



## Terms & Conditions of Sale

### 1. Definition

In these Conditions the word "Company" shall mean the Seller of the Goods which are the subject of these Conditions or any person authorised to act on the Seller's behalf and the word "Customer" shall mean the Buyer of the Goods, or any person authorised to act on the Buyer's behalf.

### 2. Avoidance of Prior Conditions and Acceptance

No term or condition forming part of any Purchase Order given by the Customer which conflicts with the terms and conditions hereinafter set out shall bind the Company, unless expressly otherwise agreed at or before the time of the Company's quotation to the Customer. The acceptance of any Order by the Company shall be subject to these Conditions, and no Order shall constitute a binding contract until acceptance thereof has been notified to the Customer.

### 3. Variation of Price

The price stipulated on acceptance of an order is based on the cost of materials, labour, transport and statutory obligations ruling at the date of acceptance and if by the completion of the work, variations, either by rise or fall, shall occur in these costs, then the price shall be amended to provide for these variations. Every endeavour will be made to execute the work at the price acknowledged. The Company reserves the right to alter any of its price lists at any time without notice.

### 4. Quotation

Quotations submitted by the Company shall be valid for a period of one calendar month from the date thereof, unless otherwise specified.

### 5. Packing and Carriage

Packing and carriage will be charged at cost unless the subject of a prior separate quotation to the Customer.

### 6. Delivery of goods

- a) While every effort will be made to avoid delays, despatch dates quoted are estimates only and cannot be guaranteed. Any shortages in the goods delivered must be notified to the Company within seven days of receipt of the goods. In the absence of such notification, the Company shall not be liable for any such shortage. If the Customer does not receive the goods within 14 days of receipt of the Company's advice note the Customer must notify the Company within 7 days thereafter. In the absence of such notification, the Company will not be responsible for the default in delivery, howsoever caused.
- b) An order placed for scheduled delivery for a period of three months or more may be cancelled by the Customer only with written consent of the Company and with agreement to terms which will indemnify the Company against any expense incurred. The Company may manufacture the goods in batches equal to the total requirement of the order.

### 7. Cancellation by Customer and Goods returned

Except by prior mutual agreement no Order for goods may be cancelled other than by payment by the Customer of the cost involved in the preparation and manufacture of the goods up to the date of cancellation, plus any cost in converting the item for return to standard stock. Goods may not be returned to the Company for credit without prior agreement in writing. Any credit will be assessed according to the circumstances, but must not be deemed to be 100% of original value. The Company further reserves the right to claim loss of profits on goods returned without prior written agreement.

### 8. Defects

Goods returned to the Company's works carriage paid within one calendar month of delivery to the buyer and accepted by the Company as defective will be replaced or repaired and liability shall be limited at the company's option to replacement or repair or to a sum not exceeding the net invoice value of the defective goods. Any defects in such goods which are in the opinion of the Company due to misuse by the Customer or by any person having possession of the goods with the Customer's consent will be rectified by the Company at cost. Unless otherwise expressly agreed, the Company will not in any circumstances be responsible for the cost of any repairs carried out by the Customer or any Third party. Any goods that are returned for whatever reason outside the warranty period as described in clause 12 (or previously agreed by negotiation) will be subject to an evaluation for which a reasonable fee will be charged for the work involved. By returning the items you are agreeing to pay the evaluation charge. This evaluation charge may be waived if you agree to proceed with any quoted repair work which will be advised to the customer after the evaluation has been completed. All repair work will carry a new warranty from the date of delivery equivalent to the term of the original warranty.

### 9. Requests for Specifications and Drawings

Additional specifications, or special drawings requested by the Customer can be supplied on payment of an extra charge.

### 10. Test Procedure

Testing and inspection procedures for quality and performance of goods supplied have been established by Drallim Quality Assurance Department. In the event of special requirements by the Customer, checks by visiting inspectors on behalf of the Customer may be made by prior arrangements with the group Quality Manager. The provision of Test Certificates and facilities for additional inspection will be subject to an extra charge.

### 11. Consequential Losses

The Customer shall have the right to inspect purchased goods before delivery so as to be satisfied of their suitability for the Customer's purpose both as to design, manufacture and materials used. Accordingly no terms or condition, express or to be implied by law pursuant to the Sales of Goods Act 1893 or by any other enactment or otherwise, shall be applicable to the contract nor shall the Company be responsible to the Customer for consequential loss of any kind howsoever caused whether by virtue of any breach of these conditions or any negligent act or omission on the part of any servant or agent of the Company.

### 12. Exclusion of Warranties

No statement or warranty of any kind whatsoever made at any time by any servant or agent of the Company shall be deemed to form any part of this contract of sale and the Customer hereby expressly agrees that the contract was not induced by any representation of any such servant.



