



**PRECISION**  
manufacturing solutions

## GENERAL TERMS AND CONDITIONS OF SALE

**PRECISION ENGINEERING LTD**  
**T/A PRECISION MANUFACTURING SOLUTIONS**  
**Company No. 629705**

**Registered Office: Wonastow Road, Monmouth, NP25 5JB**

*NB: For the purposes of this document, Precision Engineering Ltd. will be referred to as 'The Company'.*

### 1. LEGAL CONSTRUCTION

This contract shall in all respects be construed and operate as a UK Contract and in conformity with UK Law and products shall not be required to comply with the provisions of any other law.

### 2. GENERAL

Quotations are issued, orders are accepted and all goods are sold subject to the following terms and conditions and insofar as they may be excluded, all other liabilities, conditions, guarantees, warranties, terms, undertakings and representations, express or implied, statutory or otherwise, are hereby expressly excluded and unless previously agreed in writing by an authorised officer (i) no verbal, written or other addition hereto or variation or waiver hereof shall be effective and (ii) in the event of any conflict or inconsistency between these conditions and the terms of any order, these conditions shall prevail. The giving of any delivery instructions, the acceptance of any payment for any products or any conduct in confirmation of the transaction hereby contemplated shall constitute unqualified acceptance by the purchaser of these Conditions.

### 3. PRICE

Prices are quoted normally in Sterling and are based on the cost of materials, labour, transport, duties, levies, currency exchange rates and statutory obligations ruling at the date of the quotation and if, before delivery of all the products, there occurs any increase in any such costs, the price payable may be increased to allow for such variations. The Company shall be entitled to modify any quotation, invoice, price, delivery, drawing, technical information or calculations in the event of any error or omission on its part or on the part of its servants or agents.

### 4. QUOTATIONS

Quotations and offers are open for acceptance within 30 days only from date thereof and are subject to confirmation in writing at the time of such acceptance. The right is reserved to withdraw any quotation or offer at any time either before or after acceptance either verbally or in writing and no liability whatsoever shall be incurred by such withdrawal which shall be at the absolute discretion of the Company.

### 5. ORDER ACCEPTANCE

The purchaser's order must be accompanied by all information instructions and drawings necessary to enable the Company to proceed with the execution thereof. In the event that the work is varied as a result of the purchaser's instructions, the Company shall be at liberty to vary the contract price to take account of any additional work.

### 6. MISREPRESENTATIONS

The Company shall be under no liability nor shall the purchaser be entitled to any remedy by reason of the Misrepresentation Act 1967 except to the extent (if any) that the Court or any arbitrator may reasonably decide.

### 7. PASSING OF PROPERTY

7.1 Notwithstanding delivery and the passing of risk in the Goods, or any other provisions of these Conditions, the property in the Goods shall not pass to the Buyer until the Company has received in cash or cleared funds,

payment in full of the price of the Goods and all other goods agreed to be sold by the Company to the Buyer for which payment is then due.

7.2 Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods at the Company's fiduciary agent and bailee, and shall keep the Goods separate from those of the Buyer and third parties and property stored, protected and insured and identified as the Company's property. Until that time the Buyer shall be entitled to resell or use the Goods in the ordinary course of its business, but shall account to the Company for the proceeds of sale or otherwise of the Goods, whether tangible or intangible, including insurance proceeds, and shall keep such proceeds separate from any moneys or property of the Buyer and third parties and, in the case of tangible proceeds, property stored, protected and insured.

7.3 Until such time as the property in the Goods passes to the Buyer (and provided the Goods are still in existence and have not been resold), the Company shall be entitled at any time to require the Buyer to deliver up the Goods to the Company and, if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

7.4 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Company, but if the Buyer does so all monies owing by the Buyer to the Company shall (without prejudice to any other right or remedy of the Company) forthwith become due and payable.

## **8. TRANSFER OF RISK AND INSURANCE**

The risk in the products shall pass to the purchaser as follows:-

(a) In all cases where products are to be delivered to an address in the UK the risk will pass when the goods have been delivered.

(b) In all cases where products are to be collected by the purchaser the risk will pass when the products have been collected by the purchaser or by anyone acting on behalf of the purchaser or if the purchaser fails to collect the products within fourteen days after the company have given in the purchaser written notice that the products are ready for delivery and collection.

(c) Where the products are to be delivered abroad such delivery shall be either "ex works" or "free on board". If delivery is expressed to be ex-works the risk will pass to the purchaser on collection by the purchaser as provided in sub clause (b) above. If delivery is expressed to be free on board the risk will pass to the purchaser on delivery of the products to the ship, aircraft or other conveyance nominated by the purchase at the U.K. sea or airport from which the products are to be sent.

