

STEARN ELECTRIC COMPANY LIMITED TERMS OF BUSINESS

- 1 General.** All goods supplied by us are sold only upon the following conditions. The placing of an order for any such goods, or the acceptance of our quotation or tender or of delivery of the goods, includes acceptance of the following conditions. Unless expressly agreed by us in writing any other terms or conditions (including any which may be contained in your order) are excluded. Unless expressly incorporated in our quotation or tender, all descriptions, illustrations, drawings, dimensions, weights, measures, specifications, standards of performance or other descriptive matter or pre-contractual statements are approximate only and shall not form part of the contract. Our record of any order placed by you verbally shall be conclusive as to the type and quantity of product and the point and date of delivery.
- 2 Validity.** Unless previously withdrawn, our quotation is open for acceptance within the period stated therein or, when no period is so stated, within 30 days after its date, and is subject to written confirmation by us at the time of acceptance. All goods are offered subject to their being available upon receipt of order.
- 3 Delivery.** Unless otherwise specified, the price quoted includes delivery to any premises specified by you within our van delivery area, full details of which are available on request. The risk of all goods passes to you when they first enter those premises or are placed in store under Clause 5. We reserve the right to choose the method of transport, to charge for deliveries outside our van delivery area, and to charge you with all manufacturers' carriage charges for special items.
- 4 Delivery times.** Time for delivery shall not be of the essence of the contract unless previously agreed by us in writing. Any delivery dates or times quoted are approximate only as we are subject to the manufacturers' or suppliers' delivery promises which are passed on to you in good faith. For the avoidance of doubt such delivery dates or times given to you shall not create a contractual obligation to deliver on such date or time and accordingly no liability shall be accepted by us for any claim by you or any third party for direct or consequential loss or damage arising from delay in delivery.
- 5 Delay in delivery.** If we do not receive sufficient forwarding instructions within 14 days after notification that the goods are ready for despatch, you will either take delivery or arrange for storage. Otherwise we shall be entitled to arrange storage on your behalf and at your risk, either at our own works (making a charge of 1 1/2% of the invoice value of the goods per month) or elsewhere. We shall be entitled to payment as if the goods had been duly delivered. All charges for storage, insurance or demurrage will be payable by you.
- 6 Acceptance.** Unless you give us written notice within 7 days from the date of delivery that the goods are not in conformity with the contract, you are deemed to have accepted the goods.
- 7 Passing of property.** Each of the following sub-clauses 7.1 to 7.6 are separate and severable and shall be enforceable accordingly:
 - 7.1** Notwithstanding delivery, all goods supplied by us will remain our absolute property until you pay in full for them and for all other goods previously supplied by us;
 - 7.2** You will store the goods in such a way that they are readily identifiable as our property, but you may, as trustees for us, sell them to a third party in the normal course of your business;
 - 7.3** Upon any sale by you of the goods (either alone or with other items) all rights which you have against the buyer shall automatically vest in us;
 - 7.4** We shall be entitled immediately after giving notice of our intention to repossess, to enter upon any premises with such transport as maybe necessary and repossess any goods to which we have title under this Clause;
 - 7.5** If you incorporate the goods we supply to you into other products with or without materials you already possess or which are supplied to you by third parties the property in such other product will pass to us and you shall store them without charge on our behalf as bailee;
 - 7.6** You shall not be entitled to pledge or in any way charge by way of security any of the goods which remain our property but in the event you do so all monies owing by you to us shall, without prejudice to any other right or remedy available to us forthwith, become due and payable.
- 8 Loss or damage in transit.** Any shortage or damage must be clearly stated upon the driver's Delivery Sheet and a written statement of the facts received at our branch and by the Carrier (if not ourselves) within 3 days after the date of delivery, otherwise no claim will be entertained. The package and contents should be retained for examination. Written notice of any non-delivery must be received at our branch within 7 days after the date of invoice. Time is of the essence of this clause. Our liability in respect of any claim accepted under this Clause is limited to making up the shortage or replacing any goods proved to have been damaged or lost in transit to the point of delivery, and we accept no liability for any loss or damage suffered by you, whether direct or consequential and howsoever arising.
