 Adtec Healthcare Limited Tel: +44 (0) 208 737 5500 E-mail: info@adtecplasma.com URL: www.adtechealthcare.com	Title:	Terms of Purchase		
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1 Interpretation

- 1.1 'Supplier' means the person, firm or company to whom the Purchase Order is issued
- 1.2 'AHL' means Adtec Healthcare Limited with registered office at Unit 8, Heathlands Industrial Estate, Heathlands Close, Twickenham, TW1 4BP, UK
- 1.3 'Goods' includes all goods and services covered by the Purchase Order
- 1.4 'Purchase Order' means AHL's purchase order which species that these conditions apply to it.
- 1.5 'Products' defined as products manufactured and sold by AHL.
- 1.6 'Critical Supplier' is a manufacturer of significant components for medical devices or supplier of critical raw materials.
- 1.7 'Critical Subcontractor' is a manufacturer of finished medical devices or key sub-assemblies, or design or software development.

2 Scope


- 2.1 These Standard Terms of Purchase define the terms and conditions relating to the purchase of materials or services supplied to AHL that are used in Products or in the production of the Product.
- 2.2 Supplier shall supply materials and/or services in compliance with the terms stated herein. No deviation or exceptions apply unless mutually agreed upon in writing with an authorised AHL representative.
- 2.3 It is the Suppliers responsibility to review and fully understand the requirements hereinbefore accepting an AHL purchase order. In some cases the Supplier will be required to comply with additional AHL requirements that may not be covered specifically in this document or that may differ from the requirements referenced herein. In these cases AHL will communicate and document the mutual agreement of said requirements.
- 2.4 Critical Sub-Contractors and Critical Suppliers are subject to unannounced audits from AHL's Notified Body as stipulated in EU Commission Recommendation 2013/473/EU Annex III. Such suppliers are required to accommodate the Notified Body in terms of access and security and where required, invitation letters or visas.

3 Quotation

- 3.1 By the means of an RFQ (Request for Quotation) the Supplier acting as specialist is asked to submit a quotation at no charge. The Supplier shall focus the quotation on the specifications and objectives of AHL and explicitly point out any deviations; the Supplier, therefore, acknowledges his duty to inform. If the Supplier does not limit the validity of his offer it will be considered to be binding for 90 days.

4 Order

- 4.1 To be effective, orders must be in writing and on AHL formal purchase order form. Acceptance of an order by the Supplier shall be deemed effective if it is in writing or if the Supplier does not object in writing to the order within 3 business days after the Supplier receives the order.
- 4.2 If the conclusion of a delivery agreement is made dependent on an order confirmation, AHL shall only be bound if this confirmation of order does not deviate from the content of the order.
- 4.3 The scope of delivery includes, and the Supplier shall not be deemed to have satisfied its delivery obligations unless and until it delivers to AHL, everything required for the proper installation, operation and functioning of the product, regardless of whether mentioned or described in the specifications set forth in or related to the order.
- 4.4 Orders must be processed in compliance with ISO-9001/ISO-14001. Further quality agreements will be set out on an order-specific basis. The following documents, records, data and specifications, in particular, are authoritative in determining quality: order, drawings, standard sheets (AHL standards and indications and data on drawings), specifications

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- 4.5 Parts and modules identified by AHL in writing as proprietary shall not be made available to third parties without the written consent of AHL.

5 Price and Terms of Delivery


- 5.1 The prices quoted by the Supplier are considered to be fixed prices in the currency indicated on the order, DDP, delivered, duty-paid, Twickenham, United Kingdom (INCOTERMS 2010), unless agreed otherwise. Other terms of delivery shall be as set forth in the order or as otherwise set forth in writing by the parties.
- 5.2 Delivery agreement is made dependent on an order confirmation; AHL shall only be bound if this confirmation of order does not deviate from the content of the order.
- 5.3 The delivery is due at the destination on the date(s) stipulated in the order confirmation. If a fixed calendar delivery date has been agreed upon, late delivery puts Supplier automatically in default, unless the Supplier communicates his delivery difficulties in due time and the parties agree on a different solution.
- 5.4 The scope of delivery includes, and the Supplier shall not be deemed to have satisfied its delivery obligations unless and until it delivers to AHL, everything required for the proper installation, operation and functioning of the product, regardless of whether mentioned or described in the specifications set forth in or related to the order.
- 5.5 The Supplier shall be liable for any damages arising during transport due to inadequate packing.
- 5.6 A delivery note with all order specific indications must be enclosed with each delivery. Part and rest deliveries shall be designated as such on all shipping documents and invoices.

