

Terms and Conditions of Sales

1. DEFINITIONS AND INTERPRETATION

1.1 In these Terms and Conditions, the following words and phrases shall have the following meanings: “Customer” means the company or individual issuing the purchase order, reference to the “Customer” in these Terms and Conditions shall include reference to an employee of the Customer. “Precision Products (UK) Ltd” will hereby be referred to as PPUK. “Condition” means any one or more of these Terms and Conditions. “Goods” means the goods described in the Purchase Order. “Order Number” means the unique number that appears on the Purchase Order. “Parties” means the Customer and PPUK. “Price” means the price for the Goods given in the Purchase Order. “Purchase Order” means an order for the purchase of goods served by the Customer on PPUK which includes: - The Order Number - a description of the Goods; - the date and, if appropriate, time, for delivery of the Goods; - details of the delivery address; - details of the Customer’s address for invoices; - PPUK’s address for notices; and - the Price; and - any terms applying to the purchase of the goods which are additional to these Terms and Conditions. “Supplier” means Precision Products (UK) Ltd whose name appears as the addressee in the Purchase Order. “Terms and Conditions” means these terms and conditions for the supply of goods.

1.2 The headings in these Terms and Conditions are for ease of reference only and shall not affect the interpretation or construction of these Terms and Conditions.

1.3 Where the context permits, the use of the singular shall be construed to include the plural, and the use of plural the singular, and the use of any gender shall include all genders.

1.4 References to an Act of Parliament shall be deemed to include any subordinate legislation of any sort made from time to time under that Act.

1.5 References to any statute, enactment, order, regulation, code, or similar instrument shall be construed as a reference to the statute, enactment, order, regulation, code, or instrument as subsequently amended or re-enacted.

2. GENERAL

2.1 These Terms and Conditions together with the relevant Purchase Order, any specifications and plans provided by the Customer and any specific guarantee arrangements applying to the Goods constitute the contract between the Parties for the supply of the Goods (the “Contract”).

2.2 In the event of any conflict between a clause in these Terms and Conditions and a term of the Purchase Order, the term of the Purchase Order shall prevail.

2.3 The Contract constitutes the entire agreement between the Parties relating to the supply of the Goods and replaces all previous negotiations, agreements, understandings, and representations, whether verbal or in writing. However, nothing in the Contract shall limit or exclude any liability for fraud.

3. THE GOODS

3.1 Precision Products (UK) Ltd shall supply the Goods in accordance with the terms set out in the Purchase Order.

3.2 The Goods shall: a) be to the reasonable satisfaction of the Customer; b) be fit and sufficient for all purposes for which such Goods are generally used and for any specific purpose made known to PPUK by the Customer; c) be of the same quality and description as any sample provided; and d) comply with any requirements or specifications given on the Purchase Order.

4. DELIVERY

4.1 Precision Products (UK) Ltd shall deliver the Goods to the address for delivery given in the Purchase Order.

4.2 Where Precision Products (UK) Ltd requires access to the Customer's premises to deliver the Goods: a) PPUK shall agree delivery times with the Customer in advance (unless the Customer agrees otherwise); b) PPUK shall comply with any rules or security requirements applied by the Customer in relation to access to its premises.

4.3 Except where otherwise agreed by the Customer, delivery of the Goods shall include unloading the Goods at such place and in such manner as the Customer shall reasonably direct.

4.4 Precision Products (UK) Ltd shall deliver the Goods on or (where the Customer agrees) before the date or dates given in the Purchase Order.

5. PROPERTY AND RISK

5.1 Without prejudice to the Customer's other rights and remedies under this Contract, property and risk in the Goods shall pass to the Customer on acceptance of delivery.

6. DAMAGE TO GOODS IN TRANSIT

6.1 Any consignment of Goods dispatched by Precision Products (UK) Ltd for delivery to the Customer shall be accompanied by a delivery note prepared by Precision Products (UK) Ltd and marked with the order number from the Purchase Order. Where applicable, the delivery note shall also specify the means of transport, the place and date of delivery, the number of packages, the content of the packages, the weight and volume of the packages.

