

Cranfield Innovative Manufacturing Limited
Terms and Conditions of Purchase of Services
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1. Definitions

- "Purchaser" means Cranfield Innovative Manufacturing Limited
- "Order" means the Purchaser's official numbered Purchase Order together with all documents attached or referred to therein.
- "Services" means the services as specified in the Purchase Order or covering letter.
- "Contractor" means the Contractor named in the Purchase Order.
- "Contract" means the agreement between the Purchaser and the Contractor.
- "Address" means the delivery address stated in an Order or subsequently notified in writing.

2. Basis of Purchase

- 2.1 An Order constitutes an offer by the Purchaser to purchase the Services at the prices stated in the Order and, unless otherwise agreed in writing, upon these Conditions of Purchase.
- 2.2 The Contractor hereby acknowledges that acceptance of an Order implies acceptance of these Conditions, which shall override any conditions attached by the Contractor.
- 2.3 The Purchaser may subsequently vary the requirement for Services. Such variations may include, but are not limited to, additions, omissions, substitutions, alterations, changes in quality, form, character, kind and changes in any specified sequence, method or timing of the Services.
- 2.4 No variation or addition to these Conditions or an Order shall be binding upon the Purchaser unless agreed in writing between the Purchaser and an authorised representative of the Contractor.
- 2.5 Subject to any amendment in accordance with Clause 2.3, these Conditions embody the entire understanding of the parties and override any prior promises, undertakings or representations.
- 2.6 No Order will be binding on the Purchaser unless signed by its authorised representative.
- 2.7 No Contract shall be formed until the Contractor either gives notice of acceptance expressly to the Purchaser, or implies acceptance by fulfilling an Order in whole or in part.

3. Cancellation

- 3.1 The Purchaser may cancel an Order without liability to the Contractor at any time prior to express or implied acceptance in accordance with Clause 2 by giving written notice to the Contractor.
- 3.2 At any time after acceptance of an Order but prior to performance of the Services, the Purchaser may cancel an Order by giving written notice to the Contractor. In the event of such notice being given, the Purchaser shall only be liable for the fair and proper actual costs incurred by the Contractor up until the date of cancellation.

4. Price

- 4.1 The price payable for the Services shall, unless otherwise agreed, be exclusive of any applicable Value Added Tax, payable by the Purchaser on receipt of a VAT invoice.
- 4.2 The price shall be inclusive of all costs, expenses and profits relating to the performance of the Services, and shall remain firm for the period of the Contract. No price increase may be applied (whether due to increased costs, fluctuation in exchange rates or otherwise) without the written consent of the Purchaser.
- 4.3 The Purchaser shall be entitled to any discounts usually granted by the Contractor, whether for prompt payment or otherwise.

5. Performance

- 5.1 The Services shall be performed at the Address during the Purchaser's agreed business hours, unless the Purchaser gives written notice of alternative arrangements.
- 5.2 The Services shall be performed within the time period stated on an Order, provided that the Purchaser shall not be obliged to accept the Services before the specified date. Time shall be of the essence and if the Services are not so performed the Purchaser may cancel an Order and claim damages for any loss incurred in obtaining the Services from another Contractor.
- 5.3 The Services shall be performed in a professional manner to the satisfaction of the Purchaser. If any part of the Services is found to be inadequate or in any way differing from the Contract, other than as a result of default or negligence on the part of the Purchaser, the Contractor shall at its own expense reschedule and perform the work correctly within such reasonable time as may be specified.
- 5.4 If the Services are to be performed in instalments, a Contract shall be treated as a single contract and not severable.

6. Documentation

- 6.1 The Contractor shall provide any invoices, advice notes, delivery notes, statements and other documentation requested by the Purchaser from time to time. In particular and without limitation, the Contractor shall supply all the information necessary to enable the Purchaser to accept the Services.

7. Payment

- 7.1 Unless otherwise agreed in writing, the Contractor shall invoice the Purchaser after performance of the Services.
- 7.2 The Purchaser will pay for the Services within 30 days of the end of the month following the month in which a full and correct invoice is received. The invoice should quote the Purchaser's order number, details of the services supplied and any discounts given.
- 7.3 The Purchaser may set off against the price any sums owed to the Purchaser by the Contractor.

7.4 The Contractor may not charge the Purchaser interest (or any other sum in addition to the price) on any outstanding account.

8. Intellectual Property

8.1 All patents, copyright, design rights and other intellectual property rights ("IP Rights") in data prepared or supplied by the Purchaser to the Contractor shall remain the property of the Purchaser.

8.2 All IP Rights in data prepared or developed by the Contractor in connection with the Contract shall vest in the Purchaser.

8.3 All IP Rights vested in the Contractor in data which are not prepared or developed by the Contractor in connection with the Contract, but which are used by the Contractor in connection with the Contract, shall remain vested in the Contractor but the Contractor hereby grants a non-exclusive, irrevocable, royalty-free licence to the Purchaser and to any third party whom the Purchaser may authorise to use, copy or modify such data in connection with the Contract.

