



## MICROM UK Limited. CONDITIONS FOR SALE

1. APPLICATIONS. These General Conditions of Contract and any Special Conditions expressed by the Company in writing shall apply to the Contract and if any of the Special and General Conditions conflict then the Special Conditions shall prevail.

2. ACCEPTANCE. Quotations are subject to confirmation on receipt of order and the Goods being available for execution of the order when received.

3. ORDERING. Drawing, Type Numbers or Service Repair Instructions should be specified. Unless otherwise confirmed all New Products will be supplied in the standard finish applicable.

4. CANCELLATION OR VARIATION OF ORDERS.

(i) No cancellation, suspension or variation of any order made by the Buyer should be effective unless in writing and until accepted in writing by the Company and such acceptance will be given only subject to adequate compensation for any extra cost or any liability suffered by the Company in connection with the order.

(ii) The Contract price includes only such equipment and works as is specified in the order accepted by the Company. Should there at the request of the Buyer be any extra cost or liability suffered by the Company owing to suspension of work resulting from the Buyer's instructions or lack of instructions, mistaken instructions or to interruptions, overtime, unusual hours, mistakes or work for which the Company is not responsible, such extra costs or liability may be charged for and shall be paid for accordingly.

(iii) The Company reserves the right to refuse to accept any cancellation of an order and in particular, no cancellation will be accepted on orders for Goods to special requirements or not normally stocked by the Company if the manufacture or obtaining by the Company of such Goods is in process or has been completed upon receipt of the Buyers' notice of cancellation.

5. AMENDMENTS

(i) Amendments made by the Buyer to the specifications or equipment covered by an Order will only be carried out on receipt by the Company of written instructions expressing agreement and also to any charges that may be involved in carrying out such modifications. A reasonable extension of the delivery period shall be allowed for such work.

(ii) The Company may, at any time, alter the construction design or specification of the Goods for the purpose of improvement or any other modification which may be considered necessary or desirable by the designers or engineers of the Company, and the Buyer shall accept any such alteration.

6. PRICES (UK AND EXPORT). The Company reserves the right to increase prices to cover any increase in the cost to the Company of materials, labour and/or services which may occur after the date of the Company's acceptance of an order. In addition the Company reserves the right to increase prices to cover currency fluctuations which increase the costs to the Company of goods imported into the United Kingdom and prices do not include any Tax, Duty and/or Levy charges such as for Value Added Tax which will be additional to the costs shown.

7. DAMAGE OR LOSS IN TRANSIT. Unless delivery is made by the Company's own transport or personnel, damage or loss in transit will be the responsibility of the Carrier. Receipts should be signed unexamined and any goods broken or damaged in transit should be notified to the Carrier and the Company within three days of receipt. Goods should be returned to the Company in the original packing within seven days of clearance by the Carrier's inspectors, otherwise no claim will be entertained. Any alleged shortages must also be notified to the Company within three days of receipt of Goods. Should goods not be delivered within ten days of receipt of Invoice of the Goods, immediate notice in writing must be given to the Carriers and the Company.

8. DESPATCH. Times quoted for despatch or completion represent the Company's best estimates only and are given in good faith, time not being of the essence. In the event of the Buyer failing to take delivery at the appointed time and/or place, the Company shall be entitled to charge for all expenses including storage charges which may be incurred by reason of such failure.

9. TRANSFER OF PROPERTY. The goods will become the property of the Buyer when delivery has been made and all risk in the Goods will then be deemed to have been passed to the Buyer.

10. PACKAGING. Returnable cases will at the Company's discretion be charged extra, but will be credited in full if returned in good condition and carriage paid within one month to the Company's works unless otherwise agreed.

11. SPECIFICATIONS AND PERFORMANCE. All descriptions, drawings, specifications and other particulars however issued by or on behalf of the Company are approximately correct and the Company will not be bound thereby unless expressly confirmed in writing to the Buyer for the purpose of the accepted Order. Performance figures given by the Company concerning its equipment are typical of what it expects to obtain on test and shall be subject to reasonable tolerance and rejection limits. Deviations from such figures shall not be made the basis of any claim against the Company except where specifically agreed to the contrary in writing and in no event shall the Company be responsible for performance figures supplied by sub-contractors or other co-operating parties.

If the equipment is to be subject to acceptance tests before despatch rejection under this clause must be indicated to the Company prior to despatch of Goods.

The Buyer assumes responsibility that the equipment stipulated in the Order is sufficient and suitable for the purpose required.

The Company reserves the right to alter patterns and designs without notice.

Published performance figures shall not necessarily apply after Service Repairs to the Goods and subsequent performance figures will depend upon conditions and age of equipment.

12. GUARANTEE.

(i) All goods supplied by the Company are guaranteed to the extent herein after mentioned against defects arising from material or workmanship. The Company's liability under this guarantee is limited to replacing or, at its option, repairing free of charge any part or parts supplied and found to be defective within a period of 12 months from the date of delivery. The guarantee applies to goods returned carriage paid to the Company's works. Exported goods must be referred through the Company's accredited agents.

(ii) The guarantee shall not apply to defects caused by fair wear and tear, abnormal conditions of working, accident, misuse or neglect. Second-hand, used goods and Service Repairs shall be the subject of special guarantee conditions to be confirmed by the Company in writing. The Company's decision on all matters relating to alleged defects shall be final, conclusive and binding on the parties.

(iii) This guarantee shall not be assigned or transferred without the Company's written consent.

(iv) The use of replacement parts not supplied by the Company will invalidate this guarantee.

