CONDITIONS OF SALE

GENERAL. For all our tenders and orders the following terms and conditions will apply unless otherwise agreed in writing, and the acceptance of our tender includes the acceptance of these conditions by the Purchaser if any modification of a particular condition is agreed upon, the remaining conditions are nevertheless to apply in so far as they are not specifically excluded.

On our receipt, acceptance and confirmation of a written order all previous agreements in connection therewith, whether written or verbal are automatically cancelled. Subsequent additions or alterations are also to be confirmed in writing.

We cannot accept any liabilities incurred under a contract wherever and to the extent to which the fulfilment of our obligations is prevented, frustrated or impeded as a consequence of conforming to any statute, rules regulations, import and export restrictions, or as a result of strikes or lock outs, fire, accident or civil disturbance, action of elements, national calamity, Act of God, orders or requisitions by any Government Department, Council or other competent authority or any other circumstances beyond our control. We undertake, however, to make every endeavour within our power to overcome difficulties arising in connection therewith. If by reason of any of the before mentioned circumstances the performance of the contract within a reasonable time becomes impossible we shall be entitled to terminate the contract by notice in writing to you.

Any typographical error or omission in any tender, price list, sales literature, acknowledgement of order, invoice or other document or information issued by us shall be subject to correction without any liability on our part.

VALIDITY. Unless previously withdrawn our tender is open for acceptance within 30 days from the date thereof unless otherwise stated, and is subject to our confirmation at the time of such acceptance.

ACCEPTANCE. The acceptance of our tender must be accompanied by sufficient information to enable us to proceed with the work, otherwise we are at liberty to amend our prices to cover any increase in cost which has taken place after acceptance.

LIMITS OF CONTRACT. Our tender includes only such goods, accessories and work as are specified therein. Erection or commissioning is not included unless specifically agreed in writing.

DESPATCH. Any times quoted for despatch are to date from receipt by us of a written order to proceed and of all necessary information and drawings to enable us to put the work in hand. All such times are to be treated as estimates only not involving any contractual obligation unless we have specifically contracted in writing to despatch within a specified time or by a specified date. Any such contractual obligation is subject to our not being delayed by instructions or lack of instructions or by industrial dispute or by any cause whatsoever beyond our reasonable control. Orders cannot be cancelled on account of overdue delivery (see cancellation).

If as a result of such specific contractual obligation we incur any liability for damage suffered due to a late despatch, such liability shall not exceed one half of 1% of such portion of the contract price as represents the value of the plant that cannot be efficiently used due to such delay for each week of the period of delay with a maximum of 5% of the contract value of that portion of the plant.

DELIVERY. For goods for delivery in the U.K., unless otherwise specified in our tender, the price quoted is exworks excluding the cost of transport and where applicable the cost of erection or installation. Unless otherwise specified we shall not be responsible for unloading. Where goods are delivered to premises nominated by the purchaser the purchaser shall provide unimpeded access and adequate labour and equipment for loading/unloading

For goods for export, delivery, f.o.b. Port stated in our tender is included, unless delivery c.i.f. is expressly stipulated when it is understood that all charges for freight, insurance etc., are based on the rates ruling at the time of our tender and any variation in such rates is for the Purchaser's account.

Forwarding instructions should be received by us preferably with the order but in any case in ample time before the first date for delivery. If after completion of the goods, shipment is delayed for reasons beyond our control, any consequent expenses such as for demurrage, storage, double handling, insurance during storage, etc. will be charged to the purchaser.

INSTALLATION. Unless expressly agreed in writing our price does not include the provision of labour to install the goods at the purchaser's premises. If installation is required by the purchaser this will be charged at our normal labour rates plus the cost of transporting the installation personnel to the purchasers premises. While equipment is being installed the purchaser shall provide free of charge to us adequate lighting, electric power, forklift trucks, overhead cranes and storage facilities for plant and materials on site. Any delay caused by the failure to provide such facilities or for any other reason within the control of the purchaser shall be charged to the purchaser as an addition to the contract sum.

EXTRA COST. In the event of the suspension of the work by the Purchaser's instructions or lack of instructions, the contract price shall be increased to cover any extra expense thereby incurred by us.

Duties or taxes on manufactured goods wherever imposed are not included unless expressly stipulated in our tender, but if included, are always based upon the tariffs in force on the date of the tender, and we reserve the right to adjust all prices by a sum corresponding to the amount of difference in any tariff, duty or tax on the date of the tender and the date when such tariff duty or tax is actually paid.

Goods of foreign origin are included in our tender at prices based upon the appropriate rate of foreign exchange current at the time of quoting and any variation in such rate is for the Purchaser's account.

Payment of such goods must be made in the currency of the country of origin of the goods if required by us

STANDARDS AND TECHNICAL INFORMATION. Unless otherwise specified in our tender or order confirmation, machinery and apparatus will be of our standard design and manufacture and according to recognised standards, carefully inspected and, when practicable, submitted to our standard tests at the Works before being despatched.

Drawings illustrations and specifications remain our property and must not be communicated to a third party without our previous written permission, neither has the prospective Purchaser the right to disclose any information contained therein to a third party without our previous written consent. Drawings, illustrations, weights and cubic measurements in connection with our tender or contained in our lists are not binding as to dimensions unless specifically stated by us.

