

## TERMS OF PURCHASE (rev April 2013)

### 1. Definitions

**Claim** means a Product Liability Claim or an IPR Claim.

**Contract** means the contract for the sale of goods formed when the Supplier accepts an Order comprised of these terms, the Order, and any Purchasing Agreement in force between the parties.

**Force Majeure** means war, invasions, civil unrest, lightning, earthquake, extraordinary storms, fire, flooding and/or nuclear, chemical or biological contamination to the extent it is unforeseeable, irresistible and beyond the control of a party.

**Goods** means the Goods listed in the Order together with all relevant certificates, instructions and safety data sheets.

**Group Company** means a member for the time being of the Electrocomponents plc group of companies.

**Purchasing Agreement** means any Purchasing agreement signed by both parties.

**IPR Claim** means a claim arising out of any infringement or alleged infringement by any Group Company of any patent, design right, trade mark or other intellectual property right in respect of any of the Goods.

**Order** means the RS purchase order or purchase order amendment.

**Product Liability Claim** means a claim that the Goods are not safe when put to any reasonably foreseeable use.

**Schedule** means a schedule incorporated into any agreement made between the parties before the date of the relevant Order.

**Services** means the services provided by the Supplier to the RS customer.

### 2. Prices

The Supplier will sell the Goods to RS at the prices set out in the Order or any Schedule, or as agreed between the parties in writing from time to time. Unless otherwise agreed by both parties in writing, all prices include packaging, freight and insurance costs, delivery charges and customs dues, but exclude VAT or any other sales tax.

### 3. Payment

RS will pay the Supplier within forty five (45) days from the end of the month of the date of the Supplier's invoice or as agreed by the parties in writing. Payment by RS does not amount to acceptance of the Goods as in accordance with the Order. In case of late payment, Supplier will be entitled to claim interests which cannot be higher than the lower interest rate permitted under applicable law.

### 4. Delivery, risk & title

**4.1** The Supplier will deliver the Goods at the place and on the delivery date specified in the Order unless otherwise agreed by RS, and must obtain all licences required for delivery. The Goods must be delivered properly packaged and secured and in accordance with any agreed delivery and packaging specifications.

**4.2** Delivery is at the Supplier's risk and expense. If the Goods are lost or damaged in the course of delivery, RS may notify the Supplier, and if it does so the Supplier must at its own expense promptly replace or repair the lost or damaged Goods.

**4.3** Title to the Goods passes to RS on payment of their purchase price or their delivery to RS, whichever occurs first.

### 5. Description of the Goods

**5.1** The Goods must be in accordance with the Order and any agreed product specification in terms of their quality, quantity and description. Unless otherwise agreed in any Schedule, the Goods must comply with the documentation provided, conform to any applicable national or international standard and carry all relevant certificates of inspection and testing, and all relevant instructions and safety data sheets.

**5.2** The Supplier will identify any limitation on RS's ability to sell the Goods globally or export the Goods, will notify RS of any such limitation of which the Supplier becomes aware and will provide to RS on request the export control classification number (if applicable), any mandatory approvals, certifications and marking for every relevant jurisdiction.

**5.3** In addition to its other legal remedies, RS is entitled to reject any delivery that is not in accordance with clause 5.1 above.

### 6. Quality of the Goods

**6.1** The Goods must be fit for their purpose. If there is any special purpose agreed in writing between the parties, then the Goods will be fit for that special purpose.

**6.2** In addition to any terms as to quality that are implied by law, the Supplier warrants that the Goods are in factory new condition, are of satisfactory quality, are free from defects in materials, design and workmanship, that any safety data sheets provided are in accordance with best practice, and that they are safe when put to reasonable use and comply with all marketing information, data sheets and other information provided by the Supplier.

### 7. Warranty period

**7.1** If any breach of any warranty in clause 6 is discovered within twelve months from the date of delivery to the RS customer (or such other period as may be specified in any Schedule), RS 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 credit the purchase price and all delivery costs to RS within one month after the notice.

**7.2** This clause 7 does not limit any other right or remedy which RS may have in law in respect of the defective Goods.

### 8. Product Liability Claims

**8.1** The Supplier will ensure that the Goods are designed and manufactured so that they are safe when put to any reasonably foreseeable use, and will provide RS with adequate safety data sheets.

**8.2** The Supplier will keep each Group Company fully and effectively indemnified from and against any and all liabilities, proceedings, costs (including without limitation legal costs), damages, losses or expenses caused by or in any way connected with any and all Product Liability Claims in respect of the Goods and Services including without limitation the costs associated with repair or replacement of Goods and will refund to RS the price paid for any such Goods, subject to clause 11 below.

**8.3** If a Product Liability Claim is made against any Group Company in respect of any of the Goods, the Supplier agrees to notify RS of the name and address of its

own supplier.

### 9. Product recalls

**9.1** If RS becomes aware of or reasonably suspects a defect in the Goods or any failure of the Goods to conform to the Order, these terms of purchase or any agreed product specification, then RS or any Group Company may recall Goods of the same description as the defective or non-compliant item and any related Goods. RS will give notice to the Supplier if it or a Group Company proposes to make any recall. RS will consult with the Supplier regarding the most appropriate action but RS is not obliged to delay a product recall to meet the Supplier's requirements.

