

BAW Precision Engineering Ltd.
TERMS AND CONDITIONS OF SALE

1. Quotations

- 1.1 All quotations are given and all orders are accepted only upon these conditions to the exclusion of any other terms and conditions including the Buyer's terms and conditions of purchase.
- 1.2 Any quotation is open for acceptance within 30 days from the date of the quotation unless otherwise specified in writing and includes only such goods, accessories and work as specified therein.
- 1.3 In the event that no quotation or written acceptance of order is given by the Seller and the Seller has received an order from the Buyer, and provided that the Buyer shall have notice of these conditions in such circumstances, all the goods are supplied subject to these conditions.
- 1.4 All descriptive and forwarding specifications, drawings and particulars of weights and dimensions submitted with any quote are approximate only and the descriptions and illustrations in our catalogues, price lists and other advertising matters are intended merely to present a general idea of goods described therein and none of said specifications, drawings, particulars, descriptions, and illustrations shall be deemed to form a part of the contract.

2. Prices

- 2.1 All prices quoted are subject to confirmation at the time of order and are exclusive of VAT, which will be chargeable in accordance with legislation current at the date of supply.
- 2.2 Contracts accepted by the Seller cannot be cancelled or modified by the Customer except on agreed terms that will fully compensate the Seller for any actual or anticipated expenses and/or loss of profit.
- 2.3 Where drawing specifications or other information or data are to be supplied, the Buyer shall supply the same in sufficient time to enable the Seller to deliver the goods and carry out any services in respect thereof. If not so supplied, the Seller may rescind the contract without liability whatsoever and the Buyer shall pay for all costs incurred in respect of the order up to the time of rescission.
- 2.4 In the event of the suspension of work by the Buyer's instructions, or the lack of instructions, the contract price shall be increased to cover any extra expense thereby incurred by the Seller and any such increase shall be recoverable against the Buyer as if it formed part of the original contract. The time of any suspensions will be added to the time of the original contract.

3. Deliveries

- 3.1 The Seller shall make every effort to give delivery on the date or dates required by the Buyer but, unless otherwise agreed in writing, such date or dates are an estimate only and are neither guaranteed nor deemed to be of the essence of the Contract.
- 3.2 Any contractual obligation to perform an obligation under a contract by a specified date, or in a specified time, is subject to the Seller not being delayed by instructions, or lack of instructions, from the Buyer or by any industrial dispute or any cause whatsoever beyond the Seller's reasonable control, in which case the Seller shall not be liable for any losses incurred by the Buyer arising out of any such delay.

4. Force Majeure

- 4.1 The Seller shall not be liable for any delay or other failure to perform the whole or any part of the Contract resulting from any cause whatsoever beyond the Seller's control existing at the date of the Contract or arising thereafter including but not limited to fire, explosion, breakdown or failure of plant or machinery, lack or failure of transportation facilities, supply of labour, materials, power or supplies, strike, lockout or labour dispute (whether

or not at the Seller's works), illness, epidemic, flood, drought, war, civil commotion, or restriction of any authority or government agency and the time for performance by the Seller shall be extended by the period of any delay.

5. Payment Terms

- 5.1 Except where otherwise agreed, payment in respect of any goods shall be due at the end of the month following the month in which the goods are despatched. In the event of the Buyer being unable or unwilling to accept delivery at the time quoted for despatch, payment shall nevertheless be due as aforesaid at the end of the month following the month in which notification is given by the Seller that the goods are ready for despatch.
- 5.2 Amounts remaining outstanding for more than 30 days after the due date for payment will be liable to a surcharge at the rate of 2 percent per month, for each month or part month during which they remain unpaid.
- 5.3 Should default be made by the Buyer in paying the sum due under the Contract as and when it becomes due, or should the Buyer be in breach in any respect of the contract entered into, the Seller shall have the right, with or without notice in the discretion of the Seller, either to suspend all further deliveries until the default be made good, or to determine any contract then subsisting so far as any other goods remain to be delivered without prejudice to any claim or right the Seller might otherwise make or exercise.
- 5.4 The Company reserves the right to make deliveries/and or services by instalments and to render a separate invoice in respect of each such instalment.
- 5.5 If the Company exercises its right to make deliveries/and or services in accordance with sub-paragraph 5.4 above, then any delay in the provision of such deliveries/and or services, or failure to deliver any further instalment or instalments, shall not entitle the Buyer to reject the Contract or the delivery/service of any other instalment or to withhold payment in respect of any instalment previously delivered/serviced.

6. Damage In Transit

- 6.1 When the price quoted includes carriage, the Seller will not consider any claims for repair or replacement of goods damaged in transit unless the carriers and the Seller receive written notification of such damage within three days of delivery and provided adequate opportunity is given for inspection by the Seller's representative.

