

RS PRO – MANUFACTURING ADDENDUM (September 2019)

1. Background and Definitions

1.1 This addendum incorporates, and is additional to, the latest version of the RS terms of purchase (the "Terms") which apply (in addition to this addendum) – this addendum applies where RS Pro requires a Supplier to first manufacture, and then supply, Goods to it, under a Manufacturing Contract (as defined below).

1.2 Expressions defined in the Terms and used in this addendum have the meaning set out in the Terms.

1.3 The following additional definitions apply in this addendum:

"Approved Sample" means a sample(s) of Goods approved by RS Pro in writing;

"Bespoke Goods" means Goods made to order by the Supplier in accordance with a Specification supplied by RS Pro;

"Manufacturing Contract" means a Contract incorporating this addendum;

"Off the Shelf Goods" means the Supplier's standard Goods as manufactured by the Supplier in accordance with the Supplier's Specification;

"Product Liability Claim" means: (i) a claim that the Goods are not safe when put to any reasonably foreseeable use; and/or (ii) any breach (or alleged breach) of clause 8.1 of the Terms and/or clause 6 of this addendum;

"RS Pro" means RS Components Limited a company registered in England and Wales (company number: 01002091) with a registered office in Birchington Road, Weldon, Corby, Northamptonshire, NN17 9RS;

"Specification" means the technical specification for the Goods as agreed between the parties within the technical files detailed within the Schedule or as otherwise shared by RS Pro with the Supplier ; and

"Trade Marks" means the trade marks owned by or licensed to RS Pro specified in the Schedule.

2. Bespoke Manufacturing

Clauses 1 to 8 of this addendum shall apply in respect of any Bespoke Goods supplied by the Supplier to RS Pro (the "Bespoke Terms"). If there is any conflict or inconsistency between the terms of Terms and the terms of the Bespoke Terms, the Bespoke Terms shall prevail to the extent of that conflict or inconsistency and all non-conflicting and consistent terms of the Terms shall then remain (together forming the Manufacturing Contract). However, where there is no such conflict or inconsistency of terms, all the provisions of the Terms remain, and all of the terms of the Bespoke Terms are then additional to those (together forming the Manufacturing Contract).

3. Description of the Goods

The Supplier warrants, undertakes and represents on an ongoing basis that the Goods will: (a) conform as to the quality, quantity, and description set out in the Order; (b) conform in all respects to the Specification and any Approved Sample; (c) comply with all applicable statutory and regulatory requirements; (d) unless otherwise agreed in any Schedule, comply with the documentation provided; (e) conform to any applicable national or international standard; and (f) carry all relevant certificates of inspection and testing, and all relevant instructions and safety data sheets.

4. Warranty

Without prejudice to any other RS Pro rights or remedies, if any breach of clause 3 of this addendum, or clause 6 of the Terms is discovered within 3 (three) years from the date of delivery to RS Pro (or such other period as may be specified in any Schedule), RS Pro may give notice in writing to the Supplier and return the defective Goods to the Supplier at the Supplier's risk and expense. The Supplier must and will credit the purchase price and all delivery costs to RS Pro within 1 (one) month after the notice.

5. Rejection

5.1 RS Pro may reject any Goods delivered to it that do not comply with clause 3 of this addendum or clause 6 of the Terms.

5.2 Without prejudice to any other RS Pro rights or remedies, if RS Pro rejects Goods under clause 5.1 of this addendum then RS Pro shall be entitled to (at the Supplier's sole risk and expense): (a) require the Supplier to repair or replace the rejected Goods; or (b) require the Supplier to repay the price of the rejected Goods in full.

5.3 The terms of this Manufacturing Contract shall apply to any repaired or replacement Goods supplied by the Supplier.

6. Product Liability Claims

The Supplier warrants, undertakes and represents on an ongoing basis it shall: (a) provide RS Pro with any necessary warnings and any other information relevant to the safety of the Goods, and where Goods are supplied ready packaged, to ensure that all packaging and leaflets contain all warnings necessary to avoid any breach of safety legislation; (b) notify RS Pro of any changes in applicable law that may affect RS Pro's use or sale of the Goods; (c) at the Supplier's own expense, make such amendments to the Supplier's procedures with respect to the Goods including **(without limitation) production methods and methods of storage and transportation of the Goods as RS Pro reasonably requires to ensure that the Goods are in accordance with all safety legislation and safety standards.**

7. Intellectual Property

7.1 RS Pro grants to the Supplier a non-exclusive, non-transferable, non-sub licensable, royalty-free licence to use the Trade Marks on the Goods in the manner set out in the brand guidelines detailed in the Schedule or as specified by RS Pro from time to time. The Supplier: (a) shall use the Trade Marks in the form stipulated in the Schedule and shall observe all directions given by RS Pro in relation to the use of the Trade Marks; (b) shall not use any marks or names confusingly similar to the Trade Marks or apply to register the Trade Marks as trade marks, domain names or otherwise; (c) shall not incorporate any alphanumeric or graphic additions to the Trade Marks; and (d) shall deliver at its own expense and on request by RS Pro reasonable quantities of samples of the Goods so that RS Pro can check that the Trade Marks are being used correctly.

7.2 The Supplier acknowledges RS Pro's rights in relation (without limitation) to the Trade Marks and copyright in any drawings, designs, samples and the Specification and any other intellectual property rights in relation to the Goods (the "RS Intellectual Property"). It is agreed that the RS Intellectual Property is and shall remain the property of RS Pro or, where applicable, the third party licensor from whom RS Pro derives the right to use them.