**9.2** The Supplier will reimburse to RS on demand all the costs incurred by any Group Company in making a product recall, including the costs and damages reimbursed or paid to customers, and the costs incurred in advertising the recall and contacting customers and will refund to RS or the relevant Group Company the price paid for such Goods.

### 10. Intellectual Property Rights

**10.1** Every Group Company may use the Supplier's (and any third party manufacturer's) trade marks, get-up, logos, images of the Goods, descriptions, data and all materials provided by the Supplier to RS in connection with the Goods in any Group Company catalogue or other promotional material in any printed or electronic form, anywhere in the world on any medium whether now known or invented after the date of this Contract and without additional payment, provided that it complies with the Supplier's (and any manufacturer's) reasonable instructions from time to time in relation to the use of the trade marks, get-up and logos. This licence will endure for the maximum duration of the intellectual property rights notwithstanding termination of the Contract.

**10.2** RS hereby grants the Supplier a licence to use trade marks owned by RS specified in the Schedule on Goods if requested by RS in writing from time to time.

**10.3** If the Goods bear any Group Company trade marks, logos or get-up, the Supplier may not supply those Goods to any third party without first obtaining the written consent of RS.

**10.4** The Supplier warrants and undertakes that it has the right to supply the Goods and grant the rights described in clause 10.1 and will keep each Group Company fully and effectively indemnified from and against any and all liabilities, proceedings, costs (including without limitation legal costs), damages, losses or expenses caused by or in any way connected with any and all IPR Claims, subject to clause 11 below.

### 11. Terms relating to indemnities

**11.1** No indemnity is intended to limit any other right or remedy which any Group Company may have in law in respect of the Goods affected by the Claim.

### 12. Anti-Bribery

**12.1** Supplier shall (and shall procure that persons associated with it or other persons who are providing goods or services in connection with this agreement shall) comply with all applicable laws, statutes, regulations relating to anti-bribery and anti-corruption, including, but not limited to, the Bribery Act 2010 (the **Relevant Requirements**) and shall:

(i) not (directly or indirectly) induce any employee, agent or subcontractor of RS to make any concession to or confer any benefit on the Supplier, refrain or withhold from doing any act, in return for any gift, money, or other inducement;

(ii) not do or omit to do any act that will cause or lead RS to be in breach of any of the Relevant Requirements

(iii) promptly report to RS any request or demand for any undue financial or other advantage of any kind received by Supplier in connection with the performance of this agreement

(iv) have and maintain in place throughout the term of this agreement its own policies and procedures, including, but not limited to, adequate procedures to ensure compliance with the Relevant Requirements and shall promptly supply copies of or provide access to such policies on request from RS.

**12.2** Supplier is informed that RS employees are not permitted to:

(i) accept gifts of more than token value, loans, excessive entertainment or other substantial favours from any company or individual that does business with RS or seeks to do so;

(ii) solicit gifts or other favours from any company or individual that does business with RS, or seeks to do so.

**12.2** Entertainment is acceptable only if it has a justifiable business purpose. It should be of a reasonable nature and such that RS's employees, agents or contractors, can reciprocate.

**12.3** Financial restrictions on gifts and entertainment are contained in RS's Anti-Bribery Policy and further details are available on request.

**12.4** Any breach of this clause 12 shall be a material breach of this agreement which is incapable of remedy.

### 13. General

**13.1** Without limiting any other right or remedy, RS may terminate any or all Contracts and / or any Purchasing Agreement without having to file any claim before the competent Court/arbitrator to this effect ("*de plein droit*"), by notice in writing to the Supplier if the Supplier takes or suffers any action as a result of its insolvency, to the extent permitted by applicable law.

**13.2** If the Supplier does not comply with these terms RS may terminate any or all Contracts and / or any Purchasing Agreement without having to file any claim before the competent Court/arbitrator to this effect ("*de plein droit*"), by notice in writing without liability and without affecting its other rights and remedies against the Supplier.

**13.3** The Supplier will not be liable for any delay in delivery to RS (not exceeding a period of 1 month) caused by Force Majeure provided that the Supplier promptly notifies RS of any Force Majeure and uses its best endeavours to bring the Force Majeure to an end as soon as possible

**13.4** No variation to these terms is effective unless expressly accepted in writing by RS.

**13.5** All notices under these terms must be sent by first class recorded delivery post or by courier to the address on the Order unless a different address has been given for that purpose. A notice sent by post or courier will be effective on the seventh day after it is sent.

**13.6** The Contract contains all the terms agreed between the parties regarding its subject matter and supersedes any prior agreement, understanding or arrangement between them whether oral or in writing.

**13.7** Any Purchasing Agreement and each Contract is governed by English law and the parties submit to the non- exclusive jurisdiction of the English Courts, but RS may enforce a Contract in any court of competent jurisdiction.