1 Definitions and introduction

"we", "us" and "our" refers to the applicable purchaser among GKN Driveline Malaysia Sdn. Bhd. (Company No. 215112-K) or other members of the Group. "Group" means GKN plc and its group companies. Our agreement with you (the "Contract") consists of: (i) any duly signed contract which applies to our purchase of goods and/or services from you; (ii) a purchase order issued in accordance with a relevant scheduled order (an "Order") that we issue to you and you confirm; (iii) these General Purchasing Conditions; (iv) any specifications, safety, health and environmental requirements that we agree with you; (v) any supplementary terms and conditions of purchase that we agree with you; and (vii) our quality and other requirements or procedures made available to you (via GKN’s Supplier Portal or otherwise). If there is any inconsistency between any parts of the Contract, the parts placed higher in the list will prevail.

2 Your conditions excluded

If you seek to impose additional or different terms on our purchase, they will not form part of this Contract and are excluded and rejected by these General Purchasing Conditions.

3 Delivery

3.1 You must deliver goods and/or services that we order in accordance with the delivery terms and dates set out in the Contract. If any goods and/or services are not delivered on time or are delivered incorrectly, we may terminate the relevant Order.

3.2 Goods must be delivered DDP (as defined in Incoterms), unless another part of the Contract states different delivery terms. Ownership of the goods you deliver will transfer to us on delivery.

3.3 All risks of loss or damage to the goods will pass to us immediately after delivery.

3.4 All goods delivered by you must be accompanied, in a form acceptable to us, by a certificate of conformity and/or an up-to-date material safety data sheet.

4 Quality, rejection and indemnity

4.1 Any goods supplied by you must be: (i) of the quantity and description specified in the Contract; (ii) of satisfactory quality; (iii) fit for their normal purpose and any specific purpose we inform you about or which you ought reasonably be aware of; (iv) free from defects in design, material and workmanship; and (v) in new condition and unrestricted.

4.2 Any services supplied by you must be: (i) performed efficiently, safely and competently by suitably qualified and experienced personnel, in conformity with any applicable industry code of practice; and (ii) of the quality which would be expected from a skilled and experienced operator providing equivalent services in the same circumstances.

4.3 Any goods or services (and any associated technology) supplied by you must: (i) comply with all applicable legal requirements and regulations, including those relating to transportation, health, safety and the environment; (ii) not infringe the intellectual property rights of any third party; (iii) conform to any specification or other requirements referred to in the Contract; and (iv) conform to any sample approved by us.

4.4 We may (but are not obliged to) inspect and test the goods delivered by you and may reject and return (at your risk and expense) any goods that fail to conform with the terms of the Contract. You must replace such rejected goods within a reasonable time (being not more than 15 days after notice of rejection) with goods which do comply with the Contract.

4.5 You will reimburse each member of the Group for all losses, damages, costs and expenses (including reasonable legal fees) or other claims (including third party claims and costs relating to recalls and service measures implemented by our customers or their customers) arising from or in connection with any breach of your obligations under the Contract or in relation to the subject matter of the Contract. You must immediately notify us if you become aware that there is a risk that the goods supplied by you to us do not comply with any applicable legal requirements and regulations, including those relating to transportation, health, safety, and the environment.

5 Invoicing and payment

5.1 We will pay you the price set out in the Contract (which will be inclusive of delivery costs and exclusive of sales tax) for the goods and services that you deliver in accordance with the Contract. You may only invoice us after delivery of the goods and/or services ordered by us and in accordance with any payment schedule in the Contract.

5.2 Invoices must show: the date of delivery, Order number, delivery address and any deviations from the invoice address specified in the relevant Order.

5.3 Unless otherwise set out in the Order, payment will be due from us within 90 days of the Thursday following the end of the month of receipt by us of a relevant invoice.

5.4 We may deduct from the price of the goods and/or services ordered by us any sums due to the Group under the Contract or any other contract between you and the Group.

6 Confidentiality and Intellectual Property

6.1 You must not disclose to any other person or entity any confidential information belonging to the Group or any of its divisions, customers, suppliers or collaboration partners (including, without limitation, this Contract, specifications, formulae, manufacturing processes, know-how and any technical or economic information) or use such information for any purpose other than the supply of goods and/or services to us unless expressly authorised in writing by us. You must return to us such information and any copies if requested.

