

STANDARD CONDITIONS OF SALE

1. ACCEPTANCE

All orders are accepted and executed on the understanding that the buyer is bound by the following conditions of sale. Where there is any inconsistency between these conditions of sale and any conditions advanced by the buyer, the following conditions of sale shall prevail.

2. QUOTATIONS

Quotations are open for acceptance within 28 days from the date thereof, unless otherwise stated, and are subject to confirmation on receipt of order and manufacturing details.

3. EXISTENCE OF CONTRACT

No contract shall come into existence between the seller and the buyer until the buyer's order however given is accepted by the earliest of (i) the seller's written or verbal acceptance; or (ii) by the issuing of an invoice by the seller. This agreement including the documents and instruments referred to herein supercedes all prior representations, arrangements, understandings and agreements between the parties relating to the subject matter hereof and with the schedules, documents and terms of contract set out herein constitutes the entire complete and exclusive agreement and understanding between the parties hereto relating to the subject matter hereof. The buyer shall not rely upon any representation or arrangement, understanding or agreement whether written or oral not expressly set out or referred to in this agreement. Any individual accepting these terms and conditions on behalf of the buyer certifies that he has been authorized by the buyer to do so and has obtained such authority. Each party warrants and undertakes to the other that in the performance of these conditions each party will comply with all laws, rules, regulations, decrees and other ordinances issued by any supra governmental, governmental state or other authority relating to the subject matter of the agreement and to the performance of the parties hereto of their obligations hereunder.

The buyer warrants that the goods are the absolute property of the seller and none are subject to any option, right to acquire, assignment, mortgage, charge, lien or otherwise or the subject of any hire purchase, conditional sale or credit sale agreement. Where practicable, the seller issues a copy of these conditions at or before acceptance of any order from a new buyer.

4. PRICES

Any fluctuation in costs arising after acceptance of the order may entail adjustments in the agreed or quoted price, and the price to be charged shall be that ruling at the date of dispatch.

Any alteration by the buyer in design, quantity of specification and any suspension of work resulting from the buyer's instructions, or lack of instructions, will involve adjustment of the agreed or quoted prices if the costs are thereby affected.

5. TERMS

Prices quoted are net of value added tax. For customers with approved credit accounts, unless otherwise stated, accounts are due for payment not later than the end of the month following the month of dispatch. Where deliveries are spread over a period each consignment will be invoiced as dispatched and each month's invoices will be treated as a separate account and will be payable accordingly. All bank charges shall be to the account of the buyer except in the case where the seller requests extension to account for any delay on its part for reasons within its control, in which case the seller shall bear the reasonable cost of such extension. The seller reserves the right to charge interest on late payment of 4% per annum above the base rate quoted by the Bank of England from time to time on the daily balance from the due date until payment is made. If any account falls into arrears, the seller shall have the right to cancel or postpone performance of the contract wholly or in part and to be paid immediately for performance on the contract to date.

6. TEST CERTIFICATE

The seller shall not be required to supply test certificates unless the same are requested a reasonable time prior to delivery and the seller may charge a reasonable fee for any certificates supplied.

7. CARRIAGE

Prices quoted are ex works excluding the cost of packing cases. The method of transport is at the seller's option, and the cost is chargeable to the buyer. Where goods are sold F.O.B. the seller's responsibility shall cease the moment the goods are placed on board ship, and he shall be under no obligation to give the buyer or the buyer's agent notice specified in Section 32(3) of the Sale of Goods Act 1893.

8. PACKING

Packages are charged separately and will be credited if returned in good condition at the buyer's expense and duly advised within one month of receipt. Special packages made for shipment are non-returnable and must be paid for unless expressly allowed for in the quotation. The seller uses his best endeavours to ensure suitability of packing before dispatch, but no claim will be accepted by the seller for damage in transit on the grounds of alleged unsuitability of packing.

9. SPECIFICATION

While every effort is made to ensure that the latest specification is made available, the seller reserves the right to incorporate new features and to supply products which may not be strictly in accordance with the specification agreed upon. Where requested, certified drawings will be sent for buyer's approval.

10. DELIVERY

Every endeavour will be made to effect delivery within the dates specified, but no liability is accepted for failure or delay for reasons outside the seller's control.

11. PROPERTY AND RISK

Unless otherwise stated, the risk in the goods shall pass to the buyer when the goods are loaded onto the carrier's vehicle at the seller's works, but the goods shall remain the property of the seller until paid for in full.

12. DAMAGE, SHORTAGE OR LOSS

The seller will not accept any claim for damage, shortage or loss in transit or non-delivery unless such a claim is notified in writing to the seller within the carrier's permitted period.