6 Terms of Payment

- 6.1 The order number, as well as the number of the drawing or the part must be indicated on all correspondence, confirmations, delivery notes, invoices etc.
- 6.2 A copy of the invoice is to be provided to AHL by post or email upon Goods delivery.
- 6.3 Payment for each delivery shall be made by AHL thirty days after in-house inspection of Goods. The payment shall be the amount specified in the order. Other terms of payment shall be as set forth in the order or as otherwise agreed upon by the parties in writing.

7 Delivery Dates and Late Delivery


- 7.1 The delivery is due at the destination on the date(s) stipulated in the purchase order / order acknowledgement. If a fixed calendar delivery date has been agreed upon, late delivery puts Supplier automatically in default, unless the Supplier communicates his delivery difficulties in due time and the parties agree on a different solution.
- 7.2 AHL is entitled to claim as compensation for damages resulting from delay for each whole or partial week by which the delivery date is exceeded a flat rate of one percent of the net sale price, up to a maximum amount of 5% of the delivery's net sales price. The requirement of prior notice, insofar as a delivery date is not determined by the calendar, remains unaffected by this provision. If the Supplier is late with only part of the delivery, the penalty for default shall be calculated on the price of the Supplier's total performance that is affected by the late partial delivery. The foregoing provisions of this paragraph 7.2 are in addition to and not exclusive of any other remedy that may be available to AHL in the event the Supplier fails to deliver an item in accordance with the terms of a delivery agreement. Nothing herein shall be deemed to limit any such other remedy that may be available to AHL, nor shall AHL's enforcement of any other rights it may have be deemed or construed to affect or waive any of its rights hereunder. The Supplier's payment of damages required by this paragraph 7.2 does not release the Supplier from its duty to fulfil the delivery according to the agreement.
- 7.3 The Supplier may plead omission of essential services to be performed by AHL only if he has requested these on time.
- 7.4 Partial or early deliveries are admissible only if they have been agreed upon.

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- 7.5 If the Supplier is in default with his delivery and if in transactions without a fixed calendar delivery date the Supplier remains in default with his delivery after a given reasonable grace period, AHL shall thereafter be entitled to refuse acceptance of the delivery, to terminate the related delivery agreement and/or to seek damages for non-fulfilment of the delivery obligation. The amount of any penalty for default according to paragraph 7.2 above shall be credited against any damages to which AHL may be entitled under this paragraph 7.5.
- 7.6 If it becomes evident already prior to the delivery date that the Supplier will not be able to meet the agreed delivery date, AHL may terminate the delivery agreement and waive delivery.
- 7.7 The delivery agreement may also be terminated if in the course of manufacture it becomes evident that the object to be delivered will not be suitable for the purpose intended.
- 7.8 If the Supplier delivers goods ordered by AHL more than 1 week sooner than AHL required, AHL may refuse to accept the shipment until the shipment is due or, if AHL accepts such shipment, adjust the payment terms for that particular purchase, so that the goods is paid for on the date, it would have been paid for, should the Supplier had delivered the goods as requested.

8 Quality

- 8.1 The Supplier expressly warrants that all articles ordered materials, parts and work shall conform to the specifications, drawings, samples or other description furnished, adopted or relied upon by AHL.
- 8.2 The goods shall be merchantable, of good workmanship and material free from defects and fit for the particular purpose and use(s) intended.
- 8.3 Any operation not covered by the specifications, drawings, samples and/or other description shall be in accordance with standard high precision shop requirements. Supplier agrees such express warranties are in addition to any warranty implied in fact or law and shall survive inspection, test, and acceptance. The benefit of all warranties made hereunder by the Supplier, or received by Supplier from manufacturers of component parts, shall extend to AHL and to the purchasers from AHL. AHL shall be entitled to bring an action directly against the manufacturer of the component part for damages or injuries sustained by AHL resulting from any breach of warranty by the manufacturer of the component part. Any purchaser from AHL is entitled to bring an action against the Supplier for damages or injuries sustained by purchaser resulting from breach of warranty by the Supplier.
- 8.4 Goods and workmanship involved in this order may be inspected and tested by AHL at all times and places without thereby releasing the Supplier from its obligations. Any Goods damaged as a result of any breach of warranty by the Supplier, or any Goods or workmanship not accepted by AHL or are deemed to be in breach of warranty, may be returned for full credit or prompt correction or replacement, or, at AHL's option, replaced or repaired by any part other than Supplier, in all cases at Supplier expense, including transportation charges.
- 8.5 Supplier shall provide traceability by either lot or date code or where appropriate serial number for purpose of tracing any suspect shipment containing problems.
- 8.6 The Supplier warrants that Goods delivered pursuant to the delivery agreements;
- a) has been tested and controlled and meets all industry standards and all legal requirements under existing laws, regulations and directives relating to design, safety, fire and environmental protection and,
 - b) has been designed in a manner not to endanger life and health if the product is used as directed.
- 8.7 The Supplier shall be liable for all damages, including consequential damages, caused by the breach of any warranty applicable to a product delivered to AHL pursuant hereto.
- 8.8 The Supplier shall indemnify and hold AHL harmless against any loss or claim, including the cost of defending against any such claim, against AHL arising from any act or omission of the Supplier or any breach of warranty by the Supplier that causes or is alleged to have caused personal injury or damages to the property of any third party.