6.2 You must, on request, transfer to us, free of charge and free from encumbrances, any documents, specifications, plans, drawings, samples, information or goods created or prepared for us by you or your employees, subcontractors and consultants, which we may use without any charge.

6.3 Intellectual property in goods and/or services provided by us to you shall remain owned by us or our customers or our suppliers and shall only be used for the sole purpose of supplying goods and/or services to us. If any intellectual property rights are created or generated directly from such goods and/or services or any related documentation, prototypes or tooling in performing the Contract then such rights shall be owned by us.

7 Our Property

7.1 This section relates to all property (including tooling of any kind) and any related information, documentation and intellectual property rights therein: (i) purchased by us and/or manufactured by you pursuant to an Order; (ii) owned by us or in the supply of goods and/or services or for any other purpose; whether or not modified, repaired or replaced ("Our Property").

7.2 Our Property and (any scrap resulting from it) is solely owned by us and we shall retain title to it at all times, whether modified, repaired, replaced, transferred to us by law then we may dismiss the Contract until we request its return, which we may do at any time. You may not sub-license the use of Our Property or use it for any other purpose.

7.3 We do not assume any responsibility for all loss or damage to Our Property, the presumption is that we do.

7.4 Risk in Our Property passes to you on delivery and remains with you until it is returned to us. Whilst Our Property is in your possession or control you shall: (i) keep it safe and take all reasonable precautions to prevent loss or damage to it (other than fair wear and tear); (ii) store and use it at your premises in a proper and secure manner; and (iii) keep it identified as belonging to us; (iv) take out insurance against all loss or damage; and (v) use it with care; (vii) inspect and maintain it in good order and condition; (vii) immediately notify us if it is lost, damaged or seized; (viii) not modify or tamper with it, or attach it to anything, or anything to it; (ix) not part with possession of it or allow any other person to do so; (x) give us full and unrestricted access to it on reasonable notice during ordinary business hours; (xi) make it available for collection by us at any time and allow us access to your premises to remove it; and (xii) not copy or reproduce it in any way.

7.5 We have an exclusive, irrevocable option to purchase all bespoke tooling owned by you and put in place for the production of goods pursuant to the Contract at its present value.

8 Termination

8.1 We may cancel all or any part of any Order by giving you notice at any time prior to your full performance of the Order and in such event we will not be liable to pay the price for such goods or services.

8.2 We may terminate the Contract: (i) for convenience by providing you with written notice; or (ii) immediately if you or your parent company become subject to a bankruptcy or insolvency event or enter into a composition with any of your creditors; or (iii) if you breach the Contract, and, if the breach can be remedied, you fail to remedy such breach within 10 days of receiving notice of the breach.

8.3 Termination of all or part of an Order or the Contract will not prejudice accrued rights.

8.4 You may be required to continue to supply spare parts and related services up to 15 years after termination or expiry of the Contract.

9 Force majeure

9.1 You and your suppliers must comply with all applicable laws, regulations and codes and also with the requirements of the GKN Supplier Code of Conduct at www.GKNAutomotive.com/SupplierCodeofConduct. We have the right to visit your premises on reasonable notice to audit and verify your compliance.

9.2 You must provide us with any information we request relating to the goods and services supplied by you, all of which must be complete and accurate.

9.3 You and your employees, agents and sub-contractors must abide by applicable site and safety rules when on our property and you shall provide evidence of your applicable insurance.

9.4 Our rights and remedies under the Contract will not limit any of your other rights or remedies, whether under the Contract or otherwise.

9.5 You must not be involved in, or enter into any contract with, your employees or your obligations under the Contract without our prior written consent. Each company within our Group shall have the benefit of the Contract and may purchase goods and/or services pursuant to the terms of the Contract.

9.6 Any failure or delay by us to enforce or partially enforce any provision of the Contract will not be a waiver of any of our rights.

9.7 If any of your employees transfer to us by law then we may dismiss him/her and you shall indemnify us for all costs arising from such dismissal.


10 Law and Jurisdiction

The Contract shall be exclusively governed by the laws of Malaysia. Any disputes or claims that arise out of or in connection with the Contract or its subject matter shall be referred to and finally resolved by arbitration in Malaysia, under the rules of any arbitration institution, the Macclesfield Regional Centre for Arbitration by one or more arbitrators appointed in accordance with those rules. The language of the arbitration shall be English.