:
 - 6.2.1 to terminate the Contract with immediate effect by giving written notice to the Supplier;
 - 6.2.2 at REL's entire discretion to either require subsequent performance of Services and/or delivery of Products; or to refuse to accept any subsequent performance of the Services and/or delivery of the Products which the Supplier attempts to make;
 - 6.2.3 to recover from the Supplier any costs incurred by REL in obtaining substitute products and/or services from a third party;
 - 6.2.4 where REL 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
 - 6.2.5 to claim damages for any additional costs, loss or expenses incurred by REL which are in any way attributable to the Supplier's failure to meet such dates.
- 6.3 If the Supplier has delivered Products that do not comply with the warranties set out in clause 3.7, then, without limiting its other rights or remedies, REL shall have one or more of the following rights, whether or not it has accepted the Products:
 - 6.3.1 to reject the Products (in whole or in part) whether or not title has passed and to return them to the Supplier at the Supplier's own risk and expense;
 - 6.3.2 to terminate the Contract with immediate effect by giving written notice to the Supplier;
 - 6.3.3 to require the Supplier to repair or replace the rejected Products, or to provide a full refund of the price of the rejected Goods;
 - 6.3.4 to refuse to accept any subsequent delivery of the Products which the Supplier attempts to make;
 - 6.3.5 to recover from the Supplier any expenditure incurred by REL in obtaining substitute goods from a third party; and
 - 6.3.6 to claim damages for any additional costs, loss or expenses incurred by REL arising from the Supplier's failure to supply Products in accordance with clause 3.7.
- 6.4 These Conditions shall extend to any substituted or remedial services and/or repaired or replacement products supplied by the Supplier.
- 6.5 REL's rights under this Contract are in addition to its rights and remedies implied by statute and common law.

7 Charges and payment

- 7.1 The price for the Products or the Subcontracted Manufacturing:
 - 7.1.1 shall be the price set out in the Order, or if no price is quoted, the price set out in the Supplier's published price list in force at the time the Order is placed; and
 - 7.1.2 shall be inclusive of the costs of packaging, insurance, carriage and installation, unless otherwise agreed in writing by REL. No extra charges shall be effective unless agreed in writing and signed by REL.
- 7.2 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. Unless otherwise agreed in writing by REL, the charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.
- 7.3 In respect of Products and Subcontracted Manufacturing, the Supplier shall invoice REL on or at any time after completion of delivery. In respect of Services, the Supplier shall invoice REL on completion of the Services. Each invoice shall include such supporting information required by REL to verify the accuracy of the invoice, including but not limited to the relevant purchase order number.
- 7.4 In consideration of the supply of Products, Subcontracted Manufacturing and/or Services by the Supplier, REL shall pay the invoiced amounts within 60 days of the date of a correctly rendered invoice to a bank account nominated in writing by the Supplier.
- 7.5 All amounts payable by REL under the Contract are exclusive of amounts in respect of valued added tax chargeable from time to time (VAT). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to REL, REL shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Products, Subcontracted Manufacturing and/or Services at the same time as payment is due for the supply of the Products, Subcontracted Manufacturing and/or Services.
- 7.6 If a party fails to make any payment due to the other party under the Contract by the due date for payment, then the defaulting party shall pay interest on the overdue amount at the rate of 2% per annum above The Bank of England's base rate from time to time. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The

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defaulting party shall pay the interest together with the overdue amount. This clause shall not apply to payments that the defaulting party disputes in good faith.

- 7.7 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 REL to inspect such records at all reasonable times on request.
- 7.8 REL may at any time, without limiting any of its other rights or remedies, set off any liability of the Supplier to REL against any liability of REL to the Supplier, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under the Contract.
- 7.9 In the event REL is able to purchase Products, Services and/or Subcontracted Manufacturing of comparable grade and quality as covered by the Order for delivery under similar terms and conditions at a price or prices lower than those of the Supplier then REL shall give the Supplier the opportunity of meeting such lower price or prices. If the Supplier fails to do so, REL reserves the right in its absolute discretion to terminate the corresponding Order in accordance with clause 13.1 by giving to the Supplier notice in writing and to purchase instead from the third party.