13. BANKRUPTCY. If the Buyer shall become bankrupt or insolvent or have a receiving order or administration order made against him or shall make any composition or arrangement with or for or make any conveyance or assignment for the benefits of his creditors or shall purport to do so or shall have any application against him under any Bankruptcy Act, or if (being a Company) any resolution is passed or an order made by the Court that the Buyer be wound up (save for the purposes of reconstruction or amalgamation) or a receiver or manager be appointed by any creditor or any act shall be done which would cause any of the foregoing to be done, the Company shall be entitled to determine the Buyer's order by written notice without prejudice to any other right of action which the Company may have at the date of such notice.

14. WAIVER. No admission, act or omission made by the Company shall during the continuance of this order constitute a waiver of or release the Buyer from any liability hereunder.

15. PAYMENT TERMS. UK Orders, price of goods plus any Tax, Duty and/or levy charges payable net during the month following delivery of Goods unless otherwise stated in writing by the Company. The Company reserves the right to charge interest at the rate of 1% per month on overdue accounts and to cancel any uncompleted order or suspend delivery in the event of the Buyer's engagements not being duly met or if it has reason to believe that such engagements may not be met. Export Orders, Payment Terms clause for UK Orders applies except that Payment shall be in pounds sterling through a Prime London Bank on presentation of Shipping Documents unless otherwise stated in writing. The rate of 1% may be increased if the Bank of England base lending rate exceeds 11%.

16. CARRIAGE. All prices UK and Export are 'Ex-Works'. Carriage, Insurance Agent and Port fees will be charged extra unless otherwise stated. Small value goods (e.g. Spares) may also be subject to a handling charge.

17. SPECIAL EXPORT CONDITIONS OF SALE - LICENCES. The Buyer shall be responsible for obtaining any necessary import licences and will indemnify the Company against all losses incurred by the Company in respect of equipment shipped or landed without valid import licences. Delivery under the Contract shall be subject to the granting of any necessary export licences and the Buyer shall give the Company all assistance necessary to obtain the granting of such licences. Where equipment is ordered for export from a Buyer's UK address or by his UK agent the Buyer or his agent shall be responsible for obtaining such licences.

18. LAW. The Contract shall be construed according to English Law.

19. PATENTS etc. Subject as hereinafter provided, the Company will indemnify the Buyer in respect of any costs or damages awarded against the Buyer for any claim for infringement of any UK Letters Patent granted for any UK registered design or trademark registered or copyright subsisting at the date of acceptance by the Company of the Order by the use or resale of Goods supplied to the Buyer provided that;

a) This indemnity shall not apply to;

(i) any infringements which is due to the Company following a design or instruction furnished to it by the Buyer or to the use of any Goods in a manner or for a purpose not specified by the Company or not notified to the Company on or before date of acceptance by the Company of the Order.

(ii) to any claim or threatened claim in respect of an infringement due to the use or re-sale of Goods in combination or association with any other equipment or devices.

(iii) where the Goods which do not normally infringe are rendered infringing by the Buyer's alterations of structure or use thereof or application of trademark.

b) This indemnity is conditional upon;

(i) the Buyer making no admission of any such alleged infringement and giving the Company the earliest possible written notice of any claim or threatened claim and permitting the Company at its own expense to conduct any litigation that might ensue and all negotiations for settlement of such claim or threatened claim.

(ii) the Buyer co-operating with the Company to give the Company any requested information, authorisation or assistance in defence of any infringement or alleged infringement.

c) In the event that any such infringement is enjoined by a competent Court, the Company shall have the right at its own expense and at its own election.

(i) to procure the Buyer the right to continue use of the Goods or

(ii) to modify same so as to make them non-infringing or

(iii) to repurchase the Goods from the Buyer.

d) The Company shall have the right to refuse to supply additional Goods of the kind subject to such claim or threatened claim if the Company determines that its liability hereunder for infringement risks is unacceptable.

e) The Buyer on its part warrants that any design or instructions furnished by it to the Company shall not be such as will cause the Company to infringe any Letters Patent, registered design or trademark and will hold the Company harmless in respect of any claim or threatened claim that may be made against the Company as a result of execution of the Buyers order in accordance with any design or instructions so furnished.

f) The foregoing states the entire liability of the Company for infringement of patents, registered designs, trademarks and copyright.

20. COPYRIGHT. The copyright subsisting or which subsequently subsists in all documents, drawings, specifications, designs, programmes or any material prepared by the Company whether readable by humans or by machines shall belong to the Company absolutely and they shall not be reproduced or disclosed or used in its original or translated form by the Buyer without the Company's written consent for any purpose other than that for which they were furnished.

21. FORCE MAJEURE. The Company shall not be liable to the Buyer by reasons of its failure to perform any part of this Contract resulting from any breakdown of plant or apparatus, fire, explosion, accident, strike, lock-out or any other events beyond the control of the Company.

22. ADVERTISEMENTS. Any advertisement, catalogue, price list, illustration or other publication containing information with regard to weights, measurements, capacities, performance and any other data relating to the Goods shall not form part of the Contract for the sale of the Goods, and the Buyer shall be deemed to rely upon his own judgement as to the quality and the fitness of the Buyer's use of the Goods.

23. TERMINATION. If the Buyer fails to comply or by his act or omission it is clear that he does not intend to comply with these Conditions or any Special Conditions, the Company may by written notice to the Buyer determine the Contract without prejudice to any right of action which the Company may have against the Buyer in respect of this Contract.

24. LIABILITIES. Except as otherwise provided, all Conditions, Warranties and representations whether express or implied by statute, custom of trade or otherwise are hereby expressly excluded and the Company shall not be liable to the Buyer for any loss or damage whatsoever or however caused resulting from any act, omission or default whether negligent or otherwise, of the Company, its employees, agents or sub-contractors.