

1. Definitions and Explanation

1.1. In these conditions:

"Buyer" means the person who accepts a quotation of the Seller for the sale of the Goods or whose order for the Goods is accepted by the Seller;

"Conditions" means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and the Seller;

"Contract" means the contract for the purchase, sale and hire of the Goods;

"Goods" means the goods (including any instalment of the goods or any parts for them) which the Seller is to supply in accordance with these Conditions;

"Seller" means the Company, who is supplying the Goods;

"Writing" includes facsimile and electronic transmission and comparable means of communication.

1.2. Any reference in these Conditions to any provision of a statute shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.3. The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. Basis of the Sale

2.1. The Seller shall sell and the Buyer shall purchase the Goods in accordance with any purchase order of the Buyer, who shall in giving such purchase order accept these Conditions. All Goods are supplied only subject to these Conditions, which shall govern the Contract to the exclusion of any other terms and conditions. It is a condition of this Contract and the supply of Goods that Goods supplied by the Seller must not in any circumstances be used where their failure could directly endanger life.

2.2. No variation to these Conditions shall be binding unless agreed in writing between the authorised representatives of the Buyer and of the Seller.

2.3. Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller.

2.4. All industrial or intellectual property rights of any nature whatsoever in the Goods remain vested in the Seller at all times.

3. Orders and Specifications

3.1. The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the Seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms.

3.2. The quantity, quality and description of and any specification for the Goods shall be those set out in the Buyer's order.

3.3. If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, or utilising tooling, software or other goods or equipment supplied by the Buyer, the Buyer shall indemnify the Seller against all loss, damages, costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the Seller in settlement of any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification or use of such tooling, software or other goods or equipment.

3.4. The Seller reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable safety or other statutory requirements or, where the Goods are to be supplied to the Seller's specification, which do not materially affect their quality or performance.

3.5. Save as set out in Clause 4 below no order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in Writing of the Seller and on terms

that the Buyer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by the Seller as a result of cancellation.

4. Price of the Goods

4.1. The price of the Goods shall be as per the Seller's price list. All prices quoted are valid for 7 days after which time they may be altered by the Seller on giving notice to the Buyer.

4.2. The Seller reserves the right, by giving notice to the Buyer at any time before delivery, to increase the price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the Goods which is requested by the Buyer, or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions

4.3. Except as otherwise stated under the terms of any quotation or in any price list of the Seller, and unless otherwise agreed in Writing between the Buyer and the Seller, all prices are given by the Seller on an ex-works basis, and where the Seller agrees to deliver the Goods, the Buyer shall be liable to pay the Seller's charges for transport, packaging and insurance.

4.4. The price is exclusive of any applicable value added tax, which the Buyer shall be additionally liable to pay to the Seller.

5. Terms of Payment

5.1. The Seller shall be entitled to invoice the Buyer for the price of the Goods on or at any time after delivery of the Goods, unless the Goods are to be collected by the Buyer or the Buyer wrongfully fails to take delivery of the Goods, in which event the Seller shall be entitled to invoice the Buyer for the price at any time after the Seller has notified the Buyer that the Goods are ready for collection or (as the case may be) the Seller has tendered delivery of the Goods.

5.2. The Buyer shall pay the price of the Goods within 30 days after the date of the Seller's invoice, and the payment of the price shall be of the essence of the Contract. Receipts for payment will be issued only upon request. The Buyer shall not make any deductions, set-offs or counterclaims against the invoice price.

5.3. If the Buyer fails to make any payment on the due date then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to:

5.3.1. cancel the contract or suspend any further deliveries to the Buyer;

5.3.2. appropriate any payment made by the Buyer to such of the Goods (or the goods supplied under any other contract between the Buyer and the Seller) as the Seller may think fit (notwithstanding any purported appropriation by the Buyer); and

5.3.3. charge the Buyer interest (both before and after any judgement) on the amount unpaid, at the rate of 4% per annum above the FNB base rate from time to time, until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest).

Delivery

6.1. Delivery of the Goods shall be made by the Buyer collecting the Goods at the Seller's premises at any time after the Seller has notified the Buyer that the Goods are ready for collection or, if some other place for delivery is agreed by the Seller, by the Seller delivering the Goods to that place.

6.2. Any dates quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay in delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by the Seller in Writing. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer.

6.3. Where the Goods are to be delivered in instalments, each delivery shall constitute a separate contract and failure by the Seller to deliver any one or more of the instalments in

accordance with these Conditions or any claim by the Buyer in respect of any one or more instalments shall not entitle the Buyer to treat the Contract as a whole as repudiated.

6.4. If the Seller fails to deliver the Goods for any reason other than any cause beyond the Seller's reasonable control or the Buyer's fault, and the Seller is accordingly liable to the Buyer, the Seller's liability shall be limited to the excess (if any) of the cost to the Buyer (in the cheapest available market) of similar goods to replace those not delivered over the price of the Goods.