7.3 The Supplier agrees: (a) not to cause or permit anything which may damage or endanger the RS Intellectual Property or assist or allow others to do so; (b) to notify RS Pro of any suspected infringement of the RS Intellectual Property; (c) to take such reasonable action as RS Pro may direct in relation to such infringement; (d) to compensate RS Pro for any use by the Supplier of the RS Intellectual Property otherwise than in accordance with this Manufacturing Contract; and (e) to indemnify RS Pro and each Group Company for any liability incurred to third parties for any use of the RS Intellectual Property otherwise than in accordance with this Manufacturing Contract.

7.4 RS Pro grants to the Supplier a non-exclusive, non-transferable, non-sub licensable, royalty-free licence to use the RS Intellectual Property solely for the purpose of performing its obligations under this Manufacturing Contract.

8. Samples

8.1 The Supplier shall submit to RS Pro for approval pre-production samples of the Goods as requested by RS Pro in writing.

8.2 The Supplier shall not commence the manufacture of any Goods until RS Pro has communicated its approval of the samples to the Supplier in writing and such Approved Samples have been detailed in a Schedule.

9. Off the Shelf Manufacturing

Clauses 1 and 9 to 15 of this addendum shall apply in respect of any Off the Shelf Goods supplied by the Supplier to RS Pro (the "Off the Shelf Terms"). If there is any conflict or inconsistency between the terms of Terms and the terms of the Off the Shelf Terms, the terms of the Off the Shelf Terms shall prevail to the extent of that conflict or inconsistency, and all non-conflicting and consistent terms of the Terms shall then remain (together forming the Manufacturing Contract). However, where there is no such conflict or inconsistency of terms, all the provisions of the Terms remain, and all of the terms of the Bespoke Terms are then additional to those (together forming the Manufacturing Contract).

10. Description of the Goods

The Supplier warrants, undertakes and represents on an ongoing basis that the Goods will: (a) conform as to the quality, quantity, and description set out in the Order; (b) conform in all respects to the Specification and any Approved Sample; (c) comply with all applicable statutory and regulatory requirements; (d) unless otherwise agreed in any Schedule, comply with the documentation provided; (e) conform to any applicable national or international standard; and (f) carry all relevant certificates of inspection and testing, and all relevant instructions and safety data sheets.

11. Warranty

If any breach of clause 10 of this addendum or clause 6 of the Terms is discovered within 3 (three) years from the date of delivery to RS Pro (or such other period as may be specified in any Schedule), RS Pro may give notice in writing to the Supplier and return the defective Goods to the Supplier at the Supplier's risk and expense. The Supplier must and will credit the purchase price and all delivery costs to RS Pro within one month after the notice.

12. Rejection

12.1 RS Pro may reject any Goods delivered to it that do not comply with clause 10 of this addendum or clause 6 of the Terms.

12.2 Without prejudice to any other RS Pro rights or remedies, if RS Pro rejects Goods under clause 12.1 of this addendum then RS Pro shall be entitled to (at the Supplier's sole risk and expense): (a) require the Supplier to repair or replace the rejected Goods; or (b) require the Supplier to repay the price of the rejected Goods in full.

12.3 The terms of this Manufacturing Contract shall apply to any repaired or replacement Goods supplied by the Supplier.

13. Product Liability Claims

The Supplier warrants, undertakes and represents on an ongoing basis it shall: (a) provide RS Pro with any necessary warnings and any other information relevant to the safety of the Goods, and where Goods are supplied ready packaged, to ensure that all packaging and leaflets contain all warnings necessary to avoid any breach of safety legislation; (b) notify RS Pro of any changes in applicable law that may affect RS Pro's use of the Goods; (c) at the Supplier's own expense, make such amendments to the Supplier's procedures with respect to the Goods including (without limitation) production methods and methods of storage and transportation of the Goods as RS Pro reasonably requires to ensure that the Goods are in accordance with all safety legislation and safety standards.

14. Intellectual Property

14.1 RS Pro grants to the Supplier a non-exclusive, non-transferable, non-sub licensable, royalty-free licence to use the Trade Marks on the Goods in the manner set out in the brand guidelines detailed in the Schedule or as specified by RS Pro from time to time. The Supplier: (a) shall use the Trade Marks in the form stipulated in the Schedule and shall observe all directions given by RS Pro in relation to the use of the Trade Marks; (b) shall not use any marks or names confusingly similar to the Trade Marks or apply to register the Trade Marks as trade marks, domain names or otherwise; (c) shall not incorporate any alphanumeric or graphic additions to the Trade Marks; (d) shall deliver at its own expense and on request by RS Pro reasonable quantities of samples of the Goods so that RS Pro can check that the Trade Marks are being used correctly; (e) acknowledges RS Pro's ownership of the Trade Marks and agrees that any use of the Trade Marks by the Supplier will be for the benefit of RS Pro.

14.2 The Supplier shall protect, indemnify and hold harmless RS Pro and each Group Company, their servants and agents against any and all liability, loss or expense by reason of any claim, action or litigation in respect of any alleged or actual infringement of any patent, copyright, design right, trade mark, database right or other intellectual property rights of any other person or resulting from the use or resale of the Goods the subject of this Manufacturing Contract or any part of them.

14.3 The Supplier shall notify RS Pro of any claim, action or litigation in respect of any alleged infringement of any patent, copyright, design right, trade mark, database, right or other intellectual property rights relating to the Goods immediately upon becoming aware of any such claim, action or litigation as aforesaid.

15. Samples

15.1 The Supplier shall submit to RS Pro for approval pre-production samples of the Goods as requested by RS Pro in writing.

15.2 The Supplier shall not commence the manufacture of any Goods until RS Pro has communicated its approval of the samples to the Supplier in writing and such Approved Samples have been detailed in a Schedule.