## **9. DEFECTS, DAMAGE, LOSS OR NON-DELIVERY**

Any claim for short delivery or defective goods shall be notified to the Company verbally within 3 days of delivery and confirmed in writing within 10 days from the date of delivery or, where the apparent defect or failure in question was not apparent on reasonable inspection at the time of delivery, within 10 days after the date of discovery of the defect or failure, or the date upon which the defect or failure ought to have been discovered. If delivery is not refused, and the Buyer does not notify the Company of any defect in accordance with the provisions of this clause the products shall be conclusively presumed to be in accordance with the contract and free from any defect or damage which would be apparent on a reasonable examination of the Products and the Purchaser shall be deemed to have accepted the products and shall not be entitled to reject the Goods. In this case, the Company shall have no liability to the Buyer and the Buyer shall be bound to pay the price in accordance with the payment terms. The Purchaser shall notify the Company of any apparent non-delivery of a consignment as soon as is practicable. Notwithstanding the receipt by the Company of any such notice, a signature on a carrier's 'delivery advice sheet' or the Company's 'confirmation of delivery' sheet shall be deemed to signify receipt of the quantity of cartons indicated on the said sheets. If the products are not in accordance with the contract for any reason, the Purchaser's sole remedy shall be limited to the Company making good any shortage by replacing such products or, if the company shall elect, by refunding a proportionate part of the price. The Company's liability to the Purchaser, whether for any breach of contract or otherwise, shall not in any event exceed the price and the Company shall be under no liability for any direct loss and/or expense or indirect loss and/or expense suffered by the Purchaser or liability to third parties incurred by the Buyer. All warranties and conditions whether implied by statute or otherwise and excluded from this contract provided that nothing in this contract shall restrict or exclude liability for death or personal injury caused by the negligence of the Company or affect the statutory rights of a Purchaser dealing as consumer.

## **10. ACCEPTANCE OF GOODS**

Unless within fourteen days from date of advice of despatch the Company is notified in writing to the contrary products shall be deemed to have been accepted by the purchaser.

## **11. TERMS OF PAYMENT**

11.1 The terms of payment (unless otherwise agreed in writing) are:-

Deliveries in the United Kingdom: payment in full within thirty days from date of invoice.

Export Shipments: The terms of payment (unless otherwise agreed in writing) are:-

Deliveries to Europe: payment in full within thirty days from date of invoice.

Deliveries outside Europe: payment in full within 60 days from date of invoice.

All prices quoted are the actual amounts payable to the Company free of all deductions whatsoever and the purchaser is responsible for all tariffs, import duties and all other charges and payments which may be levied, charged, assessed or imposed in respect of the products.

11.2 If payment of the price or any part or instalment thereof is not made on the due date the Company shall be entitled to charge interest on the outstanding amount at a rate of 2% per calendar month or two times the Bank of England minimum lending rate whichever is the larger (and any other costs incurred in relation to the recovery of any sums outstanding shall be for the purchaser's account). Payment of such interest or costs shall not prejudice the Company's rights under the contract.

11.3 The Company reserves the right to make a minimum order charge.

## **12. PACKING AND CARRIAGE**

Unless otherwise agreed in writing, delivery shall mean "delivery EXWORKS" All prices are exclusive of any additional charges whether in respect of insurance, shipping carriage, taxes or duties or otherwise howsoever all of which shall be for the purchaser's account.

## **13. VALUE ADDED TAX**

The purchaser shall pay to the Company in addition to the correct price, a sum to the value added tax chargeable in respect of the value of the supply of products and services or to any similar levy or duty which shall be payable by the purchaser.

## **14. CANCELLATION AND INSOLVENCY**

14.1 The cancellation of an order or rearrangement of a delivery schedule by the purchaser shall not be effective without the Company's prior written consent and shall be subject to the payment to the Company of such a sum as it shall consider reasonable in respect of work done and materials supplied or ordered. Further, reduction in quantities may, at the Company's option, result in retroactive price adjustments to the relevant unit price for the reduced quantities.

14.2 If the Buyer shall default in or commit any breach of its obligations to the Company, the Company shall have the right to either terminate the contract between the parties or to suspend further deliveries under it, or require payment in advance in the event that the Buyer fails to pay for any one delivery when the same becomes due. If in the sole discretion of the Company it believes that serious doubts have arisen as to the Buyer's solvency, or if any distress, execution or other legal process shall be levied upon or served out against the purchaser's property or assets, or if the purchaser shall make or offer any arrangement or compositions with its creditors or commit any act of bankruptcy or if any petition or receiving order shall be presented or made against the purchaser or if the purchaser is a company, any resolution or petition to wind it up shall be passed or presented, or if a receiver of all or any of its assets shall be appointed, then (without prejudice to other remedies) in each and every such case the Company shall have the right at any time to terminate the contract and to cancel any outstanding delivery and to stop any products in transit and, notwithstanding any other provisions, payment in respect of any delivery already made shall be immediately due.

