

## TERMS AND CONDITIONS OF SALE

### 1. SCOPE

The following Terms and Conditions shall apply to all contracts entered into between Engineered Composites Ltd and any other party and shall be deemed to be accepted by the purchaser upon receipt by the Company the purchaser's official order.

### 2. DEFINITIONS

In these conditions unless the subject or contract otherwise requires: 'purchaser' means the person, firm or company by whom the order is made; 'Company' means Engineered Composites Ltd; 'the parties' means the purchaser and the Company; 'the goods' means the articles or things or any of them described in the order; 'the contract' means the contract between the Company and the purchaser and will comprise: - these conditions - the order and acceptance - any such other documents as are specified in the order

### 3 TERMS OF QUOTATION

3.1 Quotations are submitted in good faith by the Company but shall not be binding on the company and may be withdrawn or amended at any time by the Company prior to acceptance by them of an order from the purchaser.

3.2 Quotations are valid for acceptance within 30 days from their date.

3.3 Except as agreed between the parties, all drawings, dimensions and weights included in or submitted with quotations shall be deemed to be approximate only.

3.4 Any description or illustration contained in the Company's catalogues, web site, price lists and advertisements shall be deemed to be given by way of information and of a general nature only and shall not be construed as being a precise specification of any goods.

### 4. ORDERS, ACKNOWLEDGEMENTS, CONDITIONS AND VARIATIONS

4.1 The Company shall not be bound by any order unless the Company accepts it in writing.

4.2 Except as agreed in writing between the parties, every order either oral or in writing, shall be subject to these conditions and anything in any order which would conflict with, qualify, vary, waiver or add to these conditions shall not be binding on the parties unless agreed in writing by the Company on acceptance of the order.

4.3 No variation of or addition to an order or variation, waver of, or addition to these conditions may alter the acceptance of the order shall be binding on the parties except as agreed in writing signed by or on behalf them both.

4.4 If after the order has been, accepted the purchaser required any variation or modification in the specification an extra charge will be made by the Company to cover the cost of any such variation or modification.

4.6 The Company reserves the right to sub contract part or parts of the order, as they may deem necessary.

### 5. PRICE

5.1 The prices that shall apply are those stated in the quotation or otherwise agreed between the parties.

5.2 Any quotation or offer is based upon the cost of materials, labour, allowances, transport, services and overhead charges at the date of the quotation or offer and if between that date and the termination of the contract any variations, either by rise or fall, shall occur in these costs, then the contract price shall be adjusted by such amount as shall represent the increased or decreased cost.

5.3 Any quotation or offer is based upon information as to the place, time and manner of delivery specified in any invitation or report for such quotation or offer.

5.4 Where the purchaser subsequently cancels or postpones his order or caused delay for any reason, including but not limited to, lack of instruction, defective or incomplete instruction, or change of instruction, the purchaser shall compensate the Company to the extent of all charges costs and loses incurred by the Company by reason of such cancellation, postponement or delay including (in the case of cancellation) but not limited to loss of profit.

5.5 Prices do not include Value Added Tax, local taxation, or the like or any other levy which

may from time to time be imposed nationally or locally

## 6. TIME FOR PERFORMANCE

6.1 Specified performance dates are subject to:

6.1.1 Receipt by the Company at all information, including but not limited to technical and commercial information for the supply of goods:

6.1.2 Where applicable, approval by the purchaser of the Company's manufacturing drawings:

6.1.3 Production or delivery of the goods not being hindered or prevented by any cause whatsoever beyond the control of the Company including but not limited to: war, explosion, fire, flood civil commotion, act of government, (including but not limited to strike. and lockouts), defective material, any act or default of the purchaser or by any other cause whatsoever beyond the control of in Company.

6.2 in the event of delay by reason of any of the matters set out in paragraph 6.1 above the delivery periods shall be extended by such time as the Company may reasonably require and clauses 5.2 and 5.3 shall than apply.

6.3 The time for performance of the contract by the Company shall not be of the essence of the contract.

## 7. QUANTITIES AND INSTALLMENTS

7.1 The Company reserves the right to manufacture and deliver goods in such quantities in each instalment for delivery as will minimise production costs,

7.2 Where goods are delivered by instalments each instalment shall be deemed to be sold under a separate contract. The party in default in respect of any instalment shall be liable accordingly but not default in respect of any one instalment shall effect due performance of the contract regards other instalments.

## 8. DELIVERY

8.1 The purchaser shall arrange collection of the goods at the date agreed with the Company or, at the request of the purchaser, the Company may arrange delivery using the most suitable means applicable for the delivery of the goods ordered or as subsequently the agreed between the parties

8.2 If any extra cost is incurred by the Company by reason of difficult access to the delivery site or for any other reason not taken into account as the basis for quotation or offer such cost shall be chargeable to the purchaser.