6.2 Where some or all of the Goods have been damaged in transit (or have failed to arrive at the Customer after dispatch by the PPUK) PPUK shall either repair or replace the Goods in provided always that: a) in the case of damage in transit the Customer has informed PPUK of the damage within 30 days of receiving the Goods; and b) in the case of non-delivery and where PPUK has notified the Customer of the intended date of delivery, the Customer has informed PPUK within 10 days of the notified delivery date that the Goods have not been received.

7. INSPECTION, REJECTION AND GUARANTEE

7.1 PPUK shall permit the Customer to inspect the Goods and shall provide all reasonable assistance to the Customer in undertaking an inspection.

7.2 The Customer shall not be taken to have waived any of its rights under this Contract (and in particular its right to reject the Goods) if it does not carry an inspection or if it approves the Goods following an inspection.

7.3 The Customer may, by written notice to PPUK, reject any of the Goods which fail to meet the requirements of this Contract, provided always that the Customer gives notice of such rejection within a reasonable time of receiving the Goods.

7.4 If the Customer rejects any of the Goods pursuant to this clause, it shall be entitled to: a) have the Goods concerned either repaired by PPUK or (at the choice of the Customer) replaced by PPUK with Goods which comply with this Contract; or b). obtain a refund of any payment it has made to PPUK.

7.5 Subject to any alternative guarantee arrangements made between the Customer and PPUK, the guarantee period applicable to the Goods shall be 12 months from date of invoice.

7.6 If, within the guarantee period or within 30 days thereafter, the Customer gives PPUK written notice of any defect which arose within the guarantee period under proper and normal use of the Goods, PPUK shall remedy such defect as quickly as possible (whether by repair or replacement, as the Customer shall choose) without cost to the Customer.

7.7 Any Goods rejected or returned to PPUK shall be returned at PPUK's expense.

8. LABELLING AND PACKAGING

8.1 The Goods shall be appropriately packaged and clearly labelled. The labelling and packaging shall comply with any reasonable requirements of the Customer of which PPUK is aware, and with any statutory requirements. In particular, if the packages contain any material which is hazardous, noxious, or dangerous this shall be clearly indicated.

8.2 All packaging shall be considered non-returnable and shall be destroyed unless PPUK indicates in the advice note accompanying the consignment of Goods that the packaging will be charged for unless it is returned. The Customer shall only accept liability for packaging that does not arrive at PPUK's premises following dispatch by the Customer if PPUK informs the Customer of its non-arrival within 10 days of receiving notification from the Customer that the packaging has been despatched.

9. INSTALLATION

9.1 Where the Purchase Order requires PPUK to install the Goods at the Customer's premises: a) PPUK shall make no delivery of plant, materials or equipment and shall not commence any installation work without the prior consent of the Customer; b) PPUK shall carry out the installation work diligently and with reasonable skill and care; c) PPUK shall comply with the Customer's requirements relating to access to and use of its premises and shall co-ordinate its work with any other employee or contractor who is carrying out work for the Customer; and d) PPUK shall keep the Customer's premises clean and tidy at all times and shall remove all plant and unused materials when the installation work is complete. SHORT FORM GOODS – NOVEMBER 2011 Version: 22 July 2011 9.2 The Customer shall have the power at any time during any installation works to give notice to PPUK requiring: a) the removal from its premises of any materials which are hazardous or noxious or not in accordance with the Contract; b) the substitution of proper and suitable materials; and/or c) the removal and re-execution of any installation work or any Goods which are not in accordance with the Contract.

10. PAYMENT

10.1 In consideration of the supply and delivery of the Goods by PPUK, the Customer shall pay PPUK the Price.

10.2 PPUK shall submit an invoice for the Goods to the Customer's address or email address for invoices given in the Purchase Order. The invoice shall contain the Order Number given in the Purchase Order, a full description of the Goods supplied and the Price.

10.3 Where the Goods have been delivered and are in accordance with the Contract, the Customer shall pay PPUK's invoice within the agreed payment terms stated on the invoice.

10.4 In addition to the Price, the Customer shall (where applicable) pay PPUK a sum equivalent to any Value Added Tax chargeable on the Goods supplied.

11. RECOVERY OF SUMS DUE

11.1 If any sum is recoverable from or payable by PPUK under the Contract, that sum may be deducted from any sum then due or which at a later date becomes due to PPUK under the Contract or under any other agreement with the Customer.

12. INTELLECTUAL PROPERTY

12.1 Where the Goods are made up in accordance with a design supplied by the Customer, PPUK warrants that none of the Goods shall infringe any patent, trademark, registered design, copyright, or other rights in industrial property of any third party.

12.2 PPUK shall indemnify the Customer against all actions, demands, charges, expenses, and costs (including legal costs on a solicitor and client basis) which the Customer may incur as a result of or in connection with any breach of Condition

13. HEALTH AND SAFETY

13.1 PPUK warrants and represents that: a) it has satisfied itself that all necessary examinations have been made prior to delivery of the Goods, to ensure that the Goods are designed and constructed so that they can be used without risk to health and safety; and b) that it has made available to the Customer adequate information about any conditions necessary to ensure the Goods can be used safely and without risk to health.

13.2 PPUK shall indemnify the Customer against all actions, demands, charges, expenses, and costs (including legal costs on a solicitor and client basis) which the Customer may incur as a result of or in connection with any breach of Condition

13.3 PPUK shall notify the Customer of any health and safety hazards that may arise in connection with the performance of this Contract.

13.4 The Customer shall notify PPUK of any health and safety hazards which may exist or arise at its premises, and which may affect PPUK. PPUK shall draw these hazards to the attention of any of its employees, subcontractors or agents who may be affected by them and instruct such persons in connection with any necessary safety measures.

14. CONFIDENTIALITY AND OFFICIAL SECRETS

14.1 PPUK undertakes to comply and to procure that its employees comply with the provisions of the Official Secrets Acts 1911 to 1989.

14.2 PPUK undertakes to keep secret and not to disclose and to procure that its employees, sub-contractors, and agents keep secret and do not disclose any information of a confidential nature which it has obtained by reason of this Contract. Nothing in this Condition applies to information that is already in the public domain or the possession of PPUK, other than by reason of breach of this Condition.

15. SECURITY MATTERS

15.1 PPUK shall conduct an annual self-assessment of its compliance with the Customer's security policy (details of which shall be provided to PPUK) and shall report such findings to the Customer's nominated representative in the manner requested by the Customer's representative.

15.2 The Customer may make available a particular self-assessment tool to assist its suppliers (including PPUK) in conducting the self-assessment referred to in Condition 15.1 and if the Customer does so, PPUK shall use that self-assessment tool.

16. ENVIRONMENTAL MATTERS

16.1 PPUK confirms that: a) the process used in the manufacture of the Goods relied on minimal use of ozone depleting substances, toxic chemicals and other pollutants including lead, methyl chloroform and formaldehyde; b) that minimal dependence has been made on non-renewable natural resources such as non-sustainably produced hardwoods; c) in the manufacture of the Goods and in the choice of any packaging for the Goods, it has given preference to Goods that have maximum recyclability or, where cost effective recycling is impracticable, maximum biodegradability.

17. INDEMNITY AND INSURANCE

17.1 Without prejudice to any rights or remedies of the Customer, PPUK shall indemnify the Customer against all actions, demands, losses, expenses and costs (including legal costs on a solicitor and client basis) which the Customer may suffer or incur as a result of or in connection with any damage to property or any injury (whether fatal or otherwise) to any person which may result directly or indirectly from any defect in the Goods, or any negligence or breach of this Contract by PPUK.

17.2 PPUK warrants that it has in place with a reputable insurance company a policy or policies of insurance covering all the indemnities under this Contract. At the request of the Customer, PPUK shall produce the relevant policy of insurance together with evidence of payment of its latest premium.

18. CHANGE CONTROL

18.1 There shall be no change to the amount of or description of the Goods or the Price unless the Customer has issued a new purchase order in substitution for the Purchase order. These Terms and Conditions shall apply to any new purchase order and the new purchase order shall become "the Purchase Order" for the purpose of this Contract from the moment it is received by PPUK.

18.2 This Contract may not be varied or amended unless the variation or amendment is in writing and agreed by authorised representatives of both the Customer and PPUK.

19. ASSIGNMENT OR SUB-CONTRACTING

19.1 Sub-contracting of this Contract shall in no way relieve PPUK of its obligations under the Contract.

19.2 Where PPUK enters a sub-contract with a supplier or contractor for the purpose of performing this Contract it shall ensure that the sub-contract has a term requiring PPUK to pay that supplier or contractor within 30 days of receipt of a valid invoice.

20. RIGHTS OF THIRD PARTIES

20.1 This Contract shall not create any rights that are enforceable by anyone other than the Parties.

21. TERMINATION

21.1 Without prejudice to any other rights or remedies of the Customer under this Contract, the Customer shall have the right forthwith to terminate this Contract by written notice to PPUK or his trustee in bankruptcy or receiver or (if a company) its liquidator or administrator, if PPUK shall have a receiver appointed over all or a substantial part of his or its assets or (if an individual) be declared bankrupt or shall go into liquidation or have an administrator appointed to manage its affairs.

21.2 The Customer shall be entitled to terminate this Contract by notice to PPUK with immediate effect if PPUK has committed a material breach of this Contract and (if such breach is capable of remedy) has failed to remedy such breach within thirty days of being required by the Customer in writing to do so: or

22. NOTICES

22.1 Any notice or other communication given under or pursuant to this Contract must be given in writing and must be delivered in person or sent by post. Communications must be sent to the address for communications given in the Purchase Order (which may be altered at any time by the altering Party giving the other Party 15 days' notice of a changed address). Communications to the Customer must be sent to the address given for the buyer contact in the Purchase Order and not to the address for invoices.

22.2 A notice or communication shall be deemed to have been received 2 working days after posting in the case of first-class delivery and 4 working days after posting in the case of second-class delivery unless the receiving Party proves otherwise.

23. Freedom of Information

23.1 PPUK and the Customer shall comply with the Freedom of Information Act 2000 (the "FOI Act"), any subordinate legislation made under the FOI Act and any guidance issued by the Information Commissioner, in relation to the Contract.

23.2 PPUK agrees to assist and cooperate with the Customer to enable the Customer to comply with its obligations under the FOI Act whenever a request is made for information which relates to or arises out of this Contract and/or the supply of the Goods.

24 DISPUTES AND MEDIATION

24.1 Before resorting to litigation, the Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with this Contract.

24.2 If the Parties are unable to resolve the dispute, either party may, at any time, refer the dispute to mediation by a neutral advisor or mediator ("the Mediator").

24.3 If the Parties are unable to agree on a Mediator within 7 days of the request by one party to refer the dispute to mediation, they shall apply to the Centre for Dispute Resolution ("CEDR") to appoint a Mediator.

24.4 The Parties shall seek to agree directions for how the mediation is conducted and, failing agreement, they shall seek directions from the Mediator.

24.5 If the Parties reach agreement on the resolution of their dispute the agreement shall be reduced to writing and shall be binding.

25 PRICE ESCALATION CLAUSE

25.1 PPUK maintains the right to escalate the agreed price in accordance with changes in raw material costs during the period between issuing of Sales Order Acknowledgement and issuing of Sales Invoice. Such amendment will be made, in the event of raw material prices increasing. The determination of such an increase will be where the market value as taken on the day of Purchase Order Acceptance reaches a level of 3% higher, this increased material price will be passed directly to the buyer in order for a revised Purchase Order to be issued.

26 LEAD-TIME ESCALATION CLAUSE

26.1 PP-UK reserves the right to amend the confirmed lead-time in accordance with changes in raw material availability, during the period between issuing of Sales Order Acknowledgement and issuing of Sales Invoice. Such amendment will be made in the event of the raw material/minerals availability changing. Upon PP-UK being notified of such a delay the amended delivery date will be notified to the buyer for their awareness.

27 GOVERNING LAW

27.1 Unless the Purchase Order specifies otherwise, this Contract shall be governed by and construed in accordance with the law of England and Wales and shall be subject to the exclusive jurisdiction of the courts of England and Wales.