PERFORMANCE. Any performance figures given by us are based on our experience and are such as we expect to obtain on tests. We will, however, accept no liability. If those figures are not obtained unless we specifically guarantee them under an agreed sum, as liquidated damages, subject to the recognised tolerances and rejection limits applicable to such figures. We are to be given reasonable time and opportunity to comply with the terms of the guarantee before being called upon to pay any sum in respect of any such liquidated damages. The Purchaser is responsible for ensuring that goods stoulated by him are sufficient and suitable for his purpose.

GENERAL LIABILITY AND MAINTENANCE GUARANTEE. All machinery and apparatus of our manufacture is guarantied to be of high grade material throughout and of good and careful workmanship, in such a manner that we undertake to correct and make good any defect or defects, which may develop under normal and proper use, within the guarantee period and which are due solely to faulty design, material, or workmanship, provided always that we are notified immediately the defect is discovered and that such defective parts are promptly returned to our Works or Store, all charges prepaid. The repaired or new parts will be delivered free in the U.K. within the railway free delivery area or in the case of goods for export f.o.b. Port of shipment. Defective parts thus replaced remain our property. Unless otherwise stated in the tender or order confirmation, the guarantee period is twelve months for all ordinary machinery and apparatus operated under normal conditions. The guarantee period is reckoned from the date delivery is made, or if delivery cannot be made on account of delays caused by circumstances beyond our control, from the date the goods are ready for despatch at our works. All liability on our part ceases at the termination of the guarantee period. Goods delivered by us but not of our own manufacture are covered only by the subcontractor's own guarantees. If any.

Our liability, is in all cases limited as provided in these conditions and does not extend to consequential damages, either direct or indirect, nor to expenses for repairs or replacements or otherwise paid or incurred without authority. We accept no liability for defects or depreciation caused by damage in transit, faulty erection, wear and tear, accidents, lightening, dampness, neglect, misuse or other abnormal conditions, due directly or indirectly to circumstances beyond our control.

The purchaser shall indemnify us in respect of all damage or injury whatsoever to any person or to any property, and against all actions, suits, claims, charges or expenses arising in connection with the goods whether caused by our neolioence, servants, agents or not.

TERMS OF PAYMENT. Unless otherwise expressly agreed prices are strictly net and payment in full in respect of goods shall be due on notification by us that they have been tested or that they are ready for despatch.

If from any cause beyond our control we are unable to despatch the goods, payment of the contract value of the goods shall be due upon presentation of invoices and notification from us that goods are ready for despatch.

On overdue payments interest at two per cent above bank rate for the time being with a minimum of 6% per annum will be charged from the date when such payments fall due until the date on which the payments are received.

If delivery of the goods is made before payment of the whole sum due to us the goods shall remain our property and we and/or our authorised Agents shall have the right to enter upon the premises of the Purchaser for the purpose of repossessing such goods until such payments is made. The Purchaser shall give us every assistance in taking any measures required to protect our property in the goods.

During the period that property in the goods remains with us pending payment, the Purchaser shall be responsible for any loss or damage to the goods and insuring the same in our name to the full value thereof.

The purchaser shall not be entitled to withhold payment of any amount payable under the contract due to any disputed claim by the purchaser in respect of faulty goods or any other alleged breach of contract.

PATENTS. When machines or parts of machines are supplied to the purchasers designs, Autoreel Ltd does not hold themselves liable for infringements of any patents or other rights, and the purchaser shall keep us fully indemnified for damages or costs incurred by us in regard to any proceedings brought against us by any party claiming patent rights in respect of goods manufactured by us to the purchasers order.

BANKRUPTCY. Autoreel and the purchaser expressly agree that the title to the goods remains with us until the said goods have been paid for in full. In the event of the purchaser committing any breach of contract with Autoreel or if any distress or execution is levied upon the goods of the purchaser or if he offers to make any arrangement with or for the benefit of his creditors or commits any act of bankruptcy or, being a limited Company, has a receiver appointed of its undertaking or assets or any part thereof or, for the purposes of a reconstruction or amalgamation without insolvency, goes into liquidation, Autoreel Ltd shall there upon be entitled without prejudice to its other rights forthwith to suspend all further deliveries until the fault has been made good or to determine the contract or any unfulfilled part thereof, or at the Company's option to make partial deliveries. If delivery of the goods is made prior to the appointment of a receiver and before payment of the whole sum due to us, the goods shall remain our property and we and/or our authorised Agents shall have the right to enter upon the premises of the Purchaser for the purpose of repossessing such goods until such payments are made.

LEGAL INTERPRETATION. The contract shall in all respects be construed and operate as an English Contract and in conformity with English law and unless otherwise arranged, is subject to the jurisdiction of the English courts.

PRICE. All goods will be invoiced at the price ruling at the date of delivery.

CANCELLATION. No order which has been accepted by us may be cancelled or varied by the purchaser except with our express written permission and providing that the purchaser shall indemnify us in full against all losses, costs, damages, charges and expenses incurred by the us including loss of profit, costs of labour and materials used.

If at any time any one or more of these conditions or any paragraph, sub-paragraph or any part thereof is held to be or becomes void or unenforceable for any reason under applicable law, the same shall be deemed to be omitted here and the validity and/or enforceability of the remaining provisions of these conditions shall not in any way be affected or impaired thereby.