

## **1. DEFINITIONS**

"the Company" means Euro-Tech (Export) Limited.

"the goods" means any goods specified on the order acknowledgement form of which these conditions form part.

"the Customer" means the person, firm or company with whom the sale or supply of goods is concluded.

"the price" means the price of the goods and any other charges specified by the Company either orally or in any documentation.

"specification" means the technical description (if any) of the goods, contained or referred to in the order.

"the order" means the order placed by the Customer for the supply of the goods.

## **2. GENERAL**

(a) Whenever the Company supplies any goods or services or gives any information or advice to the Customer, whether gratuitously or otherwise, it does so subject to the following conditions which shall be deemed to be incorporated in contracts between the Company and its Customers. If and insofar as in any case a condition or part of a condition shall be void or illegal under any legislation or the common law, that condition or part of the condition shall to that extent not apply but without prejudice to the rest of the condition or conditions.

(b) The following conditions may not be modified or varied unless agreed to in writing by the Company and the Company shall not be deemed to accept such other conditions nor waive any of these conditions by failing to object to provisions contained in any purchase order or other communication from the Customer.

(c) The headings of these conditions are for convenience only and shall have no effect on the interpretation of the conditions.

## **3. QUOTATIONS AND ACCEPTANCES**

No estimate or quotation by the Company constitutes an offer. The contract is made only when the Company has indicated its acceptance of an order in writing.

## **4. PRICE**

(a) Unless otherwise stated the price is exclusive of the cost of packing, insurance and delivery and of Value Added Tax and is subject to a charge to cover packing, insurance, carriage and where relevant documentation and Chamber of Commerce and Consular fees, and to the addition of any liability for tax and duties.

(b) The price is based on current costs at the date of quotation. The Company reserves the right at any time prior to the delivery of the goods to adjust the price to take account of any increase in the costs to it of materials, labour or services or of any currency fluctuations which increase the costs to it of goods imported into the United Kingdom, and to amend any errors or omissions. Furthermore, where goods are ordered from the Company's suppliers on behalf of Customers, either as an individual order or as the completion of order following a part delivery, the Company reserves the right to modify its price to the Customer in the event of the supplier increasing its price to the Company after the time of quoting to the Company.

In the event of price changes being made for any of the reasons specified in this condition, the Company will, as soon as it is able, inform the Customer of the revised price and the Customer shall thereupon be entitled to cancel its order or outstanding part thereof without incurring the penalties set out in condition 14 below.

(c) In the event of any variation of suspension of orders through the Customer's instructions or lack of instructions prices may be increased to cover any extra expenses thereby incurred by the Company.

(d) On sales by the Company expressed to be EX-WORKS, FOB, CIF, C&F, FCA or any other terms, these conditions shall be interpreted under the Incoterms 2000 but the Company will charge and the Customer shall pay all the expenses to the Company of arranging delivery on these terms.

## **5. INFORMATION**

All drawings, illustrations, designs, specifications, descriptions, price lists, catalogues, other information or representations, whether oral or written, issued or made by the Company, shall not form part of any contract unless expressly incorporated therein. The seller shall make every effort to ensure the accuracy of technical data or literature relating to goods, but the seller (so far as permitted by law) accepts no liability in contract, tort or otherwise for any damage or injury arising directly or indirectly from any error or omission in the technical data or literature.

## **6. NON UK MADE COMPONENTS**

Where it is possible to give details of individual manufacturers of components imported from outside the United Kingdom for Chamber of Commerce or Consular purposes the Company is willing to do so on request but shall not be liable for any omission to do so. The Company shall in any event not be liable to obtain other than United Kingdom Chamber of Commerce certificates or to arrange for Consular legalisation outside the United Kingdom.

## **7. COPYRIGHT**

All drawings, descriptions, price lists and other information issued by the Company shall remain the property of the Company together with the copyright therein.

## 8. INDUSTRIAL PROPERTY RIGHTS

If any claim shall arise whereby it is alleged that the sale, use or any other dealing with goods infringes trade marks, trade names, patents, copyrights, registered designs or any industrial property rights of third parties, the Customer shall forthwith notify the Company thereof and give every assistance to the Company in connection with such claim as the Company may reasonably require and shall not in itself handle, deal with or compromise any such claim except with the written consent of the Company.

## 9. DELIVERY

(a) Time of delivery is not to be nor to be made capable of being made of the essence of the contract. Any times quoted for delivery are estimates only and the Company shall not be liable for failure to deliver within the time quoted. The Customer must take delivery of any goods within seven days of despatch by the Company of a notice requesting the Customer to take delivery. If the customer fails to take delivery of the goods as so provided, or if the Company does not allow the Customer to take delivery of the goods because the Customer has not complied with the provisions relating to payment, the Customer shall be liable to the Company for any loss occasioned by its failure to take delivery and also for a reasonable charge for the care and custody of the goods, provided that nothing in this clause shall affect the rights of the Company where the failure to take delivery amounts to a repudiation of the contract.

