



GENERAL CONDITIONS OF SALE

I. GENERAL:

- A. In these conditions 'Buyer' means the person whose order for the Goods is accepted by the Seller, 'Goods' means the goods (including any installments of the goods or any part of them) which the Seller is to supply in accordance with the Conditions, 'Seller' means AEG Electric Motors Limited or any division of eg "Marlin Stainless". 'Conditions' means the terms and conditions of sale as set out in this document 'Contract' means a contract for the purchase and sale of the Goods; 'Writing' includes telex, cable, fax, e-mail and comparable means of communication.**

- B. These Conditions with such special conditions as may be specified on the face of the Sellers order acknowledgement are the only conditions upon which the Seller is prepared to deal with the Buyer and they solely govern any contract arising out of the Seller's quotation and order acknowledgement to the exclusion of any other express or implied conditions.**

2. FORMATION OF CONTRACT:

- A. No contract shall be formed until the Buyer's order has been accepted in Writing by the Seller through order acknowledgement. Any quotation in whatever form given to the Buyer is given subject to these Conditions and does not constitute an offer to sell.**

- B. No variation to these Conditions shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.**

- C. Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller.**

3. ORDERS AND SPECIFICATIONS:

- A. The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the Seller any necessary information relating to the goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms.**
- B. The quantity, quality and description of and any specification for the Goods shall be those set out in the Seller's quotation or the Seller's acknowledgement of the Buyer's order.**
- C. If the Goods are to be manufactured or any process is to be applied to the goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against all loss, damages, costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the Seller in settlement of any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification.**

4. PRICE:

- A. All prices are quoted exclusive of Value Added Tax and are subject to the addition of Value Added Tax at the appropriate rate where applicable.**
- B. The price of the Goods shall be the Seller's quoted price or, where no price has been quoted (or a quoted price is no longer valid), the price listed in the Seller's published price list current at the date of acceptance of the order. All prices quoted are valid for 90 days only or until earlier acceptance by the Buyer, after which time they may be altered by the Seller without giving notice to the Buyer.**
- C. The Seller reserves the right, by giving notice to the Buyer at any time before delivery, to increase the price of the Goods to reflect any increase in the cost to the seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials or other costs of manufacture), any change in delivery dates, quantities or specifications for the goods which is requested by the Buyer, or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.**
- D. Except as otherwise stated under the terms of any quotation or in any price list of the Seller, and unless otherwise agreed in Writing between the Buyer and the Seller, all prices are given by the Seller on an ex-works basis, and where the Seller agrees to deliver the Goods otherwise than at the Seller's premises, the Buyer shall be liable to pay the Seller's charges for transport, packaging and insurance.**

5. PAYMENT:

- A. Payment will be made by the Buyer for each consignment of Goods not later than the last day of the month following the month in which the Goods are delivered or collected.**
- B. All payments will be made by the Buyer to the Seller in full without any deduction, discount or set off unless otherwise agreed in writing by the Seller.**
- C. If any payment is not made by the Buyer by the due date, the Seller shall be entitled:
 - a) to charge interest on the outstanding amount at the rate of 4 per cent above the Seller's Bank's Base Rate accruing daily;****

- b) to require payment in advance of delivery of undelivered Goods;**
- c) to suspend further deliveries whether under the Contract or otherwise and without incurring any liability whatever to the Buyer for delay or non performance;**
- d) to terminate the Contract.**

6. DELIVERY AND STORAGE:

- A. Delivery of each consignment of Goods shall be made to the place and in the manner designated by the Buyer when placing the order.**
- B. If Goods are to be collected, the Buyer will arrange for the same to be collected within fourteen days of the Seller giving notice to the Buyer that the Goods are ready for collection. The Buyer will give the Seller at least two clear working days notice of the time and manner of proposed collection.**

- C. Unless otherwise expressly agreed in Writing any delivery or completion times indicated by the Seller in its quotation are business estimates only and the Seller will not be liable to the Buyer for any loss or damage sustained by the Buyer as a result of the Seller's failure to comply with such delivery or completion times. Where the Seller has agreed in Writing that a delivery or completion time shall be binding, and the seller fails to deliver within the specified time in A breach of the terms of the Contract and without just cause the Buyer may claim from the Seller as liquidated damages and not by way of penalty for each full week of the delay up to 0.5 per cent of such part of the contract price as is attributable to the delayed portion of the contract up to a maximum of 5 per cent of the amount so attributable. Such sum shall be accepted by the Buyer in full satisfaction of all claims against the Seller in respect or arising out of delay in delivery.**
- D. If for any reason beyond the Seller's control the Buyer is unable to accept delivery on the specified date the Seller shall be entitled to submit a claim for payment as if delivery had taken place. The Seller will also be entitled to be paid the amount of any additional loss and expense arising from the delay. The Seller will store Goods at the Buyer's expense pending acceptance of the Goods by the Buyer.**
- E. The Buyer shall be responsible for providing labour and equipment at the delivery point for the unloading of vehicles. The Seller will not be liable for shortages or for Goods damaged during transit unless written notice is given by the Buyer to both the Seller and the Carriers within three days of receipt of the Goods and unless a reasonable opportunity is given to inspect the Goods and unless a claim is made by the Buyer in writing within seven days after the termination of the transit.**
- F. The Seller shall be entitled to delay, suspend or cancel deliveries if the Buyer becomes bankrupt or makes any agreement or composition with his Creditors or goes into liquidation (otherwise than voluntarily for reconstruction or amalgamation purposes) or if a receiver is appointed.**

7. RISK AND PROPERTY:

- A. In the event that the goods are to be delivered by the Seller to a place nominated by the Buyer, the risk therein shall pass to the Buyer when the Goods are tendered for delivery at that place.**
- B. In the event that the Goods are to be collected by the Buyer from the Seller's premises, the risk therein shall pass to the Buyer when they are loaded onto the Buyer's vehicle or onto the vehicle of the Buyer's carrier or other agent or at such time as they are available for loading**

onto that vehicle and would have been loaded onto it had the Buyer duly collected them.