8.4 The Contractor shall disclose to the Purchaser all inventions which the Contractor or its staff may make in performing the Services and which are wholly or substantially based on concepts or data developed or supplied by the Purchaser. All IP Rights to such inventions shall vest in the Purchaser.

8.5 The Contractor shall execute all documents and perform such acts as may be reasonably necessary to enable the Purchaser to obtain and/or maintain all IP Rights and perfect its title to any inventions referred to in Clause 8.4 and all data referred to in Clause 8.2.

8.6 The Contractor shall ensure that all IP Rights in data prepared or developed in connection with the Contract by any third party, including permitted sub-contractors under Clause 16, shall be vested in the Purchaser.

8.7 In respect of IP Rights vested in a third party, the Contractor shall obtain from such third party (at no cost to the Purchaser) such permission, waiver or licence as may be necessary for the performance of the Services and/or for the data to be used, copied or modified by the Purchaser or by any third party authorised by the Contractor.

8.8 The Contractor waives, and shall procure from any third party the waiver of, the exercise against the Purchaser of all moral rights in data that are or become vested in the Contractor and/or any third party.

9. Warranties

9.1 The Contractor warrants to the Purchaser that the Services will comply with any relevant statute, statutory order, directive, regulation or British Standard (or equivalent required by the Purchaser) in force at the time of performance of the Services;

- 9.2 The Contractor warrants to the Purchaser that the Services will be performed by appropriately qualified and trained personnel with competence and due care and diligence and according to the Purchaser's instructions and in full compliance with all relevant specifications.
- 9.3 The Contractor shall ensure that the Purchaser's health and safety requirements and contractors on site requirements are observed by all employees, agents, sub-contractors and representatives of the Contractor involved in any way in the provision of the Services.
- 9.4 The Purchaser is at all times relying on the skill and knowledge of the Contractor in the provision of Services.

10. Indemnity

- 10.1 The Contractor shall indemnify and hold harmless the Purchaser against all direct, indirect or consequential liability, loss, damage, injury, claims, proceedings, cost (including legal fees) or expense incurred by the Purchaser in connection with:-
- 10.1.1 breach of any warranty or undertaking by the Contractor in relation to the Services;
 - 10.1.2 any claim that the Services infringe the industrial or IP rights of any other person, except to the extent that the claim arises from compliance with any specifications, drawings, samples or descriptions provided by the Purchaser;
 - 10.1.3 any liability under the Supply of Goods and Services Act 1982 in respect of the Services;
 - 10.1.4 any act or omission of any of the Contractor's staff in connection with performance of the Services;
 - 10.1.5 any injury or loss to an employee of the Purchaser, or to any other person on the Purchaser's premises, caused by the Contractor's default or negligence including any failure by the Contractor, its agents, employees or sub-contractors to comply with the Health and Safety at Work Act 1984 and any amendments thereof, or any regulations or code of practice thereunder. This indemnity will extend to any civil or criminal action.

11. Insurance

- 11.1 The Contractor shall maintain such insurance cover as is reasonable, or as specifically required by the Purchaser, including liability insurance in respect of all employees, agents or sub-contractors of the Contractor who shall be on the Purchaser's premises at any time in connection with the provision of the Services, in an amount not less than £5m against all risks of liability for death, personal injury or loss or damage to property and all liability under this Contract and shall on request provide to the Purchaser evidence of such insurance as the Purchaser may reasonably require. If the Contractor fails to comply with this Clause, the Purchaser may insure against liability for death, personal injury and loss or damage to property, the premiums to be deducted from any monies due to the Contractor.

12. Confidentiality and Design

- 12.1 Any Order placed by the Purchaser shall be confidential and the Contractor shall not use the name of the Purchaser or any of its customers for publicity without the written consent of the Purchaser. All designs, drawings, specifications and information supplied by the Purchaser or produced by the Contractor at the Purchaser's expense in connection with an Order shall remain the Purchaser's property and are confidential. Details contained therein must not be disclosed to anyone other than the Contractor's employees without the Purchaser's written consent, and must be used solely for performing the Services. All such documentation and all copies thereof must be returned to the Purchaser, at the Contractor's expense, on completion of an Order or at any time on demand by the Purchaser.
- 12.2 The Contractor shall take all necessary precautions to keep confidential all unpublished information obtained in connection with the Contract, and shall ensure that such information is not disclosed by persons employed by him, and shall not use such information for his own commercial benefit.

13. Force Majeure

- 13.1 Except for payment of money due, neither party shall be liable for failure to perform its obligations under this Contract, nor give rise to any claim for compensation or damage, nor be deemed in breach of this Contract, if and to the extent that such failure arises from an occurrence or circumstances reasonably beyond that party's control (Force Majeure).
- 13.2 If either party is affected by Force Majeure that party shall give written notice without delay to the other party of the nature and extent of the circumstances and the date and anticipated duration of the suspension.
- 13.3 If such Force Majeure causes a delay of sixty (60) days or more and such delay may reasonably be anticipated to continue, then either party may terminate this Contract forthwith.
- 13.4 The party serving notice pursuant to Clause 13.1 shall notify the other in writing as soon as the performance of its obligations is no longer affected by Force Majeure and the parties shall resume the performance of their respective obligations each to the other with effect from the date so notified.

