

## **SIGMA ASL LIMITED CONDITIONS OF SALE**

### **1. GENERAL**

(a) These conditions shall apply to all quotations made and all orders and contracts for the sale and delivery of goods by Sigma ASL Limited (hereinafter called "the Company"). These Terms and Condition of Sale shall have precedence over any other terms and conditions, warranties or representations, whether made before, collateral with or subsequent to the order or contract. Special or additional terms of the Buyer contained in his order, or otherwise, shall be of no effect unless the same is separately brought to our notice and express consent to these terms is given to the Company in writing.

(b) None of our employees or agents has the authority orally to agree or accept any variation or condition to any contract and the same shall only be binding upon us if contained in writing and signed on our behalf by a Director of the Company.

### **2. VALIDITY OF QUOTATIONS**

Unless previously withdrawn, our quotation is open for acceptance within 60 (sixty) days only from its date and is subject to confirmation by us in writing at the time of such acceptance.

### **3. ORDERS**

(a) Although the Company may have given a detailed quotation, no Buyer's order shall be binding on the Company unless it has been confirmed in writing by the Buyer with a Purchase Order or other written commitment acceptable to the Company and subsequently acknowledged by the Company.

(b) The Buyer shall commit to purchase from the Company all goods specified under a blanket order and or subsequent schedules issued by the Buyer to a minimum of 20 weeks of the Buyer's production requirements.

(c) "Lead time" is defined under these Conditions of Sale as the period between acceptance of Buyers Purchase Order to the Company, and the receipt of Goods by the Buyer delivered by the Company or third party on behalf of the Company to their consigned point of delivery. The specific lead time relating to this supply of Goods to the Buyer is defined in Schedule 1 to these Conditions of Sale.

(d) If the Buyer issues a schedule to the Company which is subsequently cancelled by the Buyer, the Company will use its best endeavours to cancel the order on its Supplier. If the order cannot be cancelled or minimised, then the Buyer will be liable to purchase any and all goods from the Company for which the Company is liable to purchase from its Supplier and which are included on the Buyers schedule.

### **4. TERMS OF PAYMENT**

(a) Unless otherwise stipulated in the acknowledgement of order, payment is due in full within 30 (thirty) days net of the date of invoice.

(b) Should the Buyer fail punctually to comply with the terms of payment, the Company shall be entitled to add interest on any amount overdue at a rate above the base rate of Barclays Bank plc from time to time in force or at the current rate. This rate is specified in Schedule 1 to these Conditions of sale.

(c) If any draft cheque or other means of payment regardless of sum under this clause is dishonoured when first presented, the Company shall have the right by notice in writing to the Buyer within seven days, to reject the contract.

## **5. DELIVERY & RISK**

(a) Time is not considered to be of the essence in the Contract and the Company will use all reasonable endeavours to affect delivery within the stipulated period of time as a warranty not a condition of the Contract. If no such period is stipulated, within a reasonable time and provided the Company shall be under no liability for any loss or damage to the Buyer or others arising directly or indirectly out of the late delivery, whether due to its default or not, nor shall such late delivery be deemed to be a breach of contract, nor entitle the Buyer to cancel this contract. If delivery is delayed by circumstances beyond the control of the Company then the delivery date shall be extended by agreement with the Buyer.

(b) The Company shall be entitled, without prejudice to its other rights, to terminate the contract or any unfulfilled part of the contract, or at the least suspend or make partial deliveries if:

i) The Buyer requests it to carry out any development, modification or variation in addition to the contract, or  
ii) The completion of the manufacture or supply of goods is prevented, hindered or delayed either directly or indirectly be reason of the Buyer failing to disclose the necessary information or instruction or commitment to purchase goods or tooling, war, civil commotion, governmental restrictions, transport difficulties, strikes, lock-outs, accidents or stoppages to works, shortage of labour, materials, equipment and fuel or power, machinery breakdown of any cause whatsoever beyond the control of the Company or its sub-contractors or suppliers, whether such cause exists at the date of order or not.

(c) When delivery is affected by the Company or by an independent contractor arranged by the Company, the Buyer shall be bound to accept delivery of the goods on arrival at the address specified by the Buyer on his order form whereupon risk in the goods shall pass to the Buyer. The Buyer must notify the Company in writing (otherwise than upon the carriers documents) of damage in transit, miss-delivery, or quantity discrepancy within 3 calendar days of arrival at the delivery place.

(d) When the goods are to be collected by the Buyer risk in the goods shall pass to the Buyer immediately upon collection.

(e) Safety stock is defined a number of weeks of Buyers usage of stock which will be held in SAL's warehouse. The specific amount of safety stock to be held in SAL's warehouse is specified in Schedule 1 to these Conditions of Sale.

## **6. FAULTS & DEFECTS**

(a) All faults or defects must be notified to the Company in writing within 30 (thirty) working days of the date of delivery to, or collection by, the Buyer.

