

DEFINITIONS:

- a) "Goods" means the Goods or services which the company is to supply in accordance with these terms.
- b) "Company" means Sontay Ltd.
- c) "Terms and Conditions" means the terms and conditions of sale set out below and any specific terms and/or conditions agreed in writing between the Customer and the Company.
- d) "Contract" means the Contract for the purchase and sale of Goods.
- e) "Writing" includes communication by post, facsimile, e-mail and by personal delivery of documents.
- f) "Acceptance" means confirmation in writing by the Company upon receipt of the Customer's order.
- g) "Customer" means the person described overleaf.

1. APPLICATION

Unless otherwise specifically agreed in writing these Conditions shall be incorporated in every offer quotation acceptance and contract for the sale or supply of goods or services by the Company and together with the order to which they relate constitute the entire contract between the Company and the Customer. Any conditions proposed by the Customer which are inconsistent with these terms are hereby excluded.

2. ACCEPTANCE

All quotations are given subject to confirmation in writing by the Company upon receipt of the Customer's order and no contract shall be concluded until such confirmation is given or the Customer's order is otherwise accepted. Unless otherwise stated in writing by the Company each order when accepted constitutes a separate contract.

3. PRICES

- (a) Prices quoted are exclusive of VAT (unless otherwise stated) and are those in force at the date of quotation. Unless otherwise stated in the quotation (if any) given by the Company they may be varied at any time before delivery of the Goods or before performance of the Services provided the prices may be varied after a contract has become binding only by reason of an increase in the cost of the Company of raw materials or labour or by reason of a fluctuation in exchange rates.
- (b) If prices are varied after a contract has become binding the Company shall give the Customer written notice of such variation and on receipt of such notice the Customer may cancel his order. In a case where goods are to be delivered or services are to be supplied in installments the Customer may cancel payments only for the undelivered goods or the unperformed part of the Services. If the order is not cancelled the Customer shall be bound to pay the increased or varied price in respect of the goods delivered or Services performed after such notice is received. To be effective cancellations must be in writing and must be received by the Company either within fourteen days of the date in which such notice was sent or at least twenty-eight days before delivery or performance is due, whichever is the sooner.
 - (i) The Company reserves the right, by notice to the Customer at any time before delivery, to increase the price of Goods and to alter the terms of payment and delivery dates as in the circumstances the Company shall consider it fair and reasonable to reflect any increase in cost due to information supplied by or on behalf of the Customer being insufficient, incorrect, inaccurate, or misleading to delay caused by the Customer, or if the Customer notifies the Company of any change of requirement in relation to any order after the acceptance thereof by the Company.
- (c) Unless otherwise expressly agreed prices quoted are ex works and exclude all cost of packaging and delivery from the Company's premises but these may be charged as extras.
 - (i) Any variation or amendment requested by the Customer will only be valid and binding on the Company when subject to a change order relating to the order duly placed upon and accepted by the Company in writing and signed by a duly authorised representative, and subject to appropriate adjustment in price, delivery dates and other matters.
- (d) Unless otherwise expressly agreed in the case of export sales, prices quoted also exclude all overseas taxes and tariffs and all costs of delivery which may be charged as extras.

4. DELIVERY

- (a) Delivery or periods are only best estimates and the Company is not liable for the consequences of any delay.
- (b) Any delivery or performance period begins on the date of the Company acceptance of the Customer's order or (if later) when the Company receives from the Customer any further information which it may require to proceed with the contract. The Customer agrees to supply such

information promptly and to accept the Goods within the delivery or performance schedule or timetable specified in the contract and to give any necessary instructions for delivery or performance accordingly.