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- 9.9 The Supplier is liable for his subcontractors to the same degree as for his own performance. defending against any such claim, against AHL arising from any act or omission of the Supplier or any breach of warranty by the Supplier that causes or is alleged to have caused personal injury or damages to the property of any third party.

9 Product Change and Discontinuance Notification


- 9.1 If Supplier intends to cease manufacturing, offering, selling and/or delivering products Supplier shall notify AHL of this as well as of all intended changes that impact the form, fit, function, quality, reliability or status of the Goods.
- 9.2 The Supplier is shall notify AHL of any such change at least 6 months in advance in writing and shall give AHL the possibility to place a last call order with respect to such products.
- 9.3 If a product is discontinued the Supplier shall suggest a replacement for the to-be-discontinued product and allow AHL the opportunity to evaluate samples free of charge, at least 6 months in advance of when the currently ordered product is going to be discontinued
- 9.4 If the Supplier fails to notify AHL in writing at least 6 month prior to discontinuation of a product manufacturing offering, selling and/or delivering, AHL is entitled to claim a compensation for damages resulting from production delays/stop and/or subsequent loss of profit, should an AHL customer cancel their orders due to AHL inability to deliver its product, unless the Supplier resumes manufacturing offering, selling and/or delivering of the respective product.
- 9.5 AHL and Supplier may agree that the Supplier will keep a reasonable safety stock of product(s) regularly purchased by AHL to support AHL production in the event the Supplier decides to discontinue manufacturing, offering, selling and/or delivering of those product(s).

10 Failure Analysis and Correction Action

- 10.1 If AHL rejects any goods as non-conforming, AHL may, at its option:
- Reduce the quantities of Goods ordered under this document by the quality of non-conforming Goods
 - Require the Supplier to replace the non-conforming Goods, and / or
 - Exercise any other applicable rights or remedies AHL may have.
- 10.2 The Supplier is required to furnish a Return Material Authorisation (RMA) for the return of non-conforming products within forty-eight hours of the request. For issues requiring correcting action, the Supplier is required to provide an RMA within twenty-four hours of the request. The Supplier is also required to provide details on the actions of containment within this twenty-four hour period.

11 Warranty

- 11.1 Contrary to the legal prescriptions the warranty in respect of each product delivered by the Supplier to AHL shall survive for a period of twelve months from the date the Goods are delivered to AHL. The Supplier at its expense and free of charge to AHL, shall promptly, upon request by AHL, repair all defects (which shall also include the not achieved guaranteed data and the absence of any guaranteed product feature) of which AHL gives the Supplier notice during the warranty period. In addition, AHL shall be entitled to all legally guaranteed warranty claims. Notwithstanding the foregoing, AHL may, at its election and as an alternative to the Supplier's repairing a defective item, require the Supplier to replace the defective item with a non-defective item. In the exercise of this right of discretion, AHL shall consider in good faith whether the Supplier is capable of making repairs due to the nature of its business operation. In either case, the Supplier shall bear all expenses arising from the repair or replacement of the defective item.
- 11.2 For replacement deliveries and repairs the Supplier grants a warranty of 6 months.
- 11.3 AHL shall be entitled to cancel a sale or to get a sales price reduction on account of a material defect only if;
- the Supplier fails to replace or repair a defective item by such reasonable deadline as may be set by AHL in its discretion or if

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b) the Supplier declines to replace or repair a defective item.

