1 Definitions and introduction

"we", "us" and "our" refers to the applicable purchaser among GKN Sinter Metals SpA or other members of the Group. "Group" means GKN Enterprise Ltd. and its group companies.

2 Your conditions excluded

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

3.1 You must deliver goods and/or services that we order in accordance with the delivery dates and terms set out in the Contract. Any goods and/or services are not delivered on time, we may terminate the Contract pursuant to Art. 1456 of the Italian Civil Code, in case of incorrect delivery, we may terminate the Contract pursuant to the provisions of the Italian Civil Code, without prejudice to our right to claim damages.

3.2 Goods must be delivered DDP (as defined in Incoterms), unless otherwise stated in the Contract. The Contract states different delivery terms. Risk passes to us on delivery.

3.3 All goods must be packaged so as to protect them adequately before, during and after delivery and, if required, each delivery shall be accompanied, in our satisfactory acceptance, 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 other requirements referred to in the Contract; and (iv) conform to any sample or specific purpose we inform you about or which you ought reasonably be aware of; (v) free from defects in design, material and workmanship; and (vi) free from any other non-conformity.

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 reasonably be expected to be achieved by 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) conform with all applicable 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 agreed with 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 our customers’ customers) arising from or incurred as a result of: (i) any breach by you of the Contract; and (ii) any negligent act or omission by you or your employees, agents or sub-contractors in supplying goods and/or services to us.

5 Invoicing and payment

5.1 We will notify you of 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 description of goods and/or services delivered, and must be sent to the invoice address as set out in the Order.

5.3 Unless otherwise set out in the Order, payment will be due from us within 90 days of the date on which we receive the invoice, except for invoices relating to final payments for a specific purpose (e.g. test runs).

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

6 Security 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) for any purpose or use except for the supply of goods and/or services to us or as expressly authorised in writing by us. You must retain such information and any copies thereof.

6.2 You must ensure that all confidential information is kept secure and free from encumbrances, any documents, specifications, plans, drawings, samples, information or goods created for us by you or your employees, suppliers or sub-contractors, which may be subject to any confidentiality agreement.

6.3 Intellectual property rights in any information, documentation, prototypes or tools 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 from such information, documentation, prototypes or tools or 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 for the use in the supply of goods and/or services for any other purpose; whether or not modified, repaired or replaced ("Our Property");

7.2 Our property (and any result from it) may be used by us for any purpose or for any other purpose.

7.3 With the exception of Our Property it is on a fiduciary basis as our bailee and you have no rights in it. You have a revocable non-exclusive licence to use Our Property at your premises only for performing the Contract until we request its return, which we may do at any time. You must not sub-license, transfer or use in any other manner any of Our Property.

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) be responsible for any 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; (iii) clearly label or identify it as belonging to us; (iv) maintain insurance against all loss or damage; (v) use it with care; (vi) inspect it 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 anyone else to use it (x) not sell, dispose or encumber it; (xi) give us the unrestricted right to access it on reasonable notice during ordinary business hours; (xii) make it available for collection by us at any time and allow us access to your premises to remove it; and (xiii) 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 Arbitration

8.1 We may withdraw from all or any part of the Contract by giving you notice at any time prior to your performance of the Contract and in such event we will not be liable to pay the price for such goods or services. If the Contract qualifies, in full or in part, as a contract for the supply of goods for the supply of goods, we will terminate the Contract.

8.2 We may terminate the Contract immediately by law if you or your company parent become subject to a bankruptcy or insolvency event or enter into a composition with any of your creditors.

8.3 If you breach the Contract, we may request you to remedy such breach within 15 days of receiving notice of the breach, otherwise failure to remedy such breach within the set term will cause the Contract to be automatically terminated.

8.4 Termination of all or part of the Contract will not prejudice accrued rights.

8.5 You may be required to return to us parts and related services up to 15 years after termination or expiry of the Contract.

9 General

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 available at https://www.gknpm.com/globalassets/downloads/utilities/tcs-salespurchase/purchase/gkn-pm-supplier-code-of-conduct.pdf. We have the right to visit your premises on reasonable notice to audit and ensure compliance.

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

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

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

9.5 You are not entitled to transfer or sub-contract any of your rights or 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.

10 Law and Jurisdiction


10.2 You are incorporated or otherwise legally resident in any member state of the European Union, Iceland, Switzerland or Norway, the courts of the Italian Civil Code, with the exception of any applicable industry code of practice; and (ii) any negligent act or omission by you or your employees, agents or sub-contractors in supplying goods and/or services to us.

10.3 Pursuant to Art. 1341 and 1342 of the Italian Civil Code, the parties declare to expressly exclude, in so far as permitted by law, any dispute arising from or in connection with the Contract or its subject matter ("Claims"). If not, any Claims shall be referred to and finally resolved by arbitration, either by a single arbitrator or by three arbitrators appointed in accordance with those rules. The language of the arbitration shall be Italian.

(signature: Supplier)

Pursuant to Art. 1341 and 1342 of the Italian Civil Code, the parties declare to expressly approve the following clauses: Art. 3.1 (Delivery; express termination clause – termination for breach of contract), Art. 4.4, 4.5 (quality, rejection and damages; responsibility for defects – damages), Art. 8.1, 8.2 (Termination: unilateral withdrawal; partial exclusion of indemnity), Art. 9.5 (General, no subcontracts), Art. 10.2 (Applicable law and jurisdiction: courts having jurisdiction – arbitral clause).

(signature: Supplier)