

Standard Terms and Conditions of Sale

1. Definitions

- 1.1 "The Company" shall mean Precision Engineering Components Ltd.
- 1.2 "The Customer" shall mean the person, firm or company that contracts with the Company for the purchase of Goods or Services.
- 1.3 "The Goods" shall mean products of any kind manufactured or sold by the Company.
- 1.4 "The Services" shall mean work of any kind carried out by the Company.
- 1.5 "The Quotation" shall mean the Company's written quotation for the supply of Goods or Services.

2. General

These terms and conditions apply to the sale of Goods and the supply of Services by the Company and no variation or modification or substitution of these terms and conditions (even though included in or referred to in the document placing the order) shall be binding on the Company unless specifically accepted by the Company in writing.

3. Validity of Quotation

Unless previously withdrawn, a Quotation issued by the Company is open for acceptance within thirty days only from the date thereof and does not hold good for any greater period.

4. The Order

4.1 Orders may be placed with the Company in writing, verbally by telephone or in person. Orders made verbally must be confirmed by the Customer in writing within 5 workdays.

4.2 An order placed by the Customer must be accompanied by sufficient information including a delivery address in the UK (if none is specified in the Quotation) in a format acceptable to the Company, and (where the Customer is to supply materials, including part complete Goods, tools, drawings or other goods or facilities) sufficient Goods and/or facilities to enable the Company to proceed with the order forthwith, otherwise the Company is at liberty to amend the quotation price to cover any increase in cost, which have taken place after acceptance of the Quotation.

4.3 An order placed by the Customer in accordance with these terms and conditions shall constitute an individual legally binding contract between the Company and the Customer and such contract is referred to hereafter as an "Order".

5. Cancellation

An Order cannot be cancelled except by mutual agreement in writing and then only on terms which fully identify the Company against costs, losses and liabilities incurred by virtue of the cancellation.

6. Variation

6.1 In the event that information given by the Customer to the Company with an Order varies from that on which the Quotation was based, the Company may increase the price quoted thereon to cover any increase in cost that the variation may give rise to, and amend the delivery date and the Order shall be deemed to be so amended.

6.2 Notwithstanding the provisions of clause 3 hereof, Quotations are based on the costs to the Company of labour, components, materials, wage rates and prices ruling on the date thereof. In the event of any substantial variation in costs before the delivery of the Goods or supply of the Services, the Company reserves the right to revise prices commensurate with such variation, for that part of the Order outstanding which shall be deemed to be varied accordingly.

7. Customer's Material as Free Issue

7.1 The Customer's property and all property supplied to the Company by or on behalf of the Customer will be held at the Customer's risk.

7.2 Every care will be taken to secure the best results with tools and or materials and part complete components supplied by the Customer, but responsibility will not be accepted for the cost of replacing such items by the Company. The Company will only accept responsibility for the cost of the work carried out by the Company.

8. Delivery Times

8.1 Efforts will be made to effect delivery in accordance with pre-arranged dates, but no guaranteed delivery date by the Company is to be implied and the Company will not accept liability for any loss or damage occasioned by delay in delivery however caused.

8.2 Delay in delivery does not give the Customer the right to cancel an order.

9. Damage, Shortage and Loss

9.1 In the event that the Company delivers the Goods to the Customer or uses a carrier to do so the Customer must notify the Company and the carriers (if applicable) within 24 hours of delivery of any damage, shortage or loss.

9.2 The Company shall not be liable for any consequential or indirect loss arising from any damage, shortage or loss of Goods to the Customer.

10. Faults in Materials or Manufacture

If any fault or defect is proved to be due to bad workmanship performed by the Company, notification in writing of such fault or defect must be made to the Company within 30 days of delivery and the relevant goods returned to the Company within 14 days of written request for the same, to the Company. The Company will not in any circumstances be liable for any amounts greater than the net invoice value of any defective or faulty Goods and will incur no liability whatsoever for any further or consequential loss to the Customer. Subject thereto, the Company may at its own expense and its own option repair or replace the defective or faulty Goods but save as aforesaid all liability on the part of the Company howsoever arising and all conditions or warranties expressed or implied, statutory or otherwise as to the quality or fitness of the Goods for any purpose are, subject to clause 14, hereby expressly excluded.

11. PRICE

11.1 THE PRICE QUOTED IS EX-WORKS AND EXCLUDES VALUE ADDED TAX.

11.2 THE WHOLE OF THE PRICE IS DUE ON THE DATE ON WHICH THE COMPANY GIVES NOTICE TO THE CUSTOMER THAT THE GOODS ARE READY FOR COLLECTION OR DESPATCH.

11.3 WHERE THE COMPANY HAS APPROVED THE CUSTOMER'S CREDIT FACILITIES THE CUSTOMER SHALL PAY WITHIN 30 DAYS OF RECEIPT OF THE COMPANY'S INVOICE. IN DEFAULT OF PAYMENT ON THE DUE DATE, THE COMPANY MAY WITHOUT PREJUDICE TO ITS RIGHTS HEREUNDER, CHARGE THE CUSTOMER INTEREST ON ALL OVERDUE PAYMENTS AT THE RATE OF 2% PER MONTH OR PRO-RATA PER DIEM FROM THE DATE THE PAYMENT WAS DUE UNTIL THE DATE PAYMENT IS MADE TO THE COMPANY (BOTH BEFORE AND AFTER JUDGMENT). THE COMPANY SHALL AT ITS DISCRETION (WITHOUT PREJUDICE TO ITS RIGHTS TO TREAT THE ORDER AS REPUDIATED AND CLAIM DAMAGES) BE ENTITLED TO WITHHOLD OR DESPATCH OF ALL (OR ANY PART OF) THE GOODS AND PROPERTY OF THE CUSTOMER, AND TO SUSPEND THE PROVISION OF ALL SERVICES, UNTIL ALL MONIES OWING TO THE COMPANY BY THE CUSTOMER HAVE BEEN PAID IN FULL.