14. Termination

- 14.1 The Purchaser may at any time cancel an Order forthwith without liability to the Contractor if:
- 14.1.1 the Contractor commits a breach of any of the terms or conditions of the Contract. If such breach is capable of remedy the Contractor shall rectify the breach within fourteen days. If the breach is not capable of remedy or has not been rectified within fourteen days, the Purchaser may give notice terminating the Order or Contract without liability. The Contractor shall indemnify the Purchaser from and against any cost resulting from such termination.
- 14.1.2 the Contractor being a company enters into liquidation or has a petition presented for the appointment of an administrator or compounds with its creditors or has a receiver appointed of all or any part of its assets or suffers

any similar action in consequence of debt, or being an individual or partnership shall suspend payment or propose to enter into any composition with creditors or become unable to pay its debts (or have no reasonable prospect of so doing) or suffer a bankruptcy order or if anything analogous to any of the foregoing should occur in relation to the Contractor.

14.1.3 the financial position of the Contractor deteriorates to the extent that in the opinion of the Purchaser the ability of the Contractor to fulfil its obligations hereunder is jeopardised.

14.1.4 the Contractor ceases or threatened to cease to carry on its business or trade.

14.2 The Purchaser may for any other reason whatsoever terminate the Contract and/or Orders at any time by giving reasonable notice to the Contractor and specifying the date from which termination shall be effective. In the event of such notice the Contractor shall cease work. The Purchaser will pay a fair and reasonable price for justified work completed at the time of termination. Payment of such price shall be in full and final settlement of any claims arising out of such termination. Such payments, together with any sums paid or due or becoming due to the Contractor under the Order, shall not exceed the total price of the Order.

15. Remedies

15.1 Without prejudice to any other remedy, if any Services are not performed in accordance with the Contract, the Purchaser shall be entitled (whether or not any part of the Services has been accepted) to exercise any one or more of the following remedies in its sole discretion:-

15.1.1 to rescind an Order;

15.1.2 to require the Contractor at its own expense to remedy defects in the Services and carry out any other necessary work to ensure that the terms of an Order are fulfilled;

15.1.3 to refuse to accept further Services without any liability to the Contractor;

15.1.4 to claim any damages sustained as a consequence of the Contractor's breach.

16. Protection of the Site

16.1 The Contractor shall in performing the Services provide all necessary protection of premises at the Address and of plant, components, goods, materials and consumables and all things at the Address.

16.2 The Contractor shall restrict its activities to premises designated by the Purchaser.

- 16.3 The Contractor shall employ for the Services and retain during all working hours, competent personnel to the reasonable satisfaction of the Purchaser. Should the Purchaser be dissatisfied with the personnel and give written notice thereof to the Contractor, the Contractor shall exclude such personnel from the provision of the Services and substitute other personnel in their place.
- 16.4 The Contractor shall take all measures required by any statutory requirement or the working rules of any industry for the welfare, health, safety and protection of staff employed at the Address by the Contractor or its permitted sub-contractors.
- 16.5 Electrical or other equipment belonging to the Contractor (or its sub-contractors) shall not be used without the Purchaser having received prior notification and an opportunity to verify its safety.
- 16.6 The Contractor shall in carrying out the Services comply at all times with the Purchaser's work place regulations, including a No Smoking policy relating to all buildings.
- 16.7 The Services shall be carried out in compliance with all applicable statutory requirements (whether national or international), Codes of Practice and British or European Standards.

17. Health & Safety and Environmental Protection

- 17.1 The Contractor shall take all reasonable steps to ensure the health and safety of all persons likely to be affected by the execution of an Order.
- 17.2 The Contractor shall not treat or dispose of any waste as a result of executing an Order in a manner likely to damage the health and safety of any person or the environment and shall comply with every relevant statutory duty.
- 17.3 In executing an Order, the Contractor shall take all reasonable steps to avoid harm to the environment.

18. Headings

- 18.1 The headings to these Conditions shall not affect their interpretation. If any part of any Condition shall be held to be unenforceable to any extent the remainder of the order shall nevertheless remain in full force and effect.

19. Assignment

- 19.1 An Order is personal to the Contractor who shall not without the Purchaser's prior written consent assign or sub-contract any of its rights or duties hereunder.

20. Waiver

- 20.1 No waiver by the Purchaser of any breach of this Contract by the Contractor shall be considered a waiver of any subsequent breach of the same or any other provision.

21. Severability

- 21.1 If any provision of these Conditions is held by a competent authority to be invalid or unenforceable in whole or in part, the validity of other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.

22. Notices

- 22.1 Any notice given under these Conditions shall be given in writing and delivered by hand or sent by telex, fax or recorded delivery post to the address of the relevant party as stated herein or as subsequently notified. A notice sent by telex or facsimile shall be deemed served at the time of transmission. A notice sent by post shall be deemed served four (4) days after posting.

23. Rights of Third Parties

The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Contract.

24. Governing Law

- 24.1 An Order and these Conditions shall be governed and construed in accordance with the laws of England and the parties submit to the exclusive jurisdiction of the English Courts.