6.5. If the Buyer fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Buyer's reasonable control or by reason of the Seller's fault) then, without prejudice to any other right or remedy available to the Seller, the Seller may:

6.5.1. Store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage; or

6.5.2. Sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over the price under the Contract or charge the Buyer for any shortfall below the price under the Contract.

6.6. If delivery is delayed by industrial dispute or any circumstances beyond the Seller's control then the periods for delivery shall be extended by such a period as is reasonable in the circumstances. Should any delay continue for a period exceeding six months then, unless the parties agree to the contrary, the contract shall be deemed to be terminated, without any claim for compensation against the Supplier.

7. Risk and Property

7.1. Risk of damage to or loss of the Goods shall pass to the Buyer:

7.1.1. in the case of Goods to be delivered at the Seller's premises, at the time when the Seller notifies the Buyer that the Goods are available for collection; or

7.1.2. in the case of Goods to be delivered otherwise than at the Seller's premises, at the time of delivery or, if the Buyer wrongfully fails to take delivery of the Goods, the time when the Seller has tendered delivery of the Goods.

7.2. Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these Conditions, the title to the Goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the Goods and all other goods agreed to be sold by the Seller to the Buyer for which payment is then due.

7.3. Until such time as the title in the Goods passes to the Buyer, the Buyer shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property.

7.4. Until such time as the title in the Goods passes to the Buyer, the Buyer shall be, subject to the Seller informing the Buyer to the contrary, entitled to resell or use the Goods in the ordinary course of its business, but shall account to the Seller for the proceeds of sale or otherwise of the Goods, whether tangible or intangible, including insurance proceeds, and shall keep all such proceeds separate from any moneys or property of the Buyer and third parties and, in the case of tangible proceeds, properly stored, protected and insured. The Buyer shall have no authority to enter into any contract of sale on behalf of the Seller and any such contract shall accordingly be concluded in the name of the Buyer.

7.5. Until such time as the property in the Goods passes to the Buyer (and provided the Goods are still in existence and have not been resold), the Seller shall be entitled at any time to require the Buyer to deliver up the Goods to the Seller and, if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

7.6. The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller, but if the Buyer does so all moneys owing by the Buyer to the Seller shall (without prejudice to any other right or remedy of the Seller) forthwith become due and payable.

7.7. Save as otherwise stated therein, the provisions of this clause 7 shall survive the termination of any contract made pursuant to these Conditions for whatever reason and in particular but without limitations by the Seller by the acceptance of repudiation of this Contract by the Buyer.

8. Warranties and Liability

The Price of Goods is based, in part, on the limits on the Seller's liability in these Conditions. The Buyer's attention is drawn in particular to the conditions 8.2 to 8.8 (inclusive). In setting these limits the Seller has had regard to its insurance cover. The Buyer should make its own insurance arrangements for risks falling outside the scope of this cover.

8.1. The Buyer shall only be entitled to the benefit of any such warranty or guarantee as is given by the manufacturer to the Seller to the extent that the Seller is able to pass such warranty or guarantee onto the Buyer.

8.2. The Seller shall:

8.2.1. be under no liability in respect of any defect in the Goods arising from any drawing, design or specification supplied by the Buyer or where the Goods have been used in circumstances where their failure could directly endanger life in breach of clause 2.1;

8.2.2. be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions (whether oral or in writing), misuse or alteration or repair of the Goods without the Seller's approval;

8.2.3. be under no liability under any warranty, condition or guarantee if the total price for the Goods has not been paid by the due date for payment.

8.3. Subject as expressly provided in these Conditions, all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

8.4. Any claim by the Buyer which is based on any defect in the quality or condition of the Goods or their failure to correspond with specification shall (whether or not delivery is refused by the Buyer) be notified to the Seller within three days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure. If the Buyer does not notify the Seller accordingly, the Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect or failure, and the Buyer shall be bound to pay the price as if the Goods had been delivered in accordance with the Contract.

8.5. Except in respect of death or personal injury caused by the Seller's negligence or fraudulent misrepresentation:

8.5.1. the Seller shall not be liable to the Buyer for any loss of profit or any indirect, special or consequential loss or damage, costs, expenses or other claims for consequential compensation whatsoever which arises out of or in connection with the supply of the Goods or their use or resale by the Buyer, except as expressly provided in these Conditions;

8.5.2. the Seller's entire liability to the Buyer arising under or in connection with these Conditions whether for negligence, breach of contract, or otherwise shall be the greater of :

8.5.2.1. the total price of the Goods; or

8.5.2.2. the amounts of insurance held and then available to the Seller under its insurance policies in respect of the Buyer's loss.