- 11.4 AHL shall be entitled to have a defective item repaired by a third party and to charge the costs thereof to the Supplier without giving the Supplier an opportunity to repair the defective item if, due to special urgency or other valid business reasons, AHL reasonably believes the Supplier is incapable of repairing the item to AHL's requirements. In this case, AHL shall immediately notify the Supplier of the defect upon AHL's discovery thereof.
- 11.5 The Supplier shall be liable for all damages, including consequential damages, caused by the breach of any warranty applicable to a product delivered to AHL pursuant hereto.
- 11.6 The Supplier shall indemnify and hold AHL harmless against any loss or claim, including the cost of defending against any such claim, against AHL arising from any act or omission of the Supplier or any breach of warranty by the Supplier that causes or is alleged to have caused personal injury or damages to the property of any third party.

12 Free issue Materials

- 12.1 Where AHL for the purposes of the contract issues materials free of charge to the Supplier such materials shall be and remain the property of AHL. The Supplier shall keep them in safe custody and separately identified from its own or third party materials. Supplier shall maintain all such materials in good order and condition subject, in the case of tooling, patterns and the like, to fair wear and tear. Supplier shall use such materials solely in conjunction with the contract. Any surplus materials shall be disposed of at AHL's discretion. Waste of materials arising from bad workmanship or negligence of Supplier shall be made good at Supplier's expense, without prejudice to any other of the rights of AHL. The Supplier shall deliver up such materials whether further processed or not, to AHL on demand.


13 Product Liability

- 13.1 The Supplier shall indemnify and hold AHL harmless against any third party claim for damages against AHL insofar as Goods delivered by the Supplier to AHL was the cause of the damage or the cause of the damage was within the Supplier's control.
- 13.2 The Supplier shall also reimburse AHL for all expenses arising in connection with any recall measure taken by AHL to repair or replace any defective product if either
- a) the defect was caused by a defective item delivered by the Supplier to AHL or
- b) prevention of the defect was otherwise within the Supplier's control. To the extent it may reasonably be expected to do so, AHL will notify the Supplier of recall measures to be taken.

14 Specialised Parts

- 14.1 If parts are manufactured specifically for AHL, AHL will provide Supplier with all technical documents that it requires for performance of the contracted work.
- 14.2 Before work on the product has started the Supplier shall submit to AHL, on request, a set of engineering drawings for approval. Approval by AHL does not relieve the Supplier from ensuring that the product can be built and that it will function according to specifications.
- 14.3 All documents prepared by Supplier on the basis of AHL's specifications shall be provided to AHL as a set of drawings.
- 14.4 Furthermore, with the delivery of the product AHL shall be provided with the final engineering drawings, maintenance instructions and operating manuals as well as the spare parts list in English free of charge.
- 14.5 AHL is entitled to copy and publish all documents provided by Supplier at its own discretion.

15 Confidentiality

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- 15.1 The Supplier shall not use for any purpose not authorised by the delivery agreements concluded hereunder or disclose to any third party any trade or manufacturing secret or customer data of AHL. In particular, the Supplier shall not use any manufacturing know-how made available to the Supplier by AHL in any form to manufacture or have manufactured for other customers products similar to or comparable with any product subject to a delivery agreement entered into hereunder. The Supplier shall cause each of its employees and subcontractors to agree by appropriate contractual measures to be bound by the foregoing provisions of this paragraph 13.1.
- 15.2 Paragraph 13.1 shall survive the termination of the delivery agreement concluded hereunder. Paragraph 14.1 shall not apply to manufacturing know-how of AHL that is embodied in figures, drawings, calculations or other documents that are publicly disclosed by AHL.

16 Governing Law

- 16.1 These Terms of Purchase and the individual delivery agreements concluded hereunder shall be construed in accordance with, and governed by the laws of England and Wales, without regard to any applicable principles of conflicts of laws. The regulations of English law shall be of subsidiary application to the express provisions of these Terms of Purchase and the delivery agreements concluded hereunder.

17 Miscellaneous

- 17.1 All modifications and supplements to these Terms of Purchase (including, without limitation, this paragraph 15.1), all delivery agreements concluded hereunder and all modifications and supplements to such delivery agreements shall only be effective if embodied in a written instrument signed by each of the parties hereto.
- 17.2 Neither party may assign or transfer any of its rights and duties under these Terms of Purchase nor any delivery agreement concluded hereunder without the prior written consent of the other party.
- 17.3 In the event any term or provision of these Terms of Purchase shall for any reason be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof. Such illegal, invalid or unenforceable provision shall be replaced by another valid, legal and enforceable provision in form and substance suitable to ensure the overall business intent of the parties hereto.

On behalf of _____ (Supplier), I hereby declare that I have understood the above Terms of Purchase and agree we shall to adhere to them in the course of our working relationship with Adtec Healthcare Limited.

Signed: _____

Date: _____

Name: _____

Position: _____