

KTS Wire Limited and Associated Companies

General Terms and Conditions of Sale

1. INTERPRETATION

Company: KTS Wire Limited of Howley Park Road, Morley, Leeds, West Yorkshire, England, United Kingdom, LS27 0BN. Company registration 6748460. Also referred to as **the Seller**.

Associated Companies: HLW 389 Limited (company registration 6921232) and KTS Wire International Limited (company registration 8687917). Also referred to as **the Seller**.

Buyer: the person, firm or business that orders the Goods from the Company and is liable to the Company for payment for the Goods

User: the person, firm or business that uses the Goods should the Buyer not be the ultimate customer and the Buyer has acted as an intermediary

Contract: the agreement between the Company and the Buyer for the purchase of the Goods incorporating these conditions

Goods: products and services supplied by the Company and as specified in the contract with the Buyer

Delivery point: the place where the Buyer requires the Goods to be delivered

2. SELLER'S CONDITIONS TO PREVAIL

Unless otherwise agreed in writing by the Seller these Conditions of Sale which supersede any earlier sets of Conditions, wherever published, shall override any terms or conditions stipulated incorporated or referred to by the Buyer whether in the order or in any negotiations preceding the formation of the contract. In the event of the Buyer's conditions containing a clause which is inconsistent with or which purports to exclude the Seller's conditions or which purports to provide that the delivery of any goods or the commencement of any work by the Seller on a contract for the Buyer shall constitute acceptance of the Buyer's conditions, such clause or clauses shall be of no effect and the Seller's Conditions of Sale shall prevail.

3. ACCEPTANCE OF ORDERS

a. All quotations are made without engagement and are therefore subject to confirmation in writing by the Seller on receipt of the order from the Buyer.

b. Engagements made by the Seller's agents or representatives are only valid when confirmed in writing by the Seller.

4. QUALITY

No guarantee warranty condition description or representation on the part of the Seller is given or implied by these conditions nor is any guarantee warranty condition description or representation to be taken to have given or implied from anything said or written in the negotiations between the parties or their representatives prior to this agreement and any statutory or other guarantee warranty condition or description express or implied as to the state quality or fitness of the goods for any particular purpose or for use under any specific conditions is hereby expressly excluded.

5. SAMPLES

Notwithstanding that a sample of the goods be exhibited to and inspected by the Buyer, such sample is so exhibited and inspected solely to enable the Buyer to judge for himself the quality of the bulk, and not so as to constitute a sale by sample. The Buyer shall take the goods at his own risk as to their corresponding with the said sample, and subject to the normal variation between bulk and sample accepted by the trade.

6. LIABILITY FOR CONSEQUENTIAL LOSS

The Seller shall not be responsible for damage injury or loss of any kind whatsoever to any property or persons or animals whether of the Buyer or of any third party caused by or arising from or attributable whether directly or indirectly to the erection or use of the goods supplied and whether or not occasioned by reason of the negligence of the Seller, its servants or agents.

7. REPLACEMENT OF DEFECTIVE GOODS

a. The Buyer shall inspect all goods supplied by the Seller immediately on the arrival thereof and shall within 30 days from such inspection give notice in writing to the Seller of any matter or thing by reason whereof the Buyer alleges that the goods are not in accordance with the contract. If the Buyer shall fail to give such notice, the goods shall be deemed to be in all respects in accordance with the contract and the Buyer shall be bound to accept and pay for the same accordingly.

b. The Seller will replace at the place of delivery or at its sole and absolute discretion refund the invoiced value of any goods which are reported within 30 days of delivery and subsequently proven to be not in accordance with the express terms of the contract but defects in quality, quantity or dimensions of any goods supplied shall not under any circumstances be grounds for the cancellation, termination or repudiation of the contract by the Buyer or User or for a claim in damages. Any testing or inspection of the goods by the Buyer or User must take place before the goods are utilised in any way and any such use will be deemed acceptance of the goods by the Buyer or User. Replacement of goods or the refund of the invoiced value of goods as above shall constitute the limit of the Seller's responsibility and liability in respect thereof.

c. Any claim by the Buyer or User for faulty goods will be subject to a de minimis quantity of 100kgs per individual numbered coil below which the Seller will not accept or investigate any such claim by the Buyer and the Buyer's responsibility to pay the full contract value without any unauthorised deduction remains as stated in paragraph 11(e).

8. QUANTITY VARIATION

The Seller shall be deemed to have fulfilled the contract by delivering the quantity within 10% or 250 kilos, whichever is the greater of the quantity ordered. The Buyer shall pay at the contract rate of the quantity actually delivered.

