

## 1. APPLICABLE CONDITIONS

In these Conditions, the following words shall have the following meanings:

"Conditions" means the terms and conditions of sale set out in this document which shall govern the Contract to the exclusion of any other terms and conditions subject to which an Order is made or purported to be made by the customer.

"Contract" means a contract for the sale of Goods and/or Services, which shall comprise the Conditions and an Order (which has been accepted by Teknoware UK Ltd in accordance with clause 2).

"Customer" means any person, firm or company who enters into a contract with Teknoware UK Ltd for the supply of Goods and/or Services.

"Goods" means the goods (including any instalment of the goods or any parts for them) which Teknoware UK Ltd has agreed to supply pursuant to the Contract.

"Teknoware" means Teknoware UK Ltd.

"Order" means an order for Goods and/or Services placed by the Customer.

"Services" means the services which Teknoware UK Ltd has agreed to supply pursuant to the Contract.

These Conditions shall apply to all Orders accepted by Teknoware. Any exclusion or variation or attempted exclusion or variation of these Conditions by the Customer shall be ineffective unless expressly agreed to in writing by an authorised representative of Teknoware. The giving by the Customer of any instruction for the delivery of goods or for the provision of Services or any conduct by the Customer in confirmation of any quotation shall constitute unconditional acceptance by the Customer of these Conditions. Teknoware's employees or agents are not authorised to make any representations concerning the Goods or Services unless confirmed by Teknoware in writing.

## 2. OFFER AND ACCEPTANCE

No Order, whether or not preceded by an estimate or quotation or supply of an Teknoware price list, shall create a Contract until either expressly accepted using an order acknowledgement form issued by Teknoware (an "Order Acknowledgement Form") or accepted by Teknoware by despatching the Goods ordered or commencing the Services requested.

## 3. MODIFICATIONS TO GOODS

Where Teknoware either supplies Goods "off the shelf" or supplies Goods to Customer's specifications, Teknoware reserves the right to modify such Goods before delivery if technical developments indicate that such modifications would be appropriate and would not impair performance.

## 4. PRICES

- (a) Unless otherwise stated in writing by Teknoware, all prices quoted or agreed are dependent upon the cost of labour, materials and transport not being increased prior to delivery of the Goods or completion of the Services (as applicable). Teknoware reserves the right to amend its prices to cover any increases in cost of labour or materials or transport.
- (b) Unless express provision is made in any estimate or quotation for Value Added Tax, Import Duties, or for any other charges levied by or under the authority of H. M. Government or other competent authority, any such relevant item will be payable by the Customer in addition to the price.
- (c) All prices are quoted "ex-works" unless otherwise stated in an official quotation and any additional costs of delivery (if required by the Customer) will be payable by the Customer in addition to the price of the Goods and/or Services and will be specified on the relevant invoice.
- (d) Teknoware shall also be entitled to increase the price of the Goods and/or Services in the event of any error or omission on the part of it, its servants or agents affecting the price quoted or its calculation.
- (e) In the event of the Customer requesting Teknoware to supply any goods and/or services which are additional to the subject matter of any Order then, provided that Teknoware agrees to comply with such requests, the Customer shall (in the absence of specific agreement) pay Teknoware at Teknoware's normal current rate for such additional goods or services and these Conditions shall apply to such additional goods and/or services.

## 5. PAYMENT

- (a) Unless otherwise agreed in writing, the Customer shall pay the full invoice price by the end of the month following the month in which the relevant invoice is issued by Teknoware. In the case of Goods, Teknoware shall be entitled to submit an invoice on or at any time after delivery of the Goods. In the case of Services, Teknoware shall be entitled to submit an invoice on completion of the Services or if the Services continue for a period of more than one month, Teknoware may submit interim invoices on a monthly basis. All payments shall be made in full without deduction in respect of any set-off or counterclaim.

- (b) If the Customer fails to pay Teknoware in accordance with this clause, without prejudice to any other rights or remedies Teknoware may have, Teknoware shall be entitled to:
- (i) cancel the Contract or any Order;
  - (ii) suspend any further deliveries of Goods and/or provision of Services to the Customer;
  - (iii) appropriate any payment made by the Customer to such of the Goods or Services (or the goods or services supplied under any other contract between the Customer and Teknoware) as Teknoware may think fit (notwithstanding any purported appropriation by the Customer); and notwithstanding clause 5(a) above, all outstanding invoices shall become payable immediately.

