

## **AIR PRODUCTS GENERAL CONDITIONS OF PURCHASE**

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## **1. Applicability**

(i) These general conditions of purchase apply to all orders of Purchaser in respect of purchasing of goods from Seller or rendering of services by Seller.

(ii) The Seller's quotation is incorporated and made a part of this purchase order only to the extent of specifying the nature and description of the goods and services ordered and then only to the extent that such items are consistent with the other terms of this purchase order.

(iii) No other terms or conditions shall be binding upon the Purchaser unless accepted by it in writing.

## **2. Delivery**

(i) The property and risk in the goods shall pass to the buyer on delivery without prejudice to any right of rejection which may accrue to the buyer.

(ii) Seller will be liable for delay in delivery or completion of performance after the date specified under "Agreed Delivery Date" unless such is prevented by events beyond Seller's control and not occasioned by its fault or negligence when he will inform Purchaser immediately and unless a new date is agreed Seller's time for delivery will be extended by a period equal to the period of such prevention.

## **3. Prices & Payment**

(i) Unless otherwise indicated the price includes packing and carriage to the place of delivery.

(ii) Payment of invoices (which must show Purchasers Order and Item Number) will be made according to the terms shown in the buyers purchase order, providing that the goods or services are received on or before the date of invoice.

## **4. Inspection**

(i) The Purchaser and the persons authorised by the Purchaser may, before delivery, inspect, test or identify (and reject if necessary) the goods and any drawings and specifications. Such inspection, test or identification shall not constitute acceptance by the Purchaser of the materials and goods in question.

(ii) The Purchaser is under no obligation to test or inspect the goods before or after delivery.

## **5. Warranty**

(i) Seller warrants that the goods:

a) are new and free from defects,

b) will conform to the specifications in the purchase order,

c) will comply with all statutory requirements and regulations (including any relevant EU standards) relating to the supply of the goods and services;

(ii) Seller warrants that any services it provides will be performed with a reasonable degree of care and skill and in accordance with generally accepted standards for the industry concerned.

(iii) If within 12 months from the date the goods are put to use (but not exceeding 18 months from the date of delivery), the Purchaser notifies Seller of a defect (being a fault in workmanship, material or design, or a discrepancy from the contract description or specification) Seller will repair or replace the defective goods at Seller's expense (including packing and carriage). The repaired or replacement goods shall be subject to a like warranty.

(iv) If within 7 days of such notification Seller does not undertake to effect such repair or replacement and complete the same within a reasonable time the Purchaser may do so and the costs and expenses incurred will be recoverable from Seller.

## **6. Cancellation**

(i) The Purchaser may cancel and require Seller to cease work upon the whole or any part of the goods or services under the contract by giving Seller written notice to that effect.

(ii) Except where such cancellation is caused by Seller's failure to perform an essential term of the contract, such cancellation shall be upon the following terms:

(a) If Seller has in his possession any completed goods the Purchaser shall elect either to take delivery thereof and pay Seller a proportionate part of the price or not to take delivery and pay Seller the difference (if any) between the market value thereof and the said proportion of price at the date of cancellation, and

(b) If Seller has in his possession any raw material or part finished goods the Purchaser shall elect either to require Seller to complete and deliver the same to the Purchaser and pay Seller a proportion of the price in respect of the stage of completion of such goods less the market value thereof at the date of cancellation, and

(c) If Seller has placed firm orders for any goods which are not in his possession, Purchaser shall elect either to take an assignment of Seller's rights and obligations under such orders or pay the cost, if any, of discharging Seller's obligations thereunder.

(iii) Nothing in these Conditions of Purchase shall limit or exclude the Purchaser's right to cancel the contract or any part thereof if Seller fails to observe or perform any of its essential terms and in such event the Purchaser may procure the materials, goods or services from another source and Seller will pay any excess costs the Purchaser may incur thereby.

## **7. Sub-Contracting & Assignment**

(i) Except in respect of goods and services bought or procured in the normal course of Seller's business no work under the contract shall be sub-let without the Purchaser's written consent. A copy of Seller's sub-order should in all cases be sent to the Purchaser at the time it is placed.

(ii) Seller shall not assign any of his rights or obligations under the contract without the Purchaser's written consent.

## **8. Code of Conduct**

Seller agrees to abide by Buyer's Code of Conduct in its dealings with Buyer. The Buyer's Code of Conduct is available for review by accessing [www.airproducts.com/codeofconduct](http://www.airproducts.com/codeofconduct)."

## **9. Health & Safety**

Seller will supply free of charge to the delivery address shown information sheets containing comprehensive guidance and warnings concerning the proper and safe use and treatment of the goods. Seller will supply such further copies of the information sheets as the Purchaser requires free of charge.

## **10. Standards**

The Seller will comply with all relevant national and international requirements or standards concerning the manufacture, packaging, labelling, coding, designation and delivery of the goods and/or services and with any standards nominated in the purchase order. Where there are no relevant requirements or standards the Seller shall comply with the best practices of the industry.

## **11. Changes**

No change or variation may be made to the design, materials, goods or services the subject of the contract, nor to the price or delivery date shown without Purchaser's previous written consent.

## **12. Incoterms (2000)**

Any trade term in this purchase order shall have the meaning given to it by Incoterms (2000).

## **13. Law**

This purchase order shall be governed exclusively by the laws of the country in which Purchaser is established and the English version of this purchase order shall prevail notwithstanding the translation of the whole or part of this purchase order into another language for the convenience of one or the other or both of the parties.

Approved by

PH Callingham

**Director, Energy & Materials, Europe**

May, 2007