## 9. ACCEPTANCE

9.1 The purchaser shall with 10 days from delivery of the goods give notice in writing to the Company if the goods are rejected, and list the reasons for rejection.

9.2 If the purchaser fails to give notice in accordance with this clause the goods shall be deemed to have been delivered in good order and the purchaser shall be bound to accept and pay for them accordingly.

## 10. RISK

The goods shall be at the sole risk of the purchaser when they are delivered to the purchaser, his carrier or agent.

## 11. DAMAGE IN TRANSIT

Goods delivered to the purchaser by a carrier shall be carefully examined by the purchaser at the time of delivery. Any damage or shortages noted at the time of delivery must be recorded on the carrier's copy of the consignment note. The Company must be advised of any damage or irregularity within three days of the receipt of such goods. Only when any damage or shortages are noted on the carrier's copy of the consignment note can claims be accepted . Otherwise claims for such damage or irregularity shall be void.

## 12. PAYMENT AND PASSING OF PROPERTY

- 12.1 Unless otherwise agreed in writing, payment shall be made 30 days from the end of the month of the submission of the company's invoice in accordance with these terms.
- 12.2 Notwithstanding any terms of the contract relating to delivery and payment, property in the goods shall not pass to the purchaser until he has paid the Company all sums due under the contract.
- 12.3 Notwithstanding paragraph 11.2 of this clause, the risk in the goods shall pass as provided by clause 10 of these conditions.
- 12.4 Without prejudice to any other right or remedy, if any payment remains unpaid after the due date the Company may withhold further deliveries until payment is made.
- 12.5 The time stipulated for payment shall be the essence of the contract any failure by this purchaser to pay for goods delivered, or for any one or more instalments delivered within the terms stipulated shall be treated as repudiation of the contract by the purchaser and shall entitle the Company to terminate the contract in respect of the whole or part thereof which remains unperformed and to recover damage for breach of the contract.
- 12.6 If the purchaser makes default in any payment under the contract or commits an act of bankruptcy or being company with limited liability, enter into liquidation or suffers a receiver to be appointed, the Company may at any time thereafter without prejudice to any other remedy, suspend or cancel the contract and (whether with or without previous notice) retake possession of the goods or the product. In such circumstances the Company is irrevocably authorised by the purchaser to enter the premises on which the goods or the products are situated and to remove, the same at the purchaser's expense
- 12.7 Interest at 3% above the Bank of England Minimum Lending Rate will be charged on all overdue accounts.

## 13. RETENTION TITLE

This provision shall apply to all and any Goods supplied to the customer by or on behalf the Company

- 13.1 Legal and beneficial ownership and title in and to the Goods shall not pass from the Company to the purchaser until all monies, due by this purchaser (or any of its associated subsidiary or holding companies) to the Company under contract (including the Company's terms and conditions applicable to and forming part of any such contract) between them, including any interest charges, have been paid in full. Until such time as property and title in the Goods passes to the purchaser, the purchaser shall hold the Goods as the Company's fiduciary agent and bailee, and shall keep the Goods separate from those of the purchaser and third parties and free from any lien, charge or encumbrance and properly stored, protected and insured and identified as the Company's property and shall allow (without requirement for any further written consent) the Company access to the place where the Goods are stored for the purposes of verifying that this has been done.
- 13.2 Until such time as property and title in the Goods passes to the purchaser, the Company shall be entitled at any time to require the purchaser to deliver up the Goods to the Company, or its employees or agents, or at the Company's sole discretion forthwith to enter upon any premises or property of the purchaser or any third party where the Goods are stored and to repossess the Goods.
- 13.3 The purchaser shall not be entitled to pledge, or in any way charge by way of security any of the Goods that remain the property of the Company but, if the customer does so all moneys owing by the purchaser to the Company shall, without prejudice to any other remedy available to the Company, forthwith become due and payable.
- 13.4 If:
  - 13.4.1 the purchaser makes any voluntary arrangement with its creditors or (being an Individual or firm) becomes bankrupt or (being a company) becomes subject an administration order or goes into liquidation (otherwise than for the amalgamation or reconstruction); or
  - 13.4.2 an encumbrancer takes possession, or a receiver is appointed, of any of the