9. INSTALMENT CONTRACTS

Neither the failure of the Seller to deliver any one or more of the instalments of the goods at the times provided for delivery thereof, nor any claim by the Buyer in respect of any instalment shall entitle the Buyer to treat this contract as repudiated.

10. PRICE

a. The price for the Goods shall be the price set out in the Contract.

b. The Company shall be entitled to increase the Contract price of the Goods to take into account foreign exchange fluctuation, currency regulations, alteration of duties, increases in costs of labour, raw materials, overhead charges or changes made to the Contract at the request of the Buyer (including without limitation delivery dates, quantities or specifications for the Goods) or such other events beyond the Company's reasonable control which occur between the date when the Contract price was agreed and the time when performance of the Contract is complete provided that where the price (except where increased as a result of the Buyer's requested changes) is materially different to that which has previously been agreed the Buyer shall have the right upon two month's notice to terminate the Contract.

c. All duties taxes (including value added tax) and similar charges and all costs of loading, unloading, carriage and insurance payable in respect of the Goods shall be for the account of the Buyer except to the extent that the Contract price is stated to specifically include such charges

11. PAYMENT

a. Accounts are due at the end of the month following despatch of the goods from the Seller's works, unless specified otherwise by the Seller at order acceptance. Prompt payment is a condition precedent to future deliveries.

b. The Seller shall be entitled to charge interest at the rate of 2½% per month on all overdue accounts and in addition may postpone the fulfilment of its own obligations and suspend work until such overdue payment is made.

c. The Seller may before executing an order require the Buyer to prove to the satisfaction of the Seller that it will fulfil all its obligations and make payment on the due date or dates. Should the Buyer fail to satisfy the Seller in this particular the Seller reserves the right to rescind the contract forthwith and without notice and without liability of any kind to the Seller and without prejudice to any claim for damages by the Seller.

d. The Seller reserves the right to require prepayment for goods or services if the Buyer is unable to satisfy the Seller of his ability to fulfil all his obligations and make payment on the due date or dates.

e. The Buyer has no right of offset for any outstanding claim for whatever reason against the Company whether accepted by the Company or not nor for any debt owed by the Company to the Buyer in any circumstance.

f. The Buyer shall be liable for all Exchange losses due to payment after the due date where that payment is made in currency other than £ sterling.

12. LIEN

a. The Seller shall in respect of all unpaid debts due from the Buyer under the same or any other contract have a general lien on all goods and property of the Buyer in its possession (although such goods or some of them may have been paid for) and shall after the expiration of 14 days' notice to the Buyer be entitled to dispose of such goods and property, as it deems fit, and apply the proceeds towards such debts.

b. The Buyer grants the Company, its agents and employees licence to enter any premises of the Buyer with reasonable notice where the goods are or may be stored to inspect them or when deemed necessary by the Company recover goods as specified by paragraph 12 a.

13. DEFAULT, INSOLVENCY, BANKRUPTCY, ETC., OF BUYER

a. If accounts due from the Buyer to the Seller shall become overdue or if the Buyer shall make default in or commit a breach of the contract or of any other of his obligations to the Seller or if any distress or execution shall be levied upon the Buyer's property or assets, or if the Buyer shall make or offer to make any arrangements or composition with creditors, or commit any act of bankruptcy, or if any petition or receiving order in bankruptcy shall be presented or made against him, or if the Buyer is a limited Company and any resolution or petition to wind up such Company's business (other than for the purpose of amalgamation or reconstruction) shall be passed or presented, or if a receiver of such Company's undertaking, property or assets or any part thereof shall be appointed, the Seller shall have the right forthwith to determine any contract then subsisting and upon written notice of such determination being posted to the Buyer's last known address any subsisting contracts shall be deemed to have been determined without prejudice to any claim or right the Seller may otherwise make or exercise.

b. In any of the circumstances listed in paragraph 12a, the title of all goods shall revert to the Seller unless these have been paid for on the due date notwithstanding the fact that the Buyer has processed, or part processed the goods.

14. DELIVERY

a. Any time or date named by the Seller for delivery is given and intended as an estimate only and the Seller shall not be liable to make good any damage or loss arising directly or indirectly out of delay in delivery whether or not such delay in delivery is caused by the fault of the Seller.

b. If for any reason the Buyer is unable to accept delivery of the goods at the time when the goods are due and ready for delivery the Seller shall if its storage facilities permit store the goods and the Buyer shall be liable to the Seller for the reasonable cost (including insurance) of its so doing. This provision shall be without prejudice to any other claim which the Seller may have in respect of the Buyer's failure to take delivery at the appropriate date.

c. Unless otherwise agreed in writing the delivery point for the Company's delivery of the goods will take place at the address detailed in the Order Acknowledgement and deemed complete. If the Buyer agrees to collect the goods delivery is deemed to take place upon collection by the Buyer or the Buyer's agent.