8 Intellectual property rights

- 8.1 In respect of the Products, the Subcontracted Manufacturing and any goods that are transferred to REL 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 REL, it will have full and unrestricted rights to sell and transfer all such items to REL.
- 8.2 The Supplier assigns to REL, with full title guarantee and free from all third party rights, all Supplier Intellectual Property Rights in the Subcontracted Manufacturing, the products of the Services, including, for the avoidance of doubt, the Deliverables.
- 8.3 The Supplier shall obtain waivers of all moral rights in the products, including for the avoidance of doubt the Deliverables, of the Services and/or the Subcontracted Manufacturing 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.
- 8.4 The Supplier shall, promptly at REL's request, do (or procure to be done) all such further acts and things and the execution of all such other documents as REL may from time to time require for the purpose of securing for REL the full benefit of the Contract, including all right, title and interest in and to the Supplier Intellectual Property Rights assigned to REL in accordance with clause 8.2.
- 8.5 All REL Materials are the exclusive property of REL or its customers.

9 Indemnity

- 9.1 The Supplier shall keep REL indemnified against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) incurred by REL as a result of in connection with any default by the Supplier regarding:
 - 9.1.1 any claim made against REL for actual or alleged infringement of a third party's intellectual property rights arising out of, or in connection with, the manufacture, supply or use of the Products, the Subcontracted Manufacturing or the receipt, use or supply of the Services, to the extent that the claim is attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors;
 - 9.1.2 any claim made against REL by a third party for death, personal injury or damage to property; and/or
 - 9.1.3 any claim made against REL by a third party arising out of or in connection with the supply of the Products or the Services.
- 9.2 This clause 9 shall survive termination of the Contract.

10 Insurance

During the term of the Contract and for a period of 18 months thereafter, the Supplier shall maintain in force, with a reputable insurance company, professional indemnity insurance, product liability insurance and public liability insurance to cover the liabilities that may arise under or in connection with the Contract, and shall, on REL's request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

11 Confidentiality & non-publicity

- 11.1 A party (receiving party) shall keep in strict confidence all REL Materials, technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature (the "**Confidential Information**") and have been disclosed to the receiving party by the other party (disclosing party), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction.
- 11.2 Upon completion of the contract or at the request of the disclosing party, the receiving party shall:
 - 11.2.1 return to the disclosing party all documents and materials (and any copies) containing, reflecting, incorporating, or based on the disclosing party's Confidential Information;
 - 11.2.2 erase all the disclosing party's Confidential Information from its computer systems or which is stored in electronic form (to the extent possible); and
 - 11.2.3 certify in writing to the disclosing party that it has complied with the requirements of this clause, provided that the receiving party may retain documents and materials containing, reflecting, incorporating, or based on the disclosing party's Confidential Information to the extent required by law or any applicable governmental or regulatory authority and to the extent reasonable to permit the receiving party to keep evidence that it has performed its obligations under the Contract. These provisions shall continue to apply to any documents and materials retained by the receiving party.

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- 11.3 The Supplier shall not without the prior written consent of REL make any media or public announcement in relation to any Order placed by the Buyer or its subject matter or in any manner advertise or publish the fact that there is or has been a contractual or pre-contractual relationship between the parties.
- 11.4 This clause 11 shall survive termination of the Contract.

12 Inducements and anti-bribery

- 12.1 Whether acting alone or with others, the Supplier undertakes that it will not do, and warrants that prior to accepting the Order it has not done, any of the following:
- 12.1.1 induce an employee, agent or sub-contractor of REL to make any concession to or confer any benefit on the Supplier, refrain or withhold from doing any act or alter any of the requirements of the Order in return for any gift, money, benefit or other inducement; nor
 - 12.1.2 without the prior written consent of REL, pay money or give any other benefit to any third party (either directly or indirectly) in connection with the negotiation and/or issue of the Order; nor
 - 12.1.3 encourage or facilitate an employee, agent or sub-contractor of REL to commit any act of dishonesty against REL which may benefit the employee, agent or sub-contractor of REL or be a detriment to REL, or both.
- 12.2 Each party agrees that in connection with activities under the Order it shall not make or promise to make any improper payments, or provide or offer to provide anything of value, directly or indirectly, to government officials or other parties in violation of the US Foreign Corrupt Practices Act, the UK Bribery Act 2010 or other applicable anti-bribery laws. It is the intent of the parties that no payments or transfers of value shall be made which have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business or any improper advantage.