(b) The Company will not accept any debit charges for faulty goods unless clause 6 (a) has been complied with.

(c) The Company shall not be liable for short delivery of goods if faults or defects are not notified in accordance with clause 6 (a) or damage in transit, miss-delivery or quantity discrepancy is not notified in accordance with clause 5 (c).

(d) The absence of any complaint or claim during the aforementioned period shall be conclusive evidence in any proceedings that the Company has fully discharged all of its obligations under contract in particular that the goods are in conformity with the contract in all respects.

e) The Company's liability in any claim relating to reject goods will be limited in all cases to the sales value of the part supplied to the Buyer.

## **7. EXCLUSION OF LIABILITY**

(a) Contracts may be cancelled only with the written consent of the Company and on terms which will indemnify the Company for all loss including, but not by the way of limitation, the costs of goods manufactured or in the course of manufacture or delivery.

(b) The terms of this Condition are in lieu of all conditions, warranties or other terms as to description, fitness for purpose, condition, merchantability, quantity or otherwise in respect of goods or packing whether expressed in the contract or implied by Common Law, custom or statute and notwithstanding that such purpose or condition may be, may become, or may have been known to the Company. Apart from its obligation to replace goods in accordance with the terms of this Condition, the Company accepts no liability either for faults or defects in goods or for any loss or damage to the Buyer or other arising directly or indirectly from any breach of the terms of the contract of the general law, and defects in quality or dimensions shall not be a ground for cancellation of the contract or of the balance of the contract by the Buyer.

(c) Without prejudice to the generality of the foregoing:

- i) The Company shall not be liable for any indirect or consequential loss or damage suffered by the Buyer, including but without limitation, delay, loss of production, loss of profits, loss of or damage to other property of goods and death or injury to persons, nor shall it be liable for any loss or damage capable of being covered by insurance.
- ii) The Company does not warrant that the goods are fit for any particular purpose and the Buyer shall not be entitled to rely upon the Company as having any particular skill or judgement in relation to any particular use of the goods.

## **8. PROPERTY IN GOODS**

(a) Until full payment has been received by the Company for all goods whatsoever supplied at any time by it to the Buyer:

- i) Property in the goods remain in the Company
- ii) Should the goods (or any of them) be converted into a new product, whether or not such a conversion involves the admixture of any goods or product whatsoever and in whatever proportions, the conversion shall be deemed to have been effected on behalf of the Company and it shall have the full legal and beneficial ownership of the new product.
- iii) Subject to 8 iv) and 8 v) below, the Buyer shall be at liberty to sell the goods and new products referred to in 8 ii) above in the ordinary course of business on the basis that the Company shall have the full legal and beneficial ownership of the goods and such new products and that the proceeds of the sale thereof shall be the property of the Company, and for which the Buyer shall account to the Company demand until the Company has been paid in full.

(iv) The Company may at any time revoke the Buyers power of sale by notice to the Buyer, if the Buyer is in default for longer than seven days in the payment of any sum whatsoever due to us (whether in respect of goods or any other goods supplied at any time to it by the Company or for any other reason whatsoever) or if the Company has bona fide doubts as to the solvency of the Buyer.

v) The Buyers power of sale shall automatically cease if a Receiver is appointed over any of the assets or the undertaking of the Buyer, or a winding-up order is made against the Buyer, or the Buyer goes into voluntary liquidation (otherwise for the purpose of reconstruction or amalgamation) or calls a meeting of, or makes any arrangements or composition with, creditors to commit any action of bankruptcy.

vi) Under determination of the Buyers power of sale under 8 iv) and 8 v) above, the Buyer shall place the goods and the new products at the disposal of the Company and the Company shall be entitled to enter upon any premises of the Buyer for the purpose of removing goods and new products and to remove such goods and new products from the premises of the Buyer (including severance from realty where necessary).

(b) The supply chain includes raw materials, work in progress at the supplier, parts in transit, and parts in SAL warehouse. In any obsolescence claim the Buyer will be liable to the Company for the total value of this material. The specific length of the supply chain is specified in Schedule 1 to these Conditions of sale.

**9. ARBITRATION**

All disputed differences and questions which may at any time arise between the parties hereto or their respective representatives or assignees touching or arising out or in respect of these Conditions of the Contract or the subject matter thereof shall be referred to a single Arbitrator in accordance with the provisions of the Arbitration Act 1950 or any statutory modification or re-enactment thereof for the time being in force.

Signed (On behalf of Sigma ASL Ltd)

Signed (On behalf of)

Print Name

Print Name

Date:

Date:

## **SCHEDULE 1**

Lead Time - Clause 3 (c) - is specified as 3 calendar months.

Interest rate – Clause 4 (b) - is specified as 5% per annum.

Safety Stock – Clause 5 (e) - is specified as 6 weeks.

Supply Chain – Clause 8 (b) - length is specified as 22 weeks