- 9 Packing etc.** Crates, cases, pallets, stillages or skids or other returnable packaging are not included in the quoted price, and will be charged at current rates. You will, however, be credited with the amount charged when it is returned to us in good condition within 14 days of the date of our invoice. Cable drums will be charged in accordance with the makers' drum schedules.
- 10 Prices.** All goods are sold subject to the prices and any relevant discounts ruling at the time of delivery. Our prices, discount rates and Conditions of Sale may be altered at any time without notice. All discounts and prices are calculated upon a "whole order" or "majority of the order" basis. If, when placing your order you select only certain items or reduced quantities are specified, we must reserve the right to review the discounts and prices at the time such orders are accepted.
 - 10.1** All prices given are further subject to VAT (Value Added Tax) at the rate applicable at the time of despatch.
 - 10.2** All priced documents are further subject to VAT (Value Added Tax) at the rate applicable at the time of despatch.
- 11 Payment.** Payment in full without retention or set-off shall be due not later than the end of the month following that in which the goods were delivered, or on earlier demand. If you do not comply punctually with these terms of payment we reserve the right to charge you interest on any amount overdue at the rate of 2% over the Royal Bank of Scotland plc base rate current for the time being, and without notice to suspend further deliveries until all arrears (including interest) have been paid and, at our option, to rescind any subsisting contract with you as to all or any parts of future deliveries but without prejudice to any rights already accrued to us under such contracts.
- 12 Performance.** It is your responsibility to determine that the goods are sufficient and suitable for the purpose to which they are to be put. We cannot accept any responsibility either in respect of installation of any goods or as to the ultimate performance of any product in which the goods may be installed. We shall in no way be liable for any direct or consequential damage, loss or expense arising from any defect or inefficiency caused by the manner in which the goods are used.
- 13 Defects after delivery.** All goods supplied by us are manufactured by others. Accordingly, we shall pass on to you the benefit of the warranty, if any, given by the manufacturer of the goods. Our liability under this Clause shall be in lieu of any warranty or condition implied by law as to the quality or fitness for any particular purpose of the goods, and we shall not be under any liability, whether in contract, tort or otherwise in respect of any goods or loss resulting from such defects or from anything done or omitted in connection with the goods or from any work done in connection therewith.
- 14 Return of goods.** In no circumstances may goods supplied against a firm order be returned without our prior written consent and the receipt of your advice note stating the reason for the return and the date and number of our invoice. All goods returned must be securely packed and, unless we arrange collection, consigned carriage paid. If we collect we reserve the right to make a handling charge, and the issue of our collection note will not bind us to issue any credit in respect of the goods.
- 15 Termination.** We may without prejudice to our other rights and remedies determine the contract or any unfulfilled part of it or withhold further deliveries or make partial deliveries if;
 - (a) you fail to make a payment on the due date under this or any other contract between us;
 - (b) you purport to cancel or suspend, or commit any breach of this or any other contract between us;
 - (c) you become insolvent or make any composition with your creditors or have a receiver appointed of all or any part of your undertaking or assets or go into liquidation (save for the purposes of amalgamation or reconstruction) and we shall be entitled to recover from you all our loss including any loss of profit or loss on re-sale.
- 16 Waiver.** Any failure by us to enforce any or all of these Conditions shall not be construed as a waiver of any of our rights hereunder.
- 17 Rights of third parties.** For the avoidance of doubt the provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to any term or condition hereof and nothing contained herein shall confer on any third party any benefit or the right to enforce any term or condition hereof.
- 18 WEEE Directive.** You shall be responsible for the cost of collection, treatment, recovery and environmentally sound disposal of all goods that fall within the scope of the WEEE directive where you are not the end user.
 - 18.1** Nothing in clause 18 shall prevent a producer from concluding an agreement whereby the parties to the agreement make alternative arrangements between themselves to finance the costs of the collection, treatment, recovery and environmentally sound disposal of WEEE.
- 19 Promotions.** We reserve the right, during any promotion that offers a FREE product when reaching a certain order requirement, to supply an alternative or nearest equivalent item.
 - 19.1** We reserve the right to amend or withdraw any promotional offer without notice.
- 20 E&OE (Errors and Omissions Excepted).** Although we strive to keep the content of all our publications, literature and communications as accurate as possible, we cannot be held responsible for any errors and/or omissions.