## 6. TERMS OF DELIVERY OF THE GOODS

- (a) Delivery of the Goods shall be made by the Customer either collecting the Goods at Teknoware's premises at any time during normal business hours after Teknoware has notified the Customer that the Goods are ready for collection or, if some other place for delivery is agreed by Teknoware, by Teknoware delivering the Goods to that place.
- (b) If the Customer fails to take delivery of the Goods or fails to give Teknoware adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Customer's reasonable control or by reason of Teknoware's fault) then without prejudice to any other right or remedy available to Teknoware, Teknoware may:
- (i) Store the Goods until actual delivery and charge the Customer for the reasonable costs of storage; or
  - (ii) Sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Customer for the excess over the price under the Contract or charge the Customer for any shortfall below the price under the Contract.
- (c) Dates for delivery are estimates given in good faith and as accurately as possible but are not guaranteed and Teknoware cannot accept responsibility for any failure to deliver or late delivery due to circumstances beyond its control. Teknoware shall not be liable for any short deliveries or non-delivery of a consignment unless the Customer notifies Teknoware in writing within 7 days of the date of the invoice.
- (d) It is the responsibility of the Customer to notify the carrier, within three days of delivery, of any breakages caused by or which could have been caused by mishandling during transit.

## 7. PART DELIVERY OF THE GOODS

- (a) Teknoware has the right to despatch and deliver any portion of the Goods ordered and each such portion shall be regarded for the purposes of payment as a separate Order which is subject to the Conditions and may be invoiced separately.
- (b) Where the Customer orders Goods for delivery by instalments, each delivery shall constitute a separate Order which is subject to the Conditions and the Customer shall not be entitled to refuse to take delivery of or refuse to pay for any instalments on the grounds that any previous instalment was defective or otherwise.

## 8. RETENTION OF TITLE

- (a) Notwithstanding delivery and the passing of risk in the Goods, property in the Goods shall not pass to the Customer until Teknoware has received in cash or cleared funds payment in full of the price of such Goods and all other goods agreed to be sold by Teknoware to the Customer for which payment is then due. So long as the property in the Goods remains with Teknoware and the Customer is in breach of any payment obligation hereunder, Teknoware shall have the right without prior notice to the Customer, to retake possession of any goods that have been supplied to the Customer by Teknoware (and for that purpose to go upon any premises occupied by the Customer without prejudice to any other remedy) and for this purpose to dismantle the goods or detach the goods from any items in which they may have been incorporated.
- (b) The Customer 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 Teknoware, but if the customer does so, all monies owing by the Customer to Teknoware shall (without prejudice to any other right or remedy of Teknoware) forthwith become due and payable.
- (c) Nothing in the clause shall relieve the Customer from its obligation to pay for the Goods.

## 9. RISK

Risk of damage to or loss of the Goods shall pass to the Customer:

- (i) in the case of Goods to be delivered at Teknoware's premises, at the time when Teknoware notifies the Customer that the Goods are available for collection;
- or
- (ii) in the case of Goods to be delivered otherwise than at Teknoware's premises, at the earlier of when the Goods first pass through Teknoware's factory gates or (where a third party carrier is used) where the Goods are loaded onto that third party's vehicle

and in each case the Customer should arrange his own insurance thereafter.

## 10. FORCE MAJEURE

Teknoware shall not be liable to the Customer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of Teknoware's obligations in relation to the Goods and Services if the delay or failure was due to any cause beyond Teknoware's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond Teknoware's reasonable control: Acts of God, explosions, floods, tempest, fires or accidents, Government action, strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of Teknoware or third parties), war or threat of war, sabotage, insurrection, civil disturbance or requisition, import or export regulations or embargos, interruption of transport or similar difficulties affecting deliveries of Goods or materials, difficulties in obtaining raw materials, labour, fuel, parts or machinery, power failure or breakdown in properly maintained machinery.

## 11. ACCEPTANCE OF GOODS AND SERVICES

Unless within seven days from the date of delivery, Teknoware has been notified in writing to the contrary, the Goods supplied or the Services performed shall be deemed to have been accepted by the Customer as being in accordance with the Contract.

