

TERMS & CONDITIONS

1. DEFINITIONS AND INTERPRETATION

The following words and terms have the meanings shown wherever they appear in these Terms & Conditions,

"the company" SRM Engineering Limited

"the contract" any contract under which the company sells Goods to the customer.

"the customer" the individual, firm, company or other party with whom the company contracts.

"Goods" the whole or part of the goods or materials which the company is to supply.

"the relevant date" the date referred to in clause 5 hereof

"supply" includes (but is not limited to) any supply under a contract for sale

"International Supply Contract" such a contract is as described in section 26(3) of the unfair Contract Terms Act 1977.

Reference to clauses (except where the context otherwise requires) are references to the clauses set out below.

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.

2. CONTRACT TERMS, VARIATIONS AND REPRESENTATIONS

- 2.1 No order in pursuance of a quotation or otherwise shall be binding on the company unless and until such order is accepted by the company.
- 2.2 The contract will be subject to these conditions. Except as provided in clause 2.3 no representative or agent of the company has authority to agree to any terms or make any representation which is inconsistent with these Conditions or to enter into any contract except on the basis of them.
- 2.3 Any term or representation inconsistent with these Conditions will only bind the company if it is in writing and signed by one of its directors. The words "unless agreed in writing by the company" in these Conditions means unless otherwise agreed in writing and signed by the directors of the company.
- 2.4 Unless otherwise agreed in writing by the company these conditions will override any terms and conditions stipulated or referred to by the customer in his order or pre-contract negotiations.
- 2.5 Any illustrations, weights, measures, temperatures, capacities, descriptions, or specifications contained in the company's catalogues, samples, price lists or other advertising material is tended merely to present a general picture of the Goods and will not form a representation or be a part of the Contract unless otherwise agreed by the Company in writing.
- 2.6 Where the Company has not acknowledged the Customer's order in writing, these Conditions will apply to the Contract provided the customer has had prior notice of them.

- 2.7 The Company reserves the right to correct any clerical or typographical errors made by its employees at any time.

3. SPECIFICATION AND INFORMATION

- 3.1 If goods are made to a specification, instruction or design supplied by the customer or any third party on behalf of the customer then,
- 3.2 the suitability and accuracy of that specification, instruction or design will be the customer's responsibility and
- 3.3 the customer will indemnify the company against any infringement of any patent, design right, registered design, trademark, trade name, copyright or other intellectual property right and any loss, damage or expense it may incur because of any such infringement or alleged infringement in any country and
- 3.4 The customer will indemnify the company against any loss, damage or expense in respect of any liability arising under the Customer Protection Act 1987 by reason of the specification or design of the goods.
- 3.5 The company reserves the right to make any changes in the specification of the goods which are to conform to any applicable safety or other statutory requirements. Where the goods are to be supplied to the customer's specification the company reserves the right to make any changes in the specification of the goods which do not materially affect the quality or performance of the goods.
- 3.6 The customer warrants that it will pass on to all third to whom it may supply the goods all information as to the use and safe handling of the goods which has been provided to the customer by the company.

4. PRICES

- 4.1 Unless otherwise agreed in writing by the company the company's quotations for the goods are provisional and may be altered at any time for any reason.
- 4.2 Prices charged will be those current at the time of delivery of the goods. The company may increase its prices at any time to take account of any increase in the cost of purchasing any goods or materials or manufacturing, working on or supplying the goods. The company may also increase its prices at any time to take account of any error or inadequacy in any specification instruction or design provided by the customer or any modification carried out by the company at the customer's request.
- 4.3 All prices quoted are exclusive of VAT and the customer shall pay any and all duties, taxes or other government charges payable in respect of the goods.