8.6. The Seller shall not be liable to the Buyer or be deemed to be in breach of these Conditions by reason of any delay in performing, or any failure to perform, any of the Seller's obligations in relation to the Goods, if the delay or failure was due to any cause beyond the Seller's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond the Seller's reasonable control:

8.6.1. Act of God, explosion, flood, tempest, fire or accident;

8.6.2. war or threat of war, sabotage, insurrection, civil disturbance or requisition;

8.6.3. acts, restrictions, regulations, byelaws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;

8.6.4. import or export regulations or embargoes;

8.6.5. strikes, lockouts or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);

8.6.6. difficulties in obtaining raw materials, labour, fuel, parts or machinery; and

8.6.7. power failure or breakdown in machinery.

8.7. In the event of that the Seller is prevented from carrying out its obligations under this Contract, in accordance with clause 8.7 above, the Seller shall give notice of suspension as

soon as is reasonably possible to the Buyer stating the date and the extent of the suspension and its cause. The Seller shall resume the performance of its obligations as soon as reasonably possible after the removal of the cause and shall so notify the Buyer. In the event that the cause continues for more than one month either party may terminate this Contract by giving the other party 30 days' prior written notice

9. Indemnity

9.1. If any claim is made against the Buyer that the Goods infringe or that their use or resale infringes the patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person, the Seller shall indemnify the Buyer against all loss, damages, costs and expenses awarded against or incurred by the Buyer in connection with the claim, or paid or agreed to be paid by the Buyer in settlement of the claim, provided that:

9.1.1. the Seller is given full control of any proceedings or negotiations in connection with any such claim;

9.1.2. the Buyer shall give the Seller all reasonable assistance for the purposes of any such proceedings or negotiations;

9.1.3. except pursuant to an award by a court from which there is no appeal, the Buyer shall not pay or accept any such claim, or compromise any such proceedings without the consent of the Seller (which shall not be unreasonably withheld);

9.1.4. the Buyer shall do nothing which would or might vitiate any policy of insurance or insurance cover which the Buyer may have in relation to such infringement, and this indemnity shall not apply to the extent that the Buyer recovers any sums under any such policy or cover (which the Buyer shall use its best endeavours to do);

9.1.5. the Seller shall be entitled to the benefit of, and the Buyer shall accordingly account to the Seller for, all damages and costs (if any) awarded in favour of the Buyer which are payable by or agreed with the consent of the Buyer (which consent shall not be unreasonably withheld) to be paid by any other party in respect of any such claim; and

9.1.6. without prejudice to any duty of the Buyer at common law, the Seller shall be entitled to require the Buyer to take such steps as the Seller may reasonably require to mitigate or reduce any such loss, damages, costs or expenses for which the Seller is liable to indemnify the Buyer under this clause.

10. Insolvency of Buyer

10.1. This clause applies if:

10.1.1. the Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or

10.1.2. an encumbrancer takes possession, or a receiver is appointed, over any of the property or assets of the Buyer; or

10.1.3. the Buyer ceases, or threatens to cease, to carry on business; or

10.1.4. the Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.

10.2. If this clause applies then, notwithstanding any other rights available to the Seller, the Seller may be entitled to cancel the Contract or suspend any deliveries without any liability to the Buyer, and if the Goods have been delivered but not paid for the price shall become immediately payable regardless of any previous agreement to the contrary and the Buyer's right to resell the Goods set out in clause 7.3 above will automatically be revoked.

11. Termination

Either party may (without limiting any other remedy) at any time terminate the Contract by giving written notice to the other if the other commits any breach of these conditions and (if capable of remedy) fails to remedy the breach within 30 days after being required by written notice to do so.

12. General

12.1. Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice. A notice is deemed to have been served as follows:-

12.1.1. if personally by E-mail, at the time of delivery;

12.1.2. if posted, at the time of expiration of 48 hours or (in the case of airmail) 7 days after the envelope containing the notice is posted.

12.2. Unless specifically stated to the contrary no failure or delay by either party in exercising any of its rights under these Conditions shall be deemed to be a waiver of that right, and no waiver by either party of any breach of these Conditions shall be considered as a waiver of any subsequent breach of the same or any other provision.

12.3. If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provisions in question shall not be affected.

12.4. A person who is not a party to this Agreement has no right to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available.

12.5. These Conditions, and the documents referred to in them, constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Contract. Each of the parties acknowledges and agrees that in entering into this Contract, and the documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this agreement or not) other than as expressly set out in this Contract. The only remedy available to it for breach of any warranty shall be for breach of contract under the terms of these Conditions. Nothing in this sub-clause shall, however, operate to limit or exclude any liability for fraud.

12.6. The Buyer shall not without the prior written consent of the Seller assign, transfer, charge, declare a trust over or deal in this Contract or its rights under it or part of it, or purport to do any of the same.

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