## 12. WARRANTY AND LIABILITY FOR DEFECTS

- (a) In the case of Goods, Teknoware warrants that the Goods it has agreed to provide under the Contract shall be of satisfactory quality. In the case of services, Teknoware warrants that the Services it has agreed to provide under the Contract shall be performed with reasonable care and skill.
- (b) The above warranties are given by Teknoware subject to the following conditions:
- (i) Teknoware shall be under no liability in respect of any defect in the Goods or Services arising from any drawing, design or specification supplied or agreed by the Customer.
  - (ii) Teknoware shall be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, failure to follow Teknoware's instructions (whether oral or in writing), misuse, alteration, or repair of the Goods without Teknoware's approval; and
  - (iii) Teknoware shall be under no liability under the above warranties (or any other warranty, condition or guarantee) if the total price for the Goods or Services has not been paid by the due date for payment.

In the case of Goods, Teknoware's sole obligation under the above warranty shall be to correct any defective workmanship by repairing or at its option replacing free of charge any Goods which are shown to Teknoware's satisfaction to have been defective at the time of delivery, provided that notice of such defects and satisfactory proof thereof is given by the Customer immediately after discovery and in any event within twelve months of the Goods being supplied and provided that the Goods have only been used for the purposes for which they were manufactured and in accordance with normal practice and provided that the Customer shall return any such Goods to Teknoware at the Customer's expense if required to do so by Teknoware. In the case of Services, Teknoware's sole obligation under the above warranty shall be to correct any defective workmanship provided that notice of such defects and satisfactory proof thereof is given by the Customer immediately after discovery and in any event within twelve months of the Services being provided. Teknoware shall have no further liability to the Customer in respect of the Goods and/or Services.

- (c) Save as otherwise provided in this Clause 12, Teknoware shall have no liability, even if foreseeable by Teknoware, for the following loss or damage of whatsoever kind or howsoever caused: economic loss including administrative and overhead costs, loss of profits, business, contracts, revenues, goodwill, production and anticipated savings of every description, any indirect or consequential loss, loss or damage to property, loss arising from any claim made against the Customer by any other person, loss or damage arising from the Customer's failure to fulfil its responsibilities or any matter under the control of the Customer. Teknoware's liability under this clause shall be in lieu of and to the exclusion of any liability, condition, guarantee, warranty, term undertaking or representation whether express or implied, statutory or otherwise. Teknoware's liability under each Contract shall be limited to the price of the Goods supplied or the price of the Services performed (as applicable) or, in the case of Goods, the amount received by Teknoware in relation to the Goods under any product liability insurance currently held by Teknoware.
- (d) Notwithstanding anything contained in the last foregoing paragraph, Invertec's liability in respect of any Goods not manufactured by Teknoware, but supplied by Teknoware shall be to give the Customer the benefit of any manufacturer's guarantee or other rights which are available to Teknoware against the manufacturer or its own supplier of such Goods or materials.
- (e) Nothing contained in the Conditions shall exclude:-
- (i) any liability of Teknoware for breach of its implied undertakings as to title.
  - (ii) where the Customer deals as a consumer (as defined by the Unfair Contract Terms Act 1977) any liability of Teknoware for breach of its implied undertakings as to conformity of Goods with description sample or as to their quality or fitness for a particular purpose.
  - (iii) negligence of Teknoware causing death or personal injury.
- (f) The Customer recognises that the limitation of liability contained in this clause is reasonable in that the prices quoted by Teknoware are dependent upon such limitation being incorporated in the Contract.
- (g) If any part of this clause is found to be unenforceable by any court or competent authority or would be found to be unenforceable if it were interpreted or construed in a particular way, then, it is the parties express intention that the relevant

wording should be interpreted or construed so as to avoid such a finding that, in the event of such a finding, the remainder of the provision in question shall be interpreted or construed to give it full effect.

### 13. TERMINATION

If the Customer becomes insolvent or in the opinion of Teknoware is likely to go into bankruptcy, receivership or liquidation or makes default in or commits a breach of any payment term in the Contract, Teknoware may forthwith on written notice to the Customer terminate the Contract or any Order without incurring any liability to the Customer and without prejudice to Teknoware's rights which have accrued up to the date of termination.

### 14. INTELLECTUAL PROPERTY

Certain Goods may include designs ("Designs") which are the property of Teknoware. Teknoware owns the copyright, design right and all other intellectual property rights in such Designs. The Customer agrees that these Designs may not be reproduced or used in any way except with the prior written consent of Teknoware. Teknoware has not knowingly infringed any intellectual property rights of any third party but does not warrant or give any assurance to the Customer that any design does not infringe the intellectual property of any third party.

### 15. THIRD PARTIES

No term of the Contract is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

### 16. GOVERNING LAW

The interpretation and application of the Conditions shall be in accordance with English Law and both parties hereby agree to submit to the exclusive jurisdiction of the English Courts.