- C. The Buyer shall be solely responsible for ensuring that the Goods are adequately stored in dry accommodation under cover and in accordance with the Seller's recommendations after the risk therein has passed to the Buyer, and the Seller shall not be responsible for any loss or damage or deterioration of the Goods from whatever cause arising.**

- D. Until all sums due under this contract and for all other Goods agreed to be sold for which payment is then due have been received in cleared funds by the Seller the Goods shall remain the property of the Seller who shall be entitled to repossess all or any of the Goods if at any time the Buyer has defaulted in any payment and the Seller may enter onto any land of the Buyer for the purpose of so repossessing the goods.**

8. WARRANTIES AND LIABILITY:

- A. Subject to the conditions set out below the Seller warrants that the goods will correspond with their specification at the time of delivery and will be free from defects in material and workmanship.**
- B. The above warranty is given by the Seller subject to the following conditions:**
- a) the Seller shall be under no liability in respect of any defect in the Goods arising from any drawing, design or specification supplied by the Buyer;**
 - b) the Seller shall be under no liability in respect of any defect arising from fair wear and tear, willful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions (whether oral or in writing), misuse or alteration or repair of the Goods without the Seller's approval;**
 - c) the Seller shall be under no liability under the above warranty (or any other warranty, condition or guarantee) if the total price for the goods has not been paid by the due date for payment;**
 - d) the above warranty does not extend to parts, materials or equipment not manufactured by the Seller, in respect of which the Buyer shall only be entitled to the benefit of any such warranty or guarantee as is given by the manufacturer to the Seller.**
- C. Subject as expressly provided in these Conditions, and except where the Goods are sold to a person dealing as a consumer (within the meaning of the Unfair Contract Term Act 1977), all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.**
- D. Any claim by the Buyer which is based on any defect in the quality or condition of the Goods or their failure to correspond with specification shall (whether or not delivery is refused by the Buyer) be notified to the Seller within 7 days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure. If delivery is not refused, and the Buyer does not notify the Seller accordingly, the Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect or failure, and the Buyer shall be bound to pay the price as if the Goods had been delivered in accordance with the Contract.**

- E. Any valid claim in respect of any of the Goods which is based on any defect in the quality or condition of the Goods or their failure to meet specification must be notified to the Seller in accordance with these Conditions within 12 months from the date of delivery. The Seller shall be entitled to replace the Goods (or the part in question) free of charge or, at the Seller's sole discretion, refund to the Buyer the price of the Goods (or a proportionate part of the price), but the Seller shall have no further liability to the Buyer.**
- F. Except in respect of death or personal injury caused by the Seller's negligence, the Seller shall not be liable to the Buyer by reason of any representation (unless fraudulent), or any implied warranty, condition or other term, or any duty at common law, or under the express terms of the Contract, for any indirect, special or consequential loss or damage (whether for loss of profit or otherwise), costs, expenses or other claims for compensation whatsoever (whether caused by the negligence of the Seller, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods or their use or resale by the Buyer, and the entire liability of the Seller under or in connection with the Contract shall not exceed the price of the Goods, except as expressly provided in these Conditions.**

9. ALTERATIONS AND MODIFICATIONS:

The Seller may without notice to the Buyer carry out alterations or improvements in design, materials or methods of manufacture from time to time and may substitute other reasonably similar parts for any proprietary or special parts ordered by the Buyer and which the Seller considers to be unprocurable, or unprocurable in sufficient quantities or in sufficient time or procurable only with difficulty or at excessive cost.

10. FORCE MAJEURE:

The Seller shall not be liable for any loss or damage caused by delay in the performance or non performance of any of its obligations hereunder where the same is occasioned by any cause whatsoever beyond the Seller's reasonable control including, but not limited to: any act of God; war; civil disturbance; requisitioning; governmental or parliamentary restrictions; strike, lockout or trade disputes (whether involving the Seller's employees or those of any other person); difficulties in obtaining labour or materials; breakdown of machinery; fire; or accident. Should any such event occur the Seller may cancel or suspend this Contract without incurring any liability for any loss or damage thereby occasioned.

11. DELAY OCCASIONED BY THE BUYER:

- A. The Buyer shall promptly furnish all designs, templates, information and instructions necessary for the Seller to be able to undertake performance of the Contract.**
- B. The Buyer will be liable to the Seller for all extra cost, loss and damage suffered by the Seller in the event of any suspension or disruption of work resulting in whole or in part from any instructions, lack of instructions, interruptions, overtime, unusual hours of work, or delays on the part of the Buyer.**

12. INTELLECTUAL PROPERTY RIGHTS:

If Goods supplied by the Seller are the subject of a claim that they infringe intellectual property rights owned by a third party, the Seller shall at its own cost:

- A. obtain from the claimant the right to use the infringing product or**
- B. modify the product so that it ceases to infringe or**
- C. replace the product with an equivalent, non-infringing item.**

The Seller's obligations under this clause shall be discharged unless the Buyer promptly notifies the Seller of any claim of infringement, does nothing to compromise the Seller's case in relation to the alleged infringement and yields all settlement negotiations to the Seller.

13. CANCELLATION:

No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in Writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by the Seller as a result of cancellations.

14. WAIVER:

No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.

15. GOVERNING LAW:

The contract shall be construed in accordance with and governed by the Laws of England and the Buyer agrees to submit to the non exclusive jurisdiction of the English courts.