- property or assets of the purchaser; or
- 13.4.3 the purchaser ceases, or threatens to cease to carry on business; or
- 13.4.4 the Company reasonably apprehends that any of the events mentioned above is about to occur in relation to the purchaser and notifies the purchaser accordingly then. without prejudice to any other right or remedy available to the Company, the Company shall be entitled to cancel any contract or suspend any further deliveries under any contract without any liability to the purchaser and if the Goods have been delivered but not paid for in full, the legal and beneficial title to the Goods remains with the Company and, provided the Goods are identifiable as the Company's, no receiver or liquidator of the purchaser shall sell the Goods. In these circumstances, the Company shall be entitled to enter any premises or property where the Goods are located and repossess the Goods.
- 13.5 The purchaser shall not be entitled to in any way annex the Goods to the property or premises without the Company's written consent.
- 13.6 The Company retains and reserves the legal and beneficial ownership and title in and to the Goods until the purchaser has paid for all and any Goods supplied by the Company to the purchaser and has repaid all other monies owed to the Company regardless of how such indebtedness arose.

#### 14. GUARANTEE

- 14.1 If the goods should not comply with those standards agreed in the contract or if defects which under proper use appear in the product within a period of twelve months from delivery. the Company agrees to make good by repair or at the Company's option, to replace the item free of charge at place of delivery,
- 14.2 The purpose of the goods shall for all purposes be deemed to be that specified in the contract and the Company give no warranty, guarantee or condition as to the suitability of the goods for any other purpose whether or not made known to them by or on behalf of the purchaser.
- 14.3 In the case of defects in any goods not manufactured by the Company itself, the purchaser shall be only entitled to the benefit in so far as it may be transferred to the purchaser of any rights which the Company may have against the supplier of such goods in respect thereof and the Company's liability in such cases limited to making the benefit of such rights available to purchaser
- 14.4 In no event shall the Company be liable whether in contract or tort for any loss of use, of contracts or profits or for any other form of consequential loss howsoever caused and the purchaser will indemnify the Company against all liability in respect thereof.

#### 15. LIEN

In addition to any other remedy available the Company shall (in addition to any other rights) be entitled to a general lien over and a right to hold (in its own or other premises, warehouses or places) all goods, materials, machinery or other chattels or property of the purchaser in the Company's or agents possession (notwithstanding such goods or some of them may have been paid for) for any default of payment due to the Company from the purchaser in respect of any goods or services provided to the purchaser by the Company under the same or any other contract including interest and the expenses of maintaining and exercising the lien, or, at its option, the Company may alter giving 28 days notice in writing to the purchaser dispose of them as it thinks fit.

#### 16. STORAGE

If the purchaser unreasonably fails to take delivery of or collect goods under the contract after written notice of availability the Company may store such goods at the risk of and expense of the purchaser without prejudice to the Company's right to be paid for such goods as though they had been delivered or collected.

#### 17. 'TECHNICAL ADVICE

- 17.1 The Company may at the request of the purchaser or otherwise furnish in writing

technical advice or assistance for the use of the goods sold hereunder, on to express understanding that any such advice or assistance is given and accepted at the purchaser's own risk and the Company shall not be liable for any loss, damage or claims arising therefrom.

17.2 All drawings and specification issued by the Company to the purchaser in connection with this contract are the Company's copyright. The said documents and any technical information are confidential and the purchaser shall not without to previous consent of the Company disclose to a third party any information give by reason of this contract. The said documents shall be returned by the purchaser to the Company on request.

#### 18. INFRINGEMENT OF PATENT

If the purchaser uses or sells goods supplied by the Company in such a manner as to cause infringement of patent, the Company shall not be liable for damage in consequence thereof and the purchaser shall indemnify the Company from and against all damages, costs and expenses incurred by the company in consequence of such infringement.

#### 19. LEGISLATIVE REQUIREMENTS

The Company is hereby indemnified against and shall be fully reimbursed for any loss incurred by it through the failure of to purchaser to comply with the requirements of the relevant Statutory and Regulatory obligations. The purchaser shall indemnity to Company against all such claims arising under Statutory obligations.

#### 20. ARBITRATION

Any dispute, difference or question in regard to any matter or thing of whatever nature arising out of this contract or in connection therewith shall be referred to the Arbitrator or a single Arbitrator to be appointed in default of agreement by the President for the time being, of the Institute of Metals Materials and Mining in London in accordance with the provisions of the Arbitration Act 1950 or in any statutory modification or re-enactment thereof which may for the time being in force. It is further agreed that such Arbitration shall be condition precedent to the commencement of any action of law.

#### 21. INVALIDITY

If any provision of these Terms and Conditions is held to be invalid or unenforceable, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in these Terms and Conditions but without invalidating any of the remaining provisions of these Terms and Conditions.

#### 22. LAW

The proper Law applicable to the contract shall be the law of England.