CRYSTAL TECHNICA LIMITED - TERMS OF PURCHASE Version 1.3 – Effective 2015

1. Application of These Terms
These terms apply to all purchase orders issued by **Crystal Technica Limited**
They form part of every purchase order. By accepting a purchase order, starting work, or supplying goods, the supplier agrees to these terms.
Any terms the supplier tries to apply are excluded unless we agree to them in writing.

2. Supply of Products
The supplier must:
- follow our specifications and instructions;
- only produce the quantities stated in the purchase order;
- comply with all applicable laws and standards.

No changes are allowed without our written approval.

3. Intellectual Property
All intellectual property, including any **US patents**, designs, drawings, and technical information we provide, remains our property.
The supplier may only use this information to fulfil our purchase orders. No other rights are granted.

4. Restrictions on Use and Manufacture
The supplier must not:
- manufacture products without a valid purchase order;
- produce more than the agreed quantities;
- make similar or competing products;
- sell or supply the products to anyone else;
- keep or use surplus or rejected products;
- use our designs or information for any purpose outside our orders.

5. Non-Circumvention
The supplier must not approach or deal directly with our customers, distributors, or markets using the products or related technology.

6. Copying and Reverse Engineering
The supplier must not:
- copy or adapt the products;
- reverse engineer them except where strictly necessary to manufacture them for us;
- use what they learn from manufacturing to create similar or competing products.

7. Tooling and Materials
Any tooling or materials we provide or pay for remain our property.
They must:
- be clearly marked as ours;
- be kept separate from other items;
- not be used for any other customer.

They must be returned within 7 days if we ask for them.

8. Confidentiality
All information we provide must be kept confidential.
It must not be shared with anyone else and must only be used to carry out our orders.
This continues even after the relationship ends.

9. Subcontracting
The supplier must not subcontract work without our written approval.
If subcontracting is approved, the supplier remains responsible for everything the subcontractor does.

10. Quality and Warranty
The supplier must ensure that products:
- meet our specifications;
- are free from defects at delivery.

If there is a problem, our remedy is limited to repair, replacement, or refund.
We must be notified of any issue within 30 days of discovery, and the supplier must allow inspection.

11. Audit and Records
We may inspect the supplier's facilities and records on reasonable notice.
The supplier must keep accurate production and supply records for at least 6 years.

12. Breach and Termination
We may terminate immediately if the supplier:
- misuses our intellectual property;
- produces unauthorised or excess products;
- breaches confidentiality;
- refuses an audit.

13. IP Breach – Agreed Damages
If the supplier manufactures, uses, or sells products without authorisation, they must pay:
- three times the unit price of each infringing product, or
- 30% of the total value of orders placed in the previous 12 months

(whichever is higher).
This reflects the expected loss in these situations.

14. Injunctive Relief
We may seek immediate court orders to stop any misuse of our intellectual property.

15. Indemnity
The supplier is responsible for any losses, costs, or claims arising from:
- misuse of our intellectual property;
- unauthorised production or sales;
- their actions or failures.

16. Liability
Liability is limited to the value of the relevant purchase order.
This limit does not apply to:
- intellectual property breaches;
- confidentiality breaches;
- fraud or deliberate wrongdoing.

Indirect or consequential losses are excluded, except in relation to IP breaches.

17. Return and Destruction
If requested or on termination, the supplier must:
- stop production immediately;
- return all tooling, materials, and documents;
- destroy all copies;
- confirm this in writing.

18. Insurance
The supplier must maintain appropriate insurance and provide proof if requested.

19. Governing Law
These terms are governed by the laws of **England and Wales**
We may take action in any jurisdiction where misuse or infringement occurs.

20. General
These terms and the purchase order form the entire agreement.
If any part is invalid, the rest still applies.
The supplier may not transfer its obligations without our consent.