

UNCLASSIFIED		
AWE/MAN.Q/10	AWE PLC Standard Terms and Conditions of Contract for The Procurement of Low Risk Products	AWE/PROC/BH/2008/5/ LRP Issue 01, June 08

1. Definitions

AWE PLC shall be the Atomic Weapons Establishment whose registered office is situated at Aldermaston, Reading, Berkshire, RG7 4PR
Registration No: 02763902.

AWE PLC Site shall be deemed to include all premises operated by **AWE PLC** including the Aldermaston, Burghfield and Blacknest Sites.

Contract shall mean the **Standard Purchase Order** and any other attached or referenced paperwork, all of which constitute the agreement between **AWE PLC** and **The Supplier**

Designated Contractual Delivery point shall mean the Goods Inwards Stores, Building F13.5, unless otherwise stated on the **Standard Purchase Order**.

ITAR shall mean International Traffic Arms regulations.

Parties are **AWE PLC** and **The Supplier**

Products shall mean those items, commodities, services and/or deliverables required from **The Supplier** by **AWE PLC**.

Standard Purchase Order shall outline **AWE PLC's** instructions to **The Supplier**.

Software means any software, firmware or computer code or language delivered or due to be delivered by or on behalf of **The Supplier** or his subcontractor to **AWE PLC** under or pursuant to the **Standard Purchase Order**

Requirements shall mean the requirements, specifications, descriptions and any or all other needs.

The Supplier is the addressee on the **Standard Purchase Order**.

2. Requirement

The Supplier shall provide the **Products** in accordance with the authorised **Standard Purchase Order** at the firm prices and/or rates identified, and by the dates and/or timescales detailed on the **Standard Purchase Order**. Deliverables shall be accepted to the satisfaction of **AWE PLC**.

The Supplier shall be responsible for ensuring that all operations or activities carried out by **The Supplier**, its subcontractors, representatives or employees pursuant to the **Standard Purchase Order**, shall comply at all times with relevant statutes and statutory instruments, and with all relevant directions of **AWE PLC**, its policies and procedures, or any relevant regulatory body or organisation.

AWE PLC shall have no minimum ordering or purchase commitment for **Products**.

3. Delivery

The hours for delivery to the **Designated Contractual Delivery Point** shall be Monday to Thursday 0800 to 1300; 1400 to 1600, or Friday 0800 to 1130. The title to the **Products** shall pass to **AWE PLC** on delivery of those **Products**.

4. Payment

Payment will normally be made 30 days from the date of acceptance of the **Products** and receipt by **AWE PLC** of a valid invoice from **The Supplier**. Each certified payment is the correct amount due less any previous payments. Payments are in sterling unless otherwise identified on the **Standard Purchase Order**.

AWE PLC is entitled to withhold payment if **The Supplier** has not delivered the ordered **Products** in full, and/or if any **Products** do not strictly conform to the specifications and the requirements of the **Standard Purchase Order**.

Invoices for payment in accordance with the terms of the **Standard Purchase Order** shall be submitted to **AWE PLC** Purchase Ledger Section, Building F6.1, Aldermaston, Reading, Berkshire, RG7 4PR. Each invoice must clearly state the **Products** provided, and the **Standard Purchase Order** number to which it relates and shall have the same line by line descriptions as appears on the **Standard Purchase Order**.

5. Termination

AWE PLC may terminate the **Standard Purchase Order**, by notifying **The Supplier** in the event that **The Supplier** has had one of the following or its equivalent:

- a) a winding-up order made against it,
- b) a provisional liquidator appointed to it,
- c) a resolution passed for winding-up (other than in order to amalgamate or reconstruct),
- d) an administration order made against it,
- e) a receiver, receiver and manager, or administrative receiver appointed over the whole or substantial part of its undertaking or assets or,
- f) an arrangement made with its creditors.

AWE PLC may terminate the **Standard Purchase Order**, by notifying **The Supplier** if **AWE PLC** no longer requires the **Products** to be provided by **The Supplier**, in full or in part. **AWE PLC** will pay a fair and reasonable price for all agreed work up to the point of termination, and if appropriate, **AWE PLC** shall have the right to access **The Supplier's** premises to remove any **Products** that **AWE PLC** have paid for.

AWE PLC will not pay any claims by **The Supplier** for profit on uncompleted work as a result of any termination.

6. Warranty

The Supplier shall ensure that the **Products** meet all specifications and other requirements specified by **AWE PLC**. **AWE PLC** may inspect any **Products** upon delivery. Any acceptance by **AWE PLC** with or without inspection, shall not to any extent release **The Supplier** from any of its obligations to deliver **Products** that meet the **Requirements** nor limit **AWE PLC's** right to make claims relating to the **Products** or to the deliveries, if any **Products** are later found not to meet the specifications or the requirements of **AWE PLC**.

The Supplier hereby warrants that all **Products** shall be new, unused, in good working condition, free from all defects (including but not limited to defects arising out of design, materials and/or workmanship) and of the highest quality, fit for the purpose for which they are intended, and in strict conformity with the **Requirements** specified by **AWE PLC**, for a period of 12 months from the date of delivery to **AWE PLC**. The foregoing warranty is in addition to all other warranties, express or implied, to which **AWE PLC** is entitled in law or in equity.