5. PAYMENT

- 5.1 For the purposes of these conditions the relevant date means the date on which either (a) the customer takes delivery of any consignment of the goods at the company's premises or (b) the company dispatches any

- consignment of the goods or (c) the customer defaults in his obligations under clause 6.1 whichever shall first occur.
- 5.2 Unless otherwise agreed in writing by the company full payment will be made by
 - 5.3 The customer in cash not later than thirty days after the relevant date.
 - 5.4 Time for payment will be of the essence of the contract.
 - 5.5 Without prejudice to any other rights of the company, interest will be payable on all overdue accounts at 4% above the NatWest Bank base rate from time to time. For the purposes of clauses of 7.2 and 9 the full purchase of the goods will include any interest payable under this clause.
 - 5.6 Non-payment on a due date will entitle the company to demand payment of all outstanding orders without prejudice to any other rights it may have.
 - 5.7 The customer will not be entitled to withhold payment of any invoice by reason of any right of set-off or any claim or dispute with the company.
 - 5.8 Without prejudice to any other rights it may have the company will have the right to suspend performance of its obligations if it reasonably believes that the company will not make payments in accordance with this clause.

6. DELIVERY

- 6.1 Unless otherwise agreed in writing by the company the customer will take delivery of the goods at the customer's premises and the customer shall be responsible for notifying the company of any restriction of access such as weight, width, height, or unloading hours. The company shall have the sole right to determine the unloading point. Offloading will be at the customers risk and expense.
- 6.2 The company will be entitled to add a reasonable charge for packaging and delivery to the contract price.
- 6.3 If the contract is an international supply contract, it will be deemed to incorporate the latest edition of "incoterms" current at the date of the contract. If there is any consistency between "incoterms" and any express term of the contract, the latter will prevail. The company will be under no obligation to give the customer the notice specified in section 32(3) of the Sale of Goods Act 1979.
- 6.4 The company will try to deliver the goods by any agreed date or within any agreed period but such dates or periods are estimates only given in good faith and the company will not be liable for any failure to deliver by such dates or within such periods. Time for delivery will not be of the essence of the contract and will also be conditional upon receipt of final instructions for delivery being received promptly. The goods may be delivered by the company in advance of any agreed date upon giving reasonable notice to the customer.
- 6.5 If the company is delayed in or prevented from delivering the goods due to war, governmental or parliamentary restrictions, strike, lock-outs, fire, floods, explosions, labour disturbances, trade disputes, damage to or destruction of the goods, breakdown of machinery, shortages of labour or of raw materials or Act of God or due to any other cause beyond the reasonable control of the company, the company may cancel or suspend the customer's order without incurring any liability for loss or damage. The company will try to comply with reasonable requests by the customer for postponement of delivery but shall not be

under any obligation to do so. Where delivery is postponed otherwise than due to the company's default the customer shall pay all costs and expenses of delay including a reasonable charge for storage and transportation.

7. CANCELLATION OR DEFERMENT

- 7.1 The company may defer any deliveries of goods or treat the contract as determined if the customer fails to make any payment when it becomes due or enters into any composition or arrangement with its creditors or has a winding-up order made against it or has an administrative receiver or administrator appointed or passes a resolution for winding-up or a court makes an order to that effect or if the customer breaches any of these conditions.
- 7.2 Clause 7.1 is without prejudice to the company's right to the full purchase price of the goods and damages for any loss suffered in consequence of the determination of the contract.
- 7.3 Cancellation by the customer will only be accepted at the discretion of the company. Acceptance of the cancellation will only be binding on the company if in writing and signed by a director. Any costs or expenses incurred by the company up to the date of the cancellation will be paid by the customer to the company forthwith.