15. SUBCONTRACTING

The Seller reserves the right to subcontract the fulfilment of the order or contract (including any installation) or part thereof.

16. PATENTS, TRADE MARKS, ETC.

The Buyer shall indemnify the Seller against all damages, penalties, costs and expenses to which the Seller may become liable as a result of work done in accordance with the Buyer's specifications or instructions which involves the infringement of any letters patent, trade mark or registered design, or which constitutes the tort of passing off.

17. CANCELLATION

a. Cancellation of an order can only be accepted by the Company on the condition all costs and expenses incurred by the Company up to the written notification of cancellation and all loss or damage including loss of profit resulting to the Company as result of such cancellation have been reimbursed by the Buyer to the Company.

b. Goods returned by the Buyer to the Company without the Company's consent will not be credited.

18. PATTERNS, DRAWINGS, DIES ETC.

All goods, patterns, drawings, dies, moulds, specifications and other such items supplied by the Seller to the Buyer shall remain the property of the Seller and shall be returned to the Seller on request or completion of the contract in good order and condition subject to fair wear and tear. Should the Buyer fail so to return any of such items, then the Buyer shall be liable for any loss or expense suffered or incurred by the Seller who shall be entitled to set off the same against any sum payable by the Buyer to the Seller.

19. FORCE MAJEURE

a. The due performance of the contract is subject to cancellation or variation by the Seller as a result of inability to secure labour, materials or supplies or as a result of any act of God, war, riot or civil disturbance, strike, lockout or other labour dispute, fire, flood, drought or accident, legislation, requisitioning or other act by any government department, council or other duly constituted authority, or of any other cause (whether of the foregoing classes or not) beyond the Seller's control. In such event, no liability shall attach to the Seller by reason of cancellation or variation of any contract.

b. Deliveries may be wholly or partially suspended and the time of such suspension added to the original contract in the event of a stoppage, delay or interruption of work in the establishment of the Seller during the delivery period as a result of any of the clauses set out in sub-paragraph (a) or any cause whatsoever beyond the control of the Seller.

20. RISK AND DAMAGE IN TRANSIT

a. From the time of the despatch of the goods from the Seller until delivery to the Buyer the risk of any loss or damage to or deterioration of the goods from whatever cause shall be borne by the Buyer.

b. If the Seller undertakes delivery of the goods it shall not be liable:-

i. for any loss, damage, deviation, delay or detention of the goods in the course of transit, or for misdelivery or short delivery unless the Buyer gives to the Seller and to the Carrier within 3 days of receipt of the goods a written notice of the Buyer's complaint.

ii. for non-delivery or non arrival of the whole of any consignment of the goods or of any separate package unless the Buyer shall give to the Seller and to the Carrier a written notice thereof within 14 days of the date of notification of the despatch of the goods.

21. PACKAGING

All pallets, stillages, crates, reels and other packaging specified as returnable will be charged for and credited if returned in good condition within 28 days. No credit will be given for packaging claimed to be returned unless the Buyer can produce the Seller's receipt therefore clearly identifying the items returned.

22. VARIATION OF TERMS

Any variation of the terms and conditions of any contract shall become binding only if confirmed in writing by the Seller and the Buyer.

23. PROPER LAW

Uniform Law on the international Sale of Goods shall not apply to this contract. The construction, validity and performance of this contract shall be governed by the Law of England. The paragraph headings herein are only aids to reference and shall not affect the construction of these Conditions.

24. ARBITRATION

Any dispute under the contract shall be referred to an arbitrator or arbitrators to be appointed by the parties, or in default of agreement by the President of the Law Society for the time being, and his or their decision shall be binding on both parties, and this shall be a submission to arbitration within the Arbitration Act 1950, or any statutory modification thereof for the time being in force.

HEALTH AND SAFETY AT WORK ACT 1974

In pursuance of the Health and Safety at Work Act 1974. General duties, Sections 3 and 6, we can say that so far as is reasonably practicable, every care is taken to ensure that when our products are handled and used correctly they are safe and without undue risk to health and safety. Some care, however, is desirable; in this respect your attention is drawn to the Protection of Eyes Regulations 1974, and you are recommended to refer to the comprehensive list of Health and Safety at Work booklets issued by the Health and Safety Executive and obtainable from Her Majesty's Stationery Office