## **15. DELIVERY**

The Company undertake to make every endeavour to adhere to its delivery schedule. Such a schedule is not, however guaranteed or to be deemed to be of the essence of the contract and the Company shall in no case be liable for any delay in delivery or any losses resulting directly or indirectly therefrom howsoever caused and any delay in delivery shall not be sufficient cause for cancellation by the purchaser.

## **16. FORCE MAJEURE**

If the Company is prevented from making delivery of the products or performing or completing any of its obligations hereunder by reason of acts of God, war, strikes, lockouts, trade disputes, or other industrial action, fires, droughts, floods, explosions, breakdowns, interruption of transport, refusal of license, Government or administrative action, delays in delivery or increase in the price of any goods or materials, any statute, rule, regulation, order, requisition, recommendation, or directive of any Government, council or other authority or body, or any cause whatsoever (whether or not of the like nature to those specified above) outside its control, the Company shall be under no liability whatsoever to the purchaser, and shall be entitled at its option (to be notified to the purchaser in writing) either to cancel the contract whereupon the Company shall be relieved of all liabilities hereunder or to extend the time of its performance by a period equivalent to that during which performance by the Company has been prevented by the circumstances hereinbefore referred to.

## **17. SUITABILITY**

The purchaser assumes responsibility that goods stipulated by him are sufficient and are suitable for his purposes irrespective of any advice which may have been given by the Company, its servants or agents in good faith.

## **18. PATENTS**

The purchaser agrees to indemnify the Company against all demands claims damages charges liabilities cost and expenses which may be incurred or sustained by the Company by reason of or arising directly or indirectly out of any third party claims or rights or otherwise howsoever in respect of any products manufactured or services supplied in accordance with any specification design information equipment or instruction given by or on behalf of the purchaser and whether relating to the infringement or the alleged infringement of a Patent Copyright Registered Design or other protected industrial right or property or otherwise howsoever.

## **19. WARRANTIES AND LIABILITY**

19.1 Subject to the conditions set out below the Company warrants that the goods will correspond with their specification at the time of delivery and will be free from defects in material and workmanship for a period of six months from the date of their initial use or six months from delivery, whichever is the first to expire.

19.2 The above warranty is given by the Company, subject to the following conditions:

19.2.1 The Company shall be under no liability in respect of any defect in the Goods arising from any drawing, sign or specification supplied by the Buyer;

19.2.2 The Company shall be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Company's instructions (whether oral or in writing), misuse or alteration or repair of the goods without the Company's approval;

19.2.3 The Company 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;

19.2.4 The above warranty does not extend to parts, materials or equipment not manufactured by the Company, 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 Company.

19.3 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 Terms Act 1977), all warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

19.4 Where the Goods are sold under a consumer transaction (as defined by the Consumer Transactions (Restrictions on Statements) Order 1976 the statutory rights of the Buyer are not affected by these Conditions.

19.5 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 the specification shall (whether or not delivery is refused by the Buyer) be notified to the Company within 3 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 Company accordingly, the Buyer shall not be entitled to reject the goods and the Company 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.

20.6 Where 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 is notified to the Company in accordance with these Conditions, the Company shall be entitled to replace the goods (or the part in question) free of charge or, at the Company's sole discretion, refund to the Buyer the price of the goods (or a proportionate part of the price), but the Company shall have no further liability to the Buyer.

19.7 Except in respect of death or personal injury caused by the Company's negligence, the Company shall not be liable to the Buyer by reason of any representation, or any implied warranty, condition or other term, or any duty at common law, or under the express terms of the Contract, for any consequential loss or damage (whether for loss of profit or otherwise), costs, expenses or other claims for consequential compensation whatsoever (and whether caused by the negligence of the Company, 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, except as expressly provided in these Conditions.

19.8 The Company shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of the Company's obligations in relation to the Goods, if the delay or failure was due to any cause beyond the Company's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond the Company's reasonable control:

19.8.1 Act of God, explosion, flood, tempest, fire or accident

19.8.2 Wars or threat of war, sabotage, insurrection, civil disturbance or requisition;

19.8.3 Acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;

19.8.4 Import or export regulations or embargoes;

19.8.5 Strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Company or of a third party);

19.8.6 Difficulties in obtaining raw materials, labour, fuel parts or machinery;

19.8.7 Power failure or breakdown in machinery.

## **20. GENERAL**

If any provision of these conditions is held by any court to be invalid or unenforceable in whole or in part the validity of the other provisions of these conditions and the remainder of the provision in question shall not be affected thereby.

*Any variation to the above General Terms and Conditions must be agreed, in writing between the Purchaser and The Company.*