7. Warranty

- 7.1 For a period of 12 (twelve) months after the date of delivery to the Buyer provided that, without admitting liability, the Seller is given the opportunity of inspecting any allegedly defective part or parts, any such being returned to the Seller's Works, carriage paid at the Buyer's risk, the Seller undertakes to supply, free of charge (or at the Seller's option, repair), any part or parts proving defective on account of faulty material or workmanship. The new or repaired part or parts will be forwarded to the Buyer free of charge or F.O.B. British Port. Parts not of the Seller's manufacture are excluded from this guarantee. The Seller's liability in respect of any guarantee or warranty shall be confined solely to the supply of the new or the repair of defective part or parts. If the Buyer interferes with goods without having first received the Seller's agreement, this warranty will no longer apply.
- 7.2 This warranty does not cover the replacement of goods which have failed as a result of damage through misuse, overloading or wrongful application of the goods, or if the goods have been altered, repaired or modified without the Seller's consent in any way that adversely affects the operation of the goods.
- 7.3 In all cases not involving defective materials and workmanship, the Seller and its employees accept no responsibility for loss, damage, or delay arising from any cause whatsoever. The Seller's liability shall in no case exceed the value of the goods in relation to which the claim is made. Under no circumstances shall the Seller be liable for general and/or special damages, consequential damages or other damages however arising.
- 7.4 The rights of the Seller shall not be prejudiced or restricted by any indulgence or forbearance extended by the Seller to the Buyer and no waiver by the seller in respect of any breach shall operate as a waiver in respect of any subsequent breach.

8. Title

- 8.1 The Title in goods (in the remainder of this paragraph referred to as “the goods”) supplied against any order will not pass to the Buyer until payment has been received in full by the Seller and the right is held to recover or to remove goods if payment is not duly received. However, the risk therein and all liability to third parties in respect thereof shall pass to the Buyer on delivery.
- 8.2 Until such payment is made, the Buyer shall possess the goods as bailees for and on behalf of the Seller on a fiduciary basis only, so that the beneficial ownership of the goods shall remain vested in the Seller and shall store such goods, at no cost to the Seller, so that they are clearly identified as belonging in the Seller.
- 8.3 If payment is overdue, the Seller may (without prejudice to any of the other rights and remedies) recover, remove and resell any or all of the goods and may enter upon the Buyer’s premises for that purpose.
- 8.4 If the Buyer becomes subject to a Bankruptcy Order, an Administration Order, enters into liquidation, or if a Receiver or an Administrative Receiver is appointed to the Buyer’s affairs, or if the Buyer enters in to any composition or arrangement with the creditors, or if the Buyer becomes subject to a foreign law equivalent thereof, then the Seller shall have the immediate right to recover and resell goods notwithstanding any period of credit extended to the Buyer.
- 8.5 The Buyer, as agent for and on behalf of the Seller, shall have the right to sell the goods. All monies received by the Buyer in respect of such sale shall be paid into a separate account and held on Trust for the Seller until payment for the goods is made in full.
- 8.6 In relation to any such sale as set out in paragraph 8.5 above, the Seller shall have the benefit of any cause of action accruing to the Buyer arising out of the said sale.
- 8.7 The Buyer shall, at his own expense, insure the goods to which the Seller retains title at their sale value against damage howsoever caused. Any monies paid under such a policy of insurance to the Buyer shall be paid into a separate account and held in trust for the Seller. The Buyer must produce evidence of the policy of insurance if the Seller so requests.
- 8.8 The Buyer shall not pledge or in any way charge by way of security for any indebtedness any of the goods which are the property of the Seller.
- 8.9 The Seller’s right to the goods will not be affected if the goods are incorporated into a new product. If such new product is sold to a third party, the Buyer sells the goods so incorporated as agent for the Seller. The Buyer shall, out of the monies received, pay into a separate account the cost of the goods incorporated which will be held on trust for the Seller. Until the Buyer receives payment from the third party for the new product, his rights against the third party in relation to that sale shall be vested in the Seller so far as is required to enable the Seller to recover the cost of the goods incorporated.
- 8.10 No goods to which the Buyer does not have title may be exported out of the United Kingdom without the prior consent of the Seller. Nor may any goods be loaded on to any foreign flagged ship without the prior consent of the Seller.

9. Drawings & Copyright

- 9.1 Drawings, sketches, quotations and any other documents supplied by the Seller and the copyright therein remain the property of the Seller and must not be communicated to third parties.

10. Law, Jurisdiction & Construction

- 10.1 The proper law of this contract is that of England and only English Law shall be applied to disputes arising out of it.
- 10.2 The Seller and the Buyer agree to the exclusive jurisdiction of the English Court.

11. Export Contracts

- 11.1 The following provisions will apply to any order for the sale of goods when goods are exported outside the United Kingdom.

- 11.2 The Buyer shall be responsible for the payment of all import duties, charges and assessments and the obtaining of any necessary export and import licences in respect of the goods and shall keep the seller indemnified against the payment of all such import duties, charges, assessments or other liabilities and the Seller shall be under no liability whatsoever in respect of goods exported without the necessary export licence.
- 11.3 Where goods are sold FOB or CIF all risks of loss or damage in transit shall pass to the Buyer when goods are placed on board ship, notwithstanding that the property in the goods may not have passed to the Buyer and the Seller shall have no obligation to give the Buyer notice under Section 32(3) of the Sale of Goods Act 1973.
- 11.4 All contracts made between the Buyer and the Seller shall be governed by the construed in accordance with English Law, and the Uniform Laws on International Sales Act 1967 shall not apply.

12. Assignment

- 12.1 The seller will not assign, sub contract or in any other way dispose of any agreement or any part of it with the buyer, without prior approval, which shall not be unreasonably withheld. This does not cover the assignment of debt and the buyer acknowledges that the seller may use their debtor book to receive funding/finance and have no objection to this.