- (c) The Customer shall in all cases other than export sales provide the labour necessary to the Company to unload and stack free of charge to the Company and shall ensure that the delivery vehicle is unloaded within a reasonable time and shall indemnify the Company against any loss or damage arising during unloading.
- (d) The Company will supply Goods according to the specification as set out in the Quotation.
- (e) Any typographical, clerical error or other omission in documents issued by the Company shall be subject to correction by the Company without liability on the part of the Company.
- (f) The Customer must examine the Goods immediately upon delivery and within 7 days thereafter notify the Company in writing of any defects, and return any allegedly defective part or parts of the Goods to the Company or as the Company shall direct at the Customer's expense within 18 days of delivery and pay to the Company the costs of any tests carried out to such part or parts (such cost to be certified by the Company) together with the costs of return thereof to the Company in the event that no liability attaches to the Company in respect of defects. Where damage occurs, not apparent on reasonable inspection, the Customer must notify the Company within 7 days within the discovery of any such damage. In default the Buyer will be deemed to have examined and accepted the Goods.
- (g) The Company shall not be liable for any loss or damage caused by or resulting from any variation (for whatever reason) in the specifications or technical data of any outside manufacturer or for any loss or damage arising out of curtailment or cessation of supply following such variation.
- (h) The Company will repair or at its option replace free of charge any part of the Goods lost or damaged in transit provided that (if the Company appoints the carrier) the Company and the carrier are given written notice of such loss or damage within the time required by the carrier's Conditions of Carriage. Alternatively where delivery is made by the Company's own transport the Company should be given written notice within three days of the arrival of the Goods or in the case of non-delivery within fourteen days of dispatch. This clause shall not apply to export sales.

5. RISK

- (a) The Goods shall be and thereafter remain in the Customer's risk from the time of delivery to the Customer or elsewhere specified by the Customer.
- (b) In the case of an export sale the Goods shall be and thereafter remain at the Customer's risk from the time of delivery to the Customer's carriers. The signed acceptance document of the Customer's carriers shall be proof of proper delivery.
- (c) The Company shall take all due reasonable skill and care in the performance of the Services but no other standard of skill or care shall be expressed or implied by law or otherwise.

6. RETENTION OF TITLE

- (a) (1) Upon delivery of the Goods to the Customer or into custody on the Customer's behalf, the title of Goods shall not pass to the Customer and the Customer shall hold the Goods as bailee for the Company until the later payment in full of all monies owing by the Customer to the Company or:
 - (i) Recover of physical possession of the Goods by the Company pursuant to a Return Notice; or
 - (ii) Payment in full of all monies owing by the Customer to the Company (whichever first occurs) and shall (unless otherwise agreed) store the Goods separately from his own Goods in such fashion as to be readily identifiable by the Company.
 - (iii) The recovery of physical possession of the Goods by the Company pursuant to Return Notice and shall (unless otherwise agreed) store the Goods separately from his own Goods in such fashion as to be readily identifiable by the Company.
- (2) Until such time as the Customer ceases to hold the Goods as bailee for the Company under sub-clause (a) (i) above the Company shall retain full legal and equitable title to the Goods and may at any time give written notice to the Customer requiring the Customer to redeliver the Goods to the Company (a "Return Notice") whereupon the Customer shall forthwith place the Goods at the disposal of the Company who shall be entitled to enter upon any premises of the Customer for the purpose of removing the Goods and to remove such Goods.
- (3) The Customer shall insure the Goods in their full reinstatement value and shall if required note the interest of the Company on the relevant policy.

- (4) The Company shall be deemed to have given a Return Notice to the Customer if a receiver is appointed over any of the assets or undertaking of the Customer or a winding up order is made against the Customer or the Customer goes into voluntary liquidation or calls a meeting of or makes any arrangement or composition with creditors or commits an act of bankruptcy.
- (b) (1) Subject to sub-clause (b) (3) below the Customer shall be at liberty to transfer the ownership of the Goods in the normal course of trading provided that the Customer shall have no authority to enter into any contract or sale on behalf of the Company and any contract shall accordingly be concluded in the name of the Customer. The proceeds of any such sale shall be kept separate from the Customer's own money and shall be applied in discharging the indebtedness of the Customer to the Company provided that any surplus remaining after all amounts owing to the Company by the Customer have been satisfied shall be made over to the Customer.
- (2) If the proceeds of any such sale shall remain outstanding for more than seven days after they fall due to the Customer the Customer shall notify the Company and if so required shall assign to the Company the right to recover such proceeds.
- (3) The Customer's liberty to transfer the ownership of the Goods under sub-clause (b) (1) of this clause shall cease on receipt of a Return Notice given or deemed to be given under this clause.