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If **AWE PLC** finds any **Products** not to meet the **Requirements**, **AWE PLC** may at its sole discretion, and upon notice to **The Supplier**:

- a) require **The Supplier** to promptly supply replacement **Products** at **The Supplier's** sole risk and expense
- b) require **The Supplier** to promptly reimburse to **AWE PLC** the price of all **Products** not meeting the **Requirements**
- c) require **The Supplier** to promptly repair the **Products** at **The Supplier's** sole risk and expense
- d) repair the **Products** or cause the **Products** to be repaired by any third party at **The Supplier's** sole risk and expense, or
- e) cancel the respective delivery with immediate effect in whole or in part if **AWE PLC** reasonably considers that none of the actions mentioned in a) through d) is feasible or effective, in which instance **The Supplier** shall at his own expense, and within 14 days of being notified, remove any **Products** or consignment that **AWE PLC** has rejected. If **The Supplier** fails to remove the rejected **Products** or consignment, **AWE PLC** may return it to **The Supplier** at **The Supplier's** risk and expense.

In addition, **AWE PLC** is entitled to full compensation for any and all losses, damages, costs, expenses and other similar amounts suffered or incurred. **AWE PLC** has the right to deduct the value of the rejected **Products** from any invoice of **The Supplier**. The warranty shall apply to **AWE PLC** and its direct and indirect customers.

7. Transportation and Packaging

The Supplier shall be responsible for transporting the **Products** supplied under the **Standard Purchase Order** from the point of origin to the **Designated Contractual Delivery Point** and in accordance with **AWE PLC's** procedures, and normal delivery hours for delivery on **AWE PLC Sites**. Unless otherwise provided in the **Standard Purchase Order**, **The Supplier** shall be responsible for all loading and unloading of the **Products** upon arrival at the **Designated Contractual Delivery Point**. Any special handling equipment that may be required should be identified to **AWE PLC** prior to delivery.

Unless otherwise agreed, the price on the **Standard Purchase Order** shall include delivery to the **Designated Contract Delivery Point**. The outside of all packages shall clearly state **Standard Purchase Order** number, date of packaging, any hazards contained and if the item is electrical.

AWE PLC will not take ownership of any containers (including packing cases, boxes, tins, drums and wrappings) supplied by **The Supplier**, and such items will therefore be disposed of by **The Supplier**.

8. Materials and Components

Where appropriate, **The Supplier** shall furnish to **AWE PLC** such information as to the materials and components which **The Supplier** will purchase or lease, or otherwise use in connection with the execution of the **Standard Purchase Order**. **Products** falling within **ITAR** regulations will require a licence and/or an End User Certificate.

9. Customs & Import Duty

Products to which the **Standard Purchase Order** applies are defence equipment in respect of which the United Kingdom will waive the application of import duty provided that the UK Customs entry documents are completed by the transport office named in the **Standard Purchase Order**. So that these **Products** may be readily identified, invoices for supplies from overseas shall certify that the **Products** are in aid of a contract with HM Government NUC 41A/5001 for defence equipment and also quote the **Standard Purchase Order** number.

10 Liability

The Supplier agrees to indemnify **AWE PLC** against and harmless from all claims, suits, actions, demands and proceedings and all damages, costs, expenses and liabilities included but not limited to product liability, product safety and/or personal injury, death, loss and/or damage to any property, and/or any other liability attributable to any act or omission of **The Supplier**, any **Products** and/or manufacturing process of any **Products**, and to anything arising from infringement of any patents, trade marks, copyrights, trade secrets or designs or intellectual property right which may be attributable to incorporation by **AWE PLC** of any **Products** to any **Products** sold to or otherwise used by **AWE PLC**.

11 General

No variation to this **Contract** is to be made, except by the buyer identified on the **Standard Purchase Order**, and with the written consent of the **Parties**.

The Supplier may not subcontract or assign any of its obligations, under this **Contract**, without the prior written agreement by **AWE PLC**.

The Supplier shall include in all his agreements with employees, representatives or subcontractors that have been agreed by **AWE PLC** and are engaged in the performance of this **Contract**, a flow down of the provisions of this **Contract**.

AWE PLC may assign or transfer all or any of its rights or benefits arising out of this **Contract** at any time without the consent of **The Supplier**.

In consideration of **The Supplier** providing the **Products** in accordance with the provisions of this **Contract**, **AWE PLC** agrees to pay to or receive from **The Supplier** any other amount due to or received from **The Supplier** as prescribed by this **Contract**.

This **Contract** is governed under the Law of England, and statutory provisions shall apply.

The Adjudicator shall be chosen by the President of the Chartered Institute of Arbitrators, International Arbitration Centre, 12 Bloomsbury Square, London, WC1A 2LP if **AWE PLC** and **The Supplier** cannot agree.

Acknowledgement of this **Contract** shall be sent to the buyer identified on the **Standard Purchase Order**, clearly stating the **Contract** and/or **Standard Purchase Order** number.