**13. Indemnity**

- a) The Customer hereby agrees with the Company to indemnify the Company against any claim in respect of damage of property or death or bodily injury to any person arising out of the use of the goods supplied at any time after the despatch of such goods to the Customer by the Company. The goods shall be deemed to have been despatched to the Customer at the time of delivery to any carrier by the Company's servants or agents for transmission to the Customer.
- b) In the event of any claim being made or actions being brought against the Customer in respect of infringement of British Patents by the use of goods supplied by the Company, the Customer shall notify the Company immediately and the Company shall be at liberty with the Customer's assistance if required, but at the Company's expense, to conduct through the Company's own lawyers and experts all negotiations for the settlement of the same or any litigation that might arise therefrom; subject to such notifications and provided that no goods or part thereof, shall be used for any other purpose than that for which the Company supplied, the Company will indemnify the buyer in respect of any such claims.

**14. Payments**

- a) The Company's standard terms are net 30 days from date of invoice. Interest on any amount overdue accrues at a rate of 2% above the base rate in force.
- b) If payment is in arrears then the Company shall have the right without prejudice to any other right or remedy available to it to suspend further deliveries to the Customer or cancel the Contract until payment is received whether such deliveries are part of the same order or other orders. Interest on overdue amounts shall accrue from the due date for payment and may be waived at the Company's discretion where the Customer has made all reasonable efforts to process payment within the agreed term. If the Customer fails to pay by the due date, the Company shall recover from the Customer the costs, fees or commission incurred by the Company in instructing collection agents to enforce collection of unpaid monies. The time of payment of the price shall be of the essence of the Contract.

**15. Governing Law**

These Conditions and all quotations, offers and acceptances shall be construed according to English Law.

**16. Retention of Title**

- a) Risk of loss or damage to the products which are the subject of this contract ("the said Products") shall pass to the Customer from time of delivery. The Customer as part of his fiduciary duty and at his expense shall ensure the goods are fully insured against all such risks.
- b) The property in the said Products shall not pass to the Customer until the whole of the purchase price under the relevant contract ("*the price*") has been paid and until payment the Customer will hold the said products as fiduciary owner on the Company's behalf and will store them separately or in such a way that they can be recognised as goods held in a fiduciary capacity.
- c) The whole of the price shall not be treated as paid until any cheque or other instrument of payment given by the Customer or on his behalf has been met on presentation or otherwise honoured in accordance with its terms.
- d) Notwithstanding paragraph (b) above the Customer may sell, apply, incorporate in manufacture, or otherwise dispose of the said products in the normal course of his business on condition that:
  - (i) If the said products have not been applied to, mixed with or incorporated into other goods the Customer shall pay the Company the whole of any proceeds of sale and
  - (ii) If the said Products have been applied to, mixed with or incorporated into other goods the Customer shall hold the product of the said Products and such other goods ("the new goods") as fiduciary owner on behalf of the Company and will store and hold them separately and that the property in the new goods will pass to the Company at the moment of separation and that the Customer shall pay to the Company so much of the proceeds of the sale of the new goods as shall equal the price but if less the whole proceeds of the sale.

Provided that the Customer shall have no authority to enter into any contract of sale on the Company's behalf and any such contract shall accordingly be concluded in the Customer's name.

- e) The Company may at any time revoke the customer's power to apply, use, or sell the said Products or the new goods by notice to the Customer before the property therein passes to the Customer.
- f) The customer's power to apply, use or sell the said Products and the new goods shall automatically cease if a Receiver is appointed over any of the assets of the customer's undertaking, or if a winding up order is made against or if the Customer goes into voluntary liquidation (*otherwise than for the purpose of reconstruction of amalgamation*) or, if the Customer calls a meeting of or makes any arrangement or composition with creditors or commits any act of bankruptcy.
- g) Upon determination of the Customer's power to apply, use or sell the said products under (e) or (f) above the Customer will immediately place the said products and the new goods at the Company's disposal and the Company shall be entitled to enter upon any premises of the Customer's for the purpose of removing and to remove the said Products and the new goods.
- h) Paragraphs (a) to (c) inclusive and each of the paragraphs (d) to (g) inclusive of this clause constitute separate agreement between the Company and the Customer.

**17. Warranty**

- a) The Company guarantees the products for a period of 12 months from date of shipment against defects due to faulty materials or workmanship, providing that the products are installed and used according to manufacturer's specifications and or written instructions, and are not subjected to unauthorised repairs or alterations.
- b) The Company shall repair or replace such equipment (as described in clause 18a above) at their discretion.
- c) All parts repaired or replaced under warranty shall be re-warranted for the unexpired portion of the warranty period.
- d) Warranty is on a return-to-manufacturer basis, unless otherwise agreed.
- e) Charges will be levied for cost of shipping and material handling for items returned that are subsequently found to be giving satisfactory operation within the manufacturers' specifications.
- f) In any event the Company cannot accept any liability whatsoever for consequential loss or damage howsoever caused resulting from any defect or faulty part, as detailed under Consequential Losses in clause 11.

**18. Verbal Orders - Errors**

Errors may occur during the recording of order information received by telephone and the Company shall not be held responsible for any mistakes which occur, particularly those relating to part numbers, quantity, address, method of delivery or price, irrespective of whether or not a written confirmation is subsequently received.