7. LAW

The validity construction and performance of any contract to which these conditions apply shall be governed by the law of England and any disputes shall be submitted to the English Courts.

8. PAYMENT

- (a) Payment by the Customer is due within 30 (thirty) days of the date of the invoice.
- (b) If the Customer fails to pay the Company by the due date the Company may either suspend all further deliveries or performance of Services until payment is made in full or cancel the order and subsequent ordered insofar as goods remain to be delivered or Services remain to be performed thereunder.
- (c) The Company reserves the right to charge interest when payment has not been made on the due date at the rate (both before and after judgement) or two per cent above Lloyds Bank Plc base rate for the time being calculated on the outstanding balance from the due date for payment down to receipt by the Company of payment.
- (d) If the Customer fails to give the Company delivery instructions promptly when required payment shall be due forthwith and the Company shall be entitled (but not bound) to store the Goods at the Customer's expense and to recover the cost of any insurance which the Company in its discretion considers appropriate.
- (e) Any sums paid by deposit, retainer or prepayment are not refundable in the event of a Customer cancelling an order. The Company reserves the right at any time and it's discretion to demand security for payment before continuing with or delivering any order.

9. GUARANTEE OF QUALITY

The Company shall have the right, whether before or after the date of the order, to alter the specification of the Goods or any part thereof provided that such alterations shall not adversely affect the performance of the Goods and for the avoidance of doubt it is agreed that the sale and purchase shall not be a sale or purchase by sample.

10. LOSS OR DAMAGE IN TRANSIT

The Company will repair or at its option replace free of charge any part of the Goods lost or damaged in transit provided that (if the Company appoints the carrier) the Company and the carrier are given written notice of such loss or damage within the time required by the carrier's Conditions of Carriage. Alternatively where delivery is made by the Company's own transport the Company should be given written notice within three days of the arrival of the Goods or in the case of non-delivery within fourteen days of despatch. This clause shall not apply to export sales.

11. USE OF THE GOODS

Where the Goods are plant for use or operation at work (or are components for such plant) it is the Customer's responsibility to ensure that proper standards of safety are maintained in using the Goods and (without limitations) to pass on all instructions regarding such use to personnel and to arrange for their training in such use where appropriate. This obligation shall extend to taking all reasonable steps to ensure compliance with the Health and Safety at Work etc. Act 1974 in the event of sale on or other supply by the Customer.

12. INTELLECTUAL PROPERTY

- (a) The Company will indemnify the Customer against any claim for infringement of Letters Patent Registered Design Trade Mark or Copyright ("Intellectual Property Rights") by the use or sale of any of the Goods against all costs and damages which the Company may incur in any action for such infringement or for which the Customer may become liable in any such action. Provided always that this indemnity shall not apply to any infringement which is due to the Company having followed any instructions furnished or given by the Customer or to the use of such Goods in a manner or for a purpose or in a foreign country not specified by or disclosed to by the Company or to any infringement which is due to the use of the Goods in association or combination with any other goods not supplied by the Company. And provided also that this indemnity is conditional upon the Customer giving to the Company notice within 7 days in writing of any claim being made or action threatened or brought against the Customer and on the Customer permitting the Company at the Company's own expense to conduct any litigation that may ensue and all negotiations of the claim. The Customer warrants that any instruction furnished or given by it shall not be such as will cause the Company to infringe any intellectual Property Rights.
- (b) The Customer shall indemnify the Company for any loss damage expense or liability in any suit or proceeding based upon any claim for the infringement of Intellectual Property Rights brought against the Company resulting from the Company's compliance with the Customer's designs or specifications and for any such infringement involving any marking or branding applied by the Company at the request of the Customer.