8. DEFECTIVE GOODS – LIMITATIONS OF LIABILITY

- 8.1 The customer will carefully examine the goods on receipt and notify the company and the carrier immediately of any damage, loss or shortage. Within three days of receipt (or in the case of total loss) or of receipt of the invoice or other notification of dispatch the customer will give the company written confirmation of the damage, loss or shortage. Within fourteen days of request the customer will provide authority for the company's servants or agents to inspect any damaged goods. The company's liability, if any, will be limited to replacing or (at its option) repairing such goods. The customer will not be entitled to make any claim against the company for consequential loss arising out of such damage, loss or shortage.
- 8.2 Save as otherwise provided in these conditions the company's liability in respect of any defect in or failure of goods supplied is limited to replacing or (at its option) repairing or paying for the repair or replacement of goods which are found to be defective by reason of faulty or incorrect design, workmanship, parts or materials.
- 8.3 The company's liability for any direct loss or damage sustained by the customer as a result of any error in any weight, dimension, capacity, performance or other description of information which has formed a representation or is part of the contract will not exceed the price of the goods in respect of which the description or information is incorrect.
- 8.4 The company will only be liable to the customer in respect of the matters set out in clauses 8.2 and 8.3 PROVIDED THAT the customer informs the company of the defect as soon as is reasonably practicable and in any event the defect is notified to the company within three months of the delivery of the goods and authority is provided for the company's servants or agents to inspect the same.

- 8.5 Save as provided in these conditions the company shall have no other or further liability in respect of any direct or consequential loss or damage sustained by the customer arising from or in connection with any such defect, failure or error as aforesaid.
- 8.6 Where the company agrees to repair or replace goods any time specified for delivery under the contract will be extended for such period as the company may reasonably require.
- 8.7 Except for the terms and implied in the contract by section 12 of the Sale of Goods Act 1979, all conditions, warranties, and other terms expressed or implied, statutory or otherwise, are expressly excluded, save insofar as they are contained in these conditions or otherwise expressly agreed by the company in writing. If any legislation makes it unlawful to exclude any term from the contract this clause will not apply to such term.
- 8.8 Except in respect of death or personal injury the company shall not be liable to the customer for any damage or for any direct or consequential loss incurred by the customer in the consequence of any negligence on the part of the company or negligence or wilful default on the part of its servants or agents in or in connection with the supply of any goods or the design or manufacture thereof or the provision of any information.
9. RETENTION OF TITLE
- 9.1 The following provisions apply to all contracts (save for the International Supply Contracts) relating to goods which under the contract to the company agrees to supply to the customer. No termination of the contract shall prejudice limit or extinguish the company's rights under this paragraph.
- 9.2 Upon delivery of the goods the customer shall hold the goods solely as Bailee for the company and the goods shall remain the property of the company until such time as the customer shall have paid the company the full purchase price of the goods supplied under the contract or any other contract. Until such time the company shall be entitled to recover the goods or any part thereof and for the purpose of exercising such rights the company its employees and agents with appropriate transport may enter upon the customer's premises and any other location where the goods are situated.
- 9.3 The customer is hereby granted a license by the company to incorporate the goods in any other products.
- 9.4 The customer is hereby licensed to sell on the goods and any products incorporating them. The customer shall, immediately upon receipt of the proceeds of sale, and whether or not payment has become due under clause 5 hereof, remit to the company the full purchase price of the goods sold on less any part thereof which has already been paid and until such amount has been so remitted shall hold such an amount as trust and agent for the company.
- 9.5 The customer shall maintain all appropriate insurance in respect of the goods from the date or dates on which the risk therein passes to it. In the event of any loss or damage occurring whilst the goods remain the property of the company the customer shall immediately on receipt of the insurance monies remit to the company the full purchase price of the goods lost or damaged less any part thereof which has already been paid and until such amount as trustee and agent for the company.
- 9.6 The licenses granted under sub-paragraph 9.2 and 9.3 above shall be terminable forthwith at any time upon notice by the company to the customer.
10. INTERNATIONAL SUPPLY CONTRACTS – TITLE
In the case of International Supply Contracts property in the goods will pass to the customer upon delivery.
11. RISK IN THE GOODS AND IN CUSTOMERS GOODS
- 11.1 Except for International Supply Contracts and unless otherwise agreed in writing by the company, the risk in the goods will pass to the customer on the relevant date or, if delivery is postponed at the customer's request, when the goods are ready for despatch.
- 11.2 Subject to the provisions of clause 8 the company will not be liable for any loss of or damage to any goods left by the customer with the company. This provision will apply whether or not the loss or damage is attributable to the company's or its servants' or agents negligence or wilful default and the customer shall insure such goods accordingly.
12. INTELLECTUAL PROPERTY RIGHTS.
Unless otherwise agreed in writing by the company all copyright, unregistered design rights, Registered Designs or other intellectual property rights in any design, drawing or other documentation may not be used without the company's prior written consent.
13. GENERAL
- 13.1 These conditions and the contract are governed by English Law and the parties agreed to submit to the jurisdiction of the English Courts in the event of a dispute.
- 13.2 The headings in these conditions are inserted for convenience only. They are not to affect their interpretation or construction.
- 13.3 If any provision of these conditions becomes illegal or void for any reason, the validity of the remaining provisions shall not be affected.
- 13.4 Failure by the company to enforce strict compliance with these conditions will not constitute a waiver of any of these conditions.
14. LIMITATION ON USAGES
If the product is specified for a particular use it shall not be used or resold for any other purpose save with the company's consent in writing.
15. PERFORMANCE
All performance figures are approximate only and the company shall be under no liability whatsoever in respect of failure to obtain such figures unless performance within certain limits has been specifically agreed.
16. INSPECTION AND TESTS
Any tests other than standard works inspections will be paid for by the customer.