13. GUARANTEE

The products manufactured by the seller are warranted to be free from defects in workmanship and material, and any products which prove so defective within 12 months of dispatch to the original buyer shall be repaired or replaced free of charge, provided:

- (a) the buyer sends promptly to the seller notice of defect and proof thereof establishing that the product has been properly monitored and operated within the limits of rated capacity and normal usage, and
- (b) the buyer assumes the obligation of all expenses of returning defective equipment.

On parts not manufactured by the seller this warranty is limited to extending to the buyer the same warranty as given by the supplier of such parts or products. The foregoing warranties are in lieu of all other warranties expressed or implied. Under no circumstances shall the seller have any liability whatsoever for loss of use or for any indirect or consequential damages.

In the event that material is provided by the buyer to the seller, the seller is entitled to rely upon the quality of the material provided and in the event of any defect in the material provided by the buyer arising, no liability shall be attributable to the seller either in negligence or otherwise.

This guarantee extends to the first buyer only and does not apply to second hand equipment. No express or implied warranty is given by the seller regarding the fitness or suitability of equipment for any particular purpose, whether such purpose is known to the seller or not.

14. CANCELLATIONS

Orders shall not be cancelled unless so agreed to in writing, and in the event of such cancellation the buyer shall be liable for a cancellation charge of a minimum of 75% of the order so cancelled.

15. BANKRUPTCY

If the buyer shall make default in or commit any breach of any of its obligations to the seller, or if any distress or execution shall be levied upon the buyer, his property or assets, or if he (the buyer) shall make or offer to make any arrangements or composition with creditors or commit any act of Bankruptcy, or if any petition or receiving order in bankruptcy shall be presented or made against him, or if the buyer shall be a limited company, and resolution or petition to wind up such company's business shall be passed or presented, or if a receiver of such company's undertaking, property or assets or any part thereof shall be appointed, the seller shall have the right forthwith to determine any order then subsisting, and upon written notice of such determination being posted by the seller to the buyer's last known address, any subsisting order shall be deemed to have been determined without prejudice to any claim or right the seller might otherwise make or exercise.

16. ARBITRATION

Any dispute, difference or question arising between the seller and buyer as to the construction, meaning or effect these conditions, or as to their respective rights or liabilities under any contract to which these conditions apply or otherwise, shall be referred to a single arbitrator to be agreed upon by the seller and the buyer, or failing such agreement to be nominated by the president for the time being of the law society, and every such reference shall be deemed a submission to arbitration within and be subject to the provisions of the Arbitration Act 1950, or any statutory modification or re-enactment thereof for the time being in force.

17. SUPPLY OF GOODS IMPLIED TERMS ACT 1973 AND UNFAIR CONTRACT TERMS ACT 1977

In entering into any contract to which the foregoing conditions apply, the buyer acknowledges:

- (a) that he has considered the terms of the above acts.
- (b) that he has carefully read and considered all such conditions as may exclude, restrict or limit liability (whether under express conditions or those implied by the Sale of Goods Act 1893 as amended) and the buyer accepts that such terms are consistent with the object of any such contract.
- (c) that at the time of entering into any such contract as aforesaid the bargaining positions of the parties are in all the circumstances of equal strength relative to each other and that the terms thereof are reasonable.
- (d) that in the foregoing circumstances and having regard to the conditions of any such contract it will be fair and reasonable in any litigation which may arise out of any disputes arising there under for the seller to reply by way of defence on any of the conditions of such contract which may exclude, restrict or limit his liability under any provision whether express or implied by the Sale of Goods Act 1893 as amended, or any other statute for the time being in force, but without prejudice to Section 2(i) of the Unfair Contract Terms Act 1977 as to liability for death or personal injury resulting from negligence.

18. INTERPRETATION

All contracts to which these conditions apply shall be construed in accordance with English law.

19. DATA PROTECTION NOTICE

This notice is provided further to the Data Protection Act 1998. Where we provide you with personal data, we understand that the data will be held securely in confidence and be processed for the purpose of carrying out your business. In considering our application we accept that you may consult with and disclose the data to credit reference agencies, banks, credit insurers and other responsible organizations outside your business, and that such parties may process the data. We understand that under the Data Protection Act 1998 we have a right to know what data you hold on us if we apply to you in writing and pay the applicable fee.

20. DEFINITIONS

The "seller" refers to Chelburn Precision Limited.

The "buyer" refers to the customer of the company.

The "contract" refers to the contract between the seller and the buyer.

The "goods" refer to any goods forming the subject of this contract including parts and components or material incorporated in them, delivered by or collected from the buyer to the seller.

"He" shall include "she".