13. LIABILITY

- (a) Except as expressly otherwise provided in these Conditions the Company shall be under no liability:
 - (i) In respect of the quality condition or description of Goods supplied or the fitness for any particular purpose; or
 - (ii) for loss or damage (whether consequential or indirect) caused by the negligence of the Company or otherwise howsoever to the Customer or to any other person: or
 - (iii) for death or personal injury caused otherwise than by the negligence of the Company to the Customer or to any other person. Any term condition or representation contrary to this Condition whether express or implied by statute common law or otherwise is hereby expressly excluded.
- (b) The Customer shall indemnify the Company against all damage or injury to any person firm or company and against all actions claims demands costs charges and expenses (including costs charged on a reasonable basis for the time of the Company's executives) for which the Company may become liable in respect of the Goods sold or Services supplied under a contract except to the extent admitted expressly in these Conditions and unless such damage or injury shall have been a direct result of the negligence of the Company and can be attributed to no other cause (whether in whole or in part).
- (c) The Company shall not be liable, whether in contract, tort (including negligence) or otherwise in respect of any indirect or consequential loss suffered by the Customer or by any third party, including, without limitation, lost profits, lost business, lost sales, lost goodwill and lost anticipated savings.
- (d) Nothing in these terms excludes any parties liability in respect of death or personal injury caused by it's negligence or that of it's agents, employees, contractors or representatives.
- (e) Save as expressly set out in these terms or in any documents which accompany them, the Company excludes all conditions and warranties, whether express or implied, written or otherwise.

14. FORCE MAJEURE

- (a) The Company shall not be liable to the Customer to the extent that fulfilment of its obligations to the Customer has been prevented hindered or delayed by force majeure as herein defined.
- (b) For the purpose of this Condition force majeure shall mean any circumstance beyond the control of the Company and shall include (without limitation):
 - (i) Riot civil commotions war rebellion national or international emergency strikes lockouts or other labour disputes
 - (ii) Destruction or damage due to natural cause floods fires explosions or breakdown of machinery
 - (iii) Any order of a local national or international authority
 - (iv) Shortage of labour equipment materials or supplies
 - (v) Transportation embargoes of failure or delays in transport.

15. REGULATIONS

The Customer warrants that it has complied with every applicable lawful requirement or instruction and (without Limitation) that it has obtained every necessary licence permit or authority that may be required in connection with the supply of Goods and Services to be carried out hereunder.

16. DEFAULT INSOLVENCY

If the Customer shall commit a breach of any of its obligations to the Company under this or any other contract or if any distress or execution shall be levied upon the Customer's property or assets or if the Customer shall make or offer any arrangement 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 (being a limited company) any resolution or petition for winding up shall be passed or presented (other than for the purpose of amalgamation or reconstruction) or if a receiver or administrator of its undertaking property or assets or any part thereof shall be appointed then the Company may without notice:

- (a) suspend or determine the contract or any unfulfilled part thereof: and
- (b) stop any goods in transit; and

- (c) recover any goods from the Customer's premises for which payment has not been made in full without prejudice to any other right or remedy which the Company may lawfully enforce or exercise. Any cost incurred by the Company during the process of recovering goods from the Customer's premises for which payment has not been made in full, would be regarded as the debt of the Customer to the Company.

17. GENERAL LIEN

The Company shall have a general lien and specific lien over any goods of the Customer in its possession for any monies whatsoever due from the Customer to the Company. If any lien is not satisfied within 14 days of such monies becoming due the Company may in its absolute discretion sell the goods as agents for the Customer and apply the proceeds towards the monies due and the expenses of the sale and shall upon accounting to the Customer for the balance (if any) remaining be discharged from all liability whatsoever in respect of the goods.

18. ASSIGNMENT

The Customer shall not assign its interest in the Agreement without the written consent of the Company.