13 Termination

- 13.1 Without limiting its other rights or remedies, REL may terminate the Contract or cancel an Order:
- 13.1.1 in respect of the supply of Services or the Subcontracted Manufacturing, by giving the Supplier 4 weeks written notice; and
 - 13.1.2 in respect of the supply of Products, in whole or in part at any time before delivery with immediate effect by giving written notice to the Supplier, whereupon the Supplier shall discontinue all work on the Contract. REL shall pay the Supplier fair and reasonable compensation for any work in progress on the Products at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss.
- 13.2 Without limiting its other rights or remedies, the Supplier may terminate the Contract by giving REL 3 MONTHS written notice.
- 13.3 In any of the circumstances in these Conditions in which a party may terminate the Contract, where Products and/or Subcontracted Manufacturing and/or Services are supplied, that party may terminate the Contract in respect of Products, or in respect of Subcontracted Manufacturing or in respect of Services, and the Contract shall continue in respect of the remaining supply.
- 13.4 Without limiting its other rights or remedies, REL may terminate the Contract with immediate effect by giving written notice to the Supplier if:
- 13.4.1 the Supplier commits a material breach of the terms of the Contract and (if such a breach is remediable) fails to remedy that breach within 10 days of receipt of notice in writing to do so;
 - 13.4.2 the Supplier repeatedly breaches any of the terms of the Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Contract;
 - 13.4.3 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 or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) 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 or (being a partnership) has any partner to whom any of the foregoing apply;
 - 13.4.4 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 other than (where a company) for the sole purpose of a scheme for a solvent amalgamation of the Supplier with one or more other companies or the solvent reconstruction of the Supplier;
 - 13.4.5 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the Supplier with one or more other companies or the solvent reconstruction of the Supplier;
 - 13.4.6 the Supplier (being an individual) is the subject of a bankruptcy petition or order;
 - 13.4.7 a creditor or encumbrancer of the Supplier attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
 - 13.4.8 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 (being a company);
 - 13.4.9 the holder of a floating charge over the assets of the Supplier (being a company) has become entitled to appoint or has appointed an administrative receiver;
 - 13.4.10a person becomes entitled to appoint a receiver over the assets of the Supplier or a receiver is appointed over the assets of the Supplier;
 - 13.4.11any event occurs, or proceeding is taken, with respect to the Supplier in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 13.4.3 to clause 13.4.10 (inclusive);
 - 13.4.12the Supplier suspends or ceases, or threatens to suspend, or cease, to carry on all or a substantial part of its business;
 - 13.4.13the other party's financial position deteriorates to such an extent that in the Supplier's opinion REL's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
 - 13.4.14the Supplier (being an individual) dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his own affairs or becomes a patient under any mental health legislation.
- 13.5 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.
- 13.6 Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

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14 Consequences of termination

- 14.1 On termination of the Contract for any reason, the Supplier shall immediately deliver to REL all Deliverables, whether or not then complete, and such Products completed in accordance with Subcontracted Manufacturing (whether or not then complete), and return all REL Materials. If the Supplier fails to do so, then REL may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract.
- 14.2 Without prejudice to clause 14.1, the Supplier shall take all reasonable steps to mitigate any loss to the Supplier arising from a termination for any reason and in no event shall REL's obligation to the Supplier as a consequence of the termination exceed the aggregate purchase price pursuant to clause 7.1 or clause 7.2 after deducting therefrom all payments, if any, made by REL to the Seller pursuant to the Contract. The Supplier shall make its premises available to REL at any time after termination for the purpose of inspection by REL of the Supplier's inventory, work in progress, books, records and documents relevant to the settlement of any claim by the Supplier on termination of a Contract.

15 Force majeure

- 15.1 Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under it if such a delay or failure result a Force Majeure Event.
- 15.2 The Supplier shall use all reasonable endeavours to mitigate the effect of a Force Majeure Event on the performance of its obligations.
- 15.3 If a Force Majeure Event prevents, hinders or delays the Supplier's performance of its obligations for a continuous period of more than 30days, REL may terminate the Contract immediately by giving written notice to the Supplier.

16 General

16.1 Assignment and other dealings

- 16.1.1 REL may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract.
- 16.1.2 The Supplier may not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract without the prior written consent of REL.

16.2 Notices

- 16.2.1 Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, or sent by pre-paid first class post or other next working day delivery service, commercial courier or fax or e-mail.
- 16.2.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 16.2.1; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second business day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, one business day after transmission.
- 16.2.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

16.3 Severance

If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

16.4 Waiver

A waiver of any right or remedy under the Contract or law is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

16.5 No partnership or agency

Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, nor constitute either party the agent of the other for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

16.6 Third parties

A person who is not a party to the Contract shall not have any rights to enforce its terms.

16.7 Variation

Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional or amended terms and conditions, shall be effective unless it is agreed in writing and signed by REL.

16.8 Governing law and jurisdiction

The Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the law of England and Wales. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).