17. MACHINING, PROCESSING OR EMBODIMENT OF CUSTOMER'S MATERIAL

or materials made by the owner thereof or any other party.

- 17.1 Materials or goods sent by the customer to the company for whatever purpose shall be delivered to and collected from the customer's premises free of all charges and expenses to the company. The company's prices for machining, embodiment or processing do not include either packing, handling charges or the cost thereof. The customer also agrees to pay the full cost of packing or packing cases.
- 17.2 All metal removed during the course of such operations becomes the company's property and is allowed for in the estimate.
- 17.3 Should any material or goods sent for machinery processing or embodiment be spoiled or damaged or should the work carried out not conform to the specification requested by the customer, the company does not accept liability for the value of such material or goods or the cost of any prior operations performed thereon or for any consequential or other loss of any nature whatsoever. In such event the company's sole liability shall be to re-execute, free of charge, the work which it has agreed to perform under this contract upon replacement goods or materials supplied by the customer at his own cost.
- 17.4 Sub paragraph 17.3 above applies also to finished parts sent to the company for fitting or other purposes.
- 17.5 The goods or materials sent by the customer for such purposes shall be reasonably soft, homogenous and suitable for rapid machining, and should any material or goods be spoiled owing to hard places or defective material, the customer shall pay the company for the work done and shall be liable to the company for the cost of any consequential damage to cutters or other tools caused thereby. In such case the company shall not be liable for replacements.
- 17.6 The company does not undertake to check or rectify the customer's materials or goods; neither does the company accept liability for loss or damage after despatch.
- 17.7 In the event of the customer not being the owner of goods or materials sent for machining, processing embodiment, fitting or other purposes as aforesaid, the customer warrants with the company:
- a) That the customer has informed the owner thereof of this contract and the terms thereof and in particular that the company accepts no liability for loss or damage to such goods or materials aforesaid.
 - b) That the customer has, in any contract which exists between him and the owner of such goods or materials or any other party, included terms whereby liability for loss of or damage to the same is excluded in terms at least as favourable to the company as the terms of this contract including, without prejudice to the generality of the foregoing, terms which will effectively exclude the liability of the company to the owner thereof or any other party in respect of such loss or damage, whether in contract, negligence, bailment or otherwise howsoever.
 - c) That in any event the customer will indemnify the company against any claim made against the company in respect of loss of or damage to such goods