12. Title in the Goods/General Lien

12.1 Title in the Goods shall not pass to the Customer until the Company has received payment for them in full. Presentation of a cheque shall not for the purpose of this clause be regarded as a payment until the drawer's bank shall have made payment.

12.2 If payment is not made by the Customer within thirty days of the date of the invoices aforesaid or the Customer has a winding up petition or a petition for administration order presented against it or the Customer resolves to present his own winding up petition, the Directors or Officers present a petition for administration order, or an administrative receiver, or receiver or receiving manager is appointed in respect of any property held by the Customer or if the Customer calls a meeting of its creditors or any of them or makes application to the Court under section 425 of the Companies Act 1985, or submits to its creditors or any of them a proposal pursuant to section 1 of the Insolvency Act 1985 or enters into any arrangement, scheme, compromise moratorium or composition with its creditors or any of them, then the Company may retake possession of the Goods, and for that purpose shall, and is hereby authorised to enter any premises occupied or owned by the Customer.

12.3 In addition to any right of lien to which the Company shall be entitled, the Company shall (in the event of the Customer's insolvency) be entitled to a general lien on all Goods of the Customer in the Company's possession (although such Goods or some of them may have been paid for) for the unpaid price of any Goods sold or delivered to the Customer by the Company under the same or any other order.

12.4 Notwithstanding that title has not passed, the Company shall be entitled to sue for their price upon payment becoming overdue.

13. Risk in the Goods

If carriage is arranged by the Company, the risk in the Goods shall pass to the Customer on arrival at the point of delivery. In all other cases, risk in the Goods shall pass to the Customer on their removal from the Company's premises.

14. Liability

14.1 The Customer agrees that apart from the express terms and conditions herein or in the Quotation or any document expressly stipulated herein to form part of the Order and to be outside the provisions of this clause, no statement or representation has been made by the Company relating to the Goods or if such statement or representation has been made, the Customer warrants that the Customer understood it to be a statement of opinion only upon which no reliance has been placed.

14.2 No liability is accepted for any direct or indirect cost, damage or expense relating to property or injury or loss to any person, firm or company or for any loss of profits or production arising out of or occasioned by any defect in or failure of materials or for parts thereof supplied by the Company or other special or consequential loss howsoever arising (except to the extent that any such exclusion of liability may be prohibited by statute).

14.3 The Company's liability whether in respect of one claim or in aggregate arising out of any Order shall not exceed the price payable under the Order.

14.4 Insofar as any condition herein contained shall be found to be void and yet would have been valid had some part of it been deleted, such part shall be deemed to have been deleted ab initio to such an extent necessary to render such condition valid and effective.

14.5 Where the Customer is a natural person and if and to the extent that s. 2(1) of the Unfair Contract Terms Act 1977 applies to the Order, nothing in these terms and conditions shall operate or be construed to operate so as to exclude or restrict the liability of the Company for death or personal injury caused to the Customer by reason of the negligence of the Company or of its servants, employees or agents.

15. Confidential Information

All drawings, documents and other information supplied by the Company is supplied on the express understanding that the Customer shall treat the same as confidential, and shall not without prior written consent from the Company either (i) disclose or part with possession of any such drawings (or extracts therefrom or copies thereof) or (ii) use them in any way except for the express purpose for which they were supplied.

16. Customer Drawings and Intellectual Property

16.1 The Company accepts no responsibility for the accuracy of information or drawings supplied by the Customer.

16.2 The Customer shall indemnify the Company from and against all actions, claims, costs and proceedings which arise due to the manufacture of components to the drawings and specifications of the Customer where such drawings and specifications shall be at fault or where it is alleged that they involve an infringement of a patent, registered design, copyright, trade mark or other intellectual or industrial property right.

16.3 The Customer shall not alter, deface, reproduce or use any of the Company's trade marks or other intellectual or industrial property rights.

17. Data

Illustrations, weights, measures, specifications and performance schedules set out in the sales literature of the Company are statements of opinion only and are provided for indicative information only and form no part of the Order.

18. Sub-Contractors

The Company shall be entitled to appoint one or more sub-contractors to carry out all or any of its obligations hereunder.

19. Supplies not registered in ISO 9002

The Company may buy-in certain items from suppliers who are outside the Company's scope for registration to ISO 9002. The Customer should approach the Company's Quality Assurance Department for clarification on non-conforming parts.

20. Delivered Quantity

The Company reserves the right to over or under-deliver to the extent of 5% of the quantity given on the Quotation except for batches of 20 or less when the permissible quantity over or under-delivered will be 1. The Company will then invoice for the appropriate quantity.

21. General

Any conditions made by the Customer on invitation to tender specifications or orders addressed to the Company shall be subject to and shall not in any way modify or annul these conditions unless expressly agreed in writing by a Director of the Company. Typographical errors or omissions shall be subject to correction.

22. Force majeure

The Company shall not be responsible to the Customer for any delay in performance or non-performance of the Order due to any causes beyond the reasonable control of the Company, but shall promptly upon the occurrence of any such cause so inform the Customer stating that such cause has delayed or prevented its performance hereunder, and thereafter shall use its best endeavours to comply with the terms of the Order as fully and promptly as possible.

23. Legal

The rights and obligations of the Company and the Customer shall be governed by the Laws of England and the Customer irrevocably submits to the non-exclusive jurisdiction of the Courts of England and Wales.