(b) Subject to express instructions in writing given by or on behalf of the Customer, the Company reserves absolute discretion as to the means, route and procedure to be followed in the handling, storage and transportation of the goods.

(c) Risk in the goods shall on delivery pass to the Customer. Section 32(3) of the Sale of Goods Act 1979 shall not apply.

(d) Claims for loss or damage in transit or shortage of or delay in delivery will only be considered by the Company if, in the case of loss, the carrier and the Company are notified in writing within fourteen days of receipt by the Customer of the Company's invoice, and in the case of damage, shortage of delay so notified of the nature and extent thereof within fourteen days after delivery.

(e) Unless otherwise agreed in writing, the Company shall be entitled to make partial deliveries or deliveries by instalments and the conditions herein contained shall apply to each partial delivery.

(f) Deviation in quantity of the goods delivered (representing not more than 10% by value) from that stated in the contract shall not give the Customer any right to reject the goods or to claim damages and the Customer shall be obliged to accept and pay at the contract rate for the quantity of the goods delivered.

(g) In the event of the Customer rejecting the goods by reason of the goods not being in accordance with the contract, the Customer shall, when giving notice of such rejection, specify the reasons therefore and shall, subject to condition 13 below, forthwith return the rejected goods to the Company.

## 10. PAYMENT

(a) Cash with order by Draft or Cheque drawn on a clearing bank in the United Kingdom.

(b) Irrevocable Letter of Credit drawn for payment in London at sight and in Sterling. Notwithstanding the provisions of condition 9 above and part shipment must be allowed and paid for.

(c) Net cash against documents, which shall be acceptable by the Company only after approval by the Company of any one bank and two trade references.

(d) For UK Confirming Houses, Shippers and Customers within the EC: Net monthly terms (subject to satisfactory references): Payment to be made by the twentieth day of the month in which the goods are despatched.

(e) Payment can be accepted by Access, Visa, Mastercard and American Express.

## 11. VALUE ADDED TAX

Where chargeable Value Added Tax will be charged at the rate applicable at the date of despatch.

Where a supply of Products or Services takes place within the United Kingdom, VAT must be charged at the Standard Rate applicable even if they are claimed to be for subsequent Export.

Where a supply of Products or Services takes place within another European Community Member State, VAT will not be charged providing an EC VAT Registration Number is held on our records (the Destination System). If the Customer is unregistered, VAT must be charged at the Standard Rate applicable (the Origin System).

Where a supply of Products of Services is made outside the United Kingdom or other EC Member States, VAT will be Zero-Rated provided the conditions of VAT Notice 703 apply.

## 12. LETTERS OF CREDIT

The company will accept Letters of Credit only on the following conditions: The Letters of Credit must be subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision ICC Publication No. 500) and

(a) be irrevocable and confirmed by a recognised bank in England;

(b) provide for payment of the Company at sight, in Sterling and in the United Kingdom;

(c) allow part shipment;

(d) specify that the Customer will pay for all the costs of and incidental to the Letters of Credit;

(e) conform to the Company's quotation with regard to price, method of despatch and validity;

(f) allow the Company a reasonable time within which to ship and present documents;

(g) indicate if necessary the Country of Origin and if relevant to state "Origin - various";

(h) be written in English.

### **13. RETURNS**

No goods may be returned for credit without the written consent of the Company.

### **14. CANCELLATIONS**

Any order for stock items cancelled after the day following the Company's receipt of such orders shall be subject to an administration charge of £15.00 or 20% of the value of the order, whichever shall be greater. When goods are specially ordered by the Company from a supplier on behalf of the Customer the Customer shall re-imburse the Company for any charges levied by the supplier in respect of cancellations by the Customer together with the aforementioned administration charge in respect of the processing of the original order and the cancellation.

### **15. RESERVATION OF TITLE**

(a) The ownership and legal title to the goods shall remain in the Company until the Company has received payment in full for:

(i) the goods the subject of this contract and

(ii) all other goods the subject of any other contract between the Company and the Customer which have been delivered to the Customer but payment for which is still outstanding at the time of payment in full for the goods the subject of this contract. Until the date of payment the Customer is required to store goods in such a way that such goods are clearly the property of the Company.

(b) If the Customer sells the goods prior to making payment in full for them, the legal entitlement of the Company therein shall attach to the proceeds of such sale or to the claim for such proceeds.

(c) Should the goods, whilst in the legal ownership of the Company, be subject to processes which result in their becoming part of a new product or products, the Company shall be the legal owner of such new product or products and the Customer shall keep the same on behalf of the Company in the capacity of fiduciary owner. The Customer shall store such new product or products in such a way that it or they can be recognised as the property of the Company. The Customer shall be permitted to sell and deliver the new product or products to a third party in the normal course of business provided that as long as the Customer has not discharged its indebtedness to the Company, the Customer shall hand over to the Company the proceeds of the re-sale.

(d) So long as the goods remain in the legal ownership of the Company, the Company shall have the right, without prejudice to the obligation of the Customer to purchase the goods, to take possession of the goods (and for that purpose to go upon any premises occupied by the Customer).

(e) The Company may maintain any action for the price notwithstanding that the property in the goods may not have passed to the Customer.

### **16. RIGHT OF RETENTION**

The Company shall have the right to retain any goods in the possession of itself or its agents and a particular lien over such goods in order to secure the payment to it of any monies due to it in respect of those goods from the Customer or from the owner or the consignee thereof. The rights of retention and lien shall be exercised as soon as the goods come into possession of the Company or its agents.

### **17. GUARANTEE**

The Company will, at its option, either replace, repair or issue credit to the Customer for any goods found to be defective by reason of faulty materials or poor workmanship provided that:-

(a) the Company is notified in writing within fourteen days of the discovery of any such defects by the Customer and in any event not later than twelve months from the date of delivery;

(b) the defective goods are returned to the Company accompanied by a Field Failure Report or a letter stating in full the reasons why the goods are believed by the Customer to be defective, transportation charges being pre-paid by the Customer;

(c) examination by the Company of such goods shall disclose to its satisfaction that such defects have not been caused by misuse, neglect, improper installation, improper repair, alteration or accident;

(d) the Customer shall pay to the Company the costs (as certified by the Company) of any examination of such goods as a result of which the Company does not admit liability;

(e) this guarantee does not extend to any goods of parts thereof sold but not manufactured by the Company but the Company will, as far as possible, pass to the Customer the benefit of any guarantee given to the Company by the manufacturers thereof.

### **18. EXCLUSION OF LIABILITY**

(a) Save as expressly provided for in condition 17 above, the Company shall be under no liability whether in contract, tort or otherwise in respect of loss or shortage of, damage to or defects in the goods or of delay in delivery unless the same shall be proved to have been due to the wilful act(s), wilful neglect or wilful default of the Company, its officers, servants or agents.

(b) The Company shall in no circumstances be liable for any loss or damage whether consequential or otherwise sustained by the Customer, its employees, agents or representatives or third parties by reason of any breach of contract, misrepresentation or any defect in the goods.

**19. FORCE MAJEURE**

The Company shall not be under any liability of whatsoever kind for non-performance in whole or in part of its obligations under the contract due to causes beyond the control either of the Company or of the Company's suppliers, including, but not limited to, acts of God, acts of the Customer or a third party, war, sabotage, insurrection, government regulations, embargoes, strikes, labour disputes, illness, flood, fire, tempest, delay in delivery to the Company or to the Company's suppliers or shortage of any goods or materials. In any event, the Company may, without liability, cancel or vary the terms of the contract including but not limited to extending the time for performing the contract for a period at least equal to the time loss by reason of such events.

**20. BREACH OF FINANCIAL CONDITIONS**

- (a) If any of the Customer's obligations to the Company are not fulfilled or if the Customer's financial or other condition at the time does not, in the Company's unfettered judgment, justify continuance of the contract on the terms of payment specified, the Company may, without prejudice to any other rights it may have, cancel any outstanding order with the Customer and suspend any deliveries or manufacture of any of the goods unless the Customer makes such payment for any of the goods ordered as the Company may require.
- (b) If an order is so cancelled or suspended by the Company or if an order is cancelled or suspended by the Customer, the Customer shall indemnify the Company on demand against all losses (direct or indirect, which later shall include loss of profit and of contract), costs (including the costs of all labour and materials used and overheads incurred), damages, charges and expenses arising out of the order and the cancellation or suspension thereof (the Company giving credit for the value of any such materials sold or utilised for other purposes).
- (c) If you fail to make any payment by the due date then, without prejudice to any other right or remedy available to us, the Company shall be entitled to charge you interest (both before and after any judgment on the amount unpaid) at the rate of 5 percent per annum above the Barclays Bank base rate from time to time until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest).

**21. INDEMNITY**

The Customer shall comply with these conditions and all instructions of the Company and all obligations expressed or implied, by common law or by statute in relation to the use, processing, storage and sale of the goods and shall indemnify the Company against any costs, claims, demands, expenses or liability (including liability for any indirect losses including, but not limited to, loss of profit or of contracts) which the Company may incur of whatsoever nature and howsoever arising out of or in connection with any breach of such conditions, instructions or legal obligations.

**22. ASSIGNMENT**

The Customer shall not assign or transfer or purport to assign or transfer the contract or the benefit thereof to any person.

**23. SUB-CONTRACTS**

The Company reserves the right to sub-contract the performance of the contract or any part thereof.

**24. NOTICES**

Any written notice or consent to be given hereunder shall be deemed to have been duly given if sent or delivered to the Customer at any of its places of business and which may be made by letter, fax, telex or E.Mail.

**25. PROPER LAW AND JURISDICTION**

- (a) This contract shall be governed by English Law and the English Courts shall have exclusive jurisdiction in any dispute which may arise.
- (b) By entering into a contract the Customer hereby irrevocably submits to the non-exclusive jurisdiction of the High Court of England and agrees that any legal proceeding against the Company shall be brought only in the High Court of England. The Company may bring legal proceedings